

Victorian Curriculum and
Assessment Authority
Annual Report

2022
2023

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February 2024

The Hon. Ben Carroll, MP
Deputy Premier of Victoria
Minister for Education and Minister for Medical Research
1 Treasury Place
East Melbourne VIC 3002

Dear Minister

In accordance with the *Education and Training Reform Act 2006 (Vic)* and the *Financial Management Act 1994 (Vic)*, I am pleased to present the Victorian Curriculum and Assessment Authority's annual report for the year ending 30 June 2023.

Yours sincerely

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

Diane Joseph
Chair

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OBJECTIVES AND FUNCTIONS

The Victorian Curriculum and Assessment Authority (the VCAA) is a statutory authority established under the *Victorian Curriculum and Assessment Authority Act 2000*. It continues in operation under, and is subject to, the *Education and Training Reform Act 2006 (Vic)* (ETR Act). The VCAA Board is primarily responsible to the Minister for Education. It is also responsible to the Minister for Early Childhood and Pre-Prep, Minister for Trade, and Minister for Training and Skills in relation to sections within Part 2.5 of the ETR Act.

The legislative functions of the VCAA include, but are not limited to:

- developing policies, criteria and standards for:
 - learning, development and assessments that relate to early childhood, defined as the period of childhood up to 8 years of age
 - curriculum, assessments and courses for school students, including courses leading to registered qualifications
- developing and maintaining standards for measuring and reporting on early childhood learning and development, as well as (school) student performance
- conducting assessments against those standards for measuring and reporting on student performance
- arranging for other persons, bodies or agencies to conduct assessments against the standards for measuring and reporting on early childhood learning and development

- reporting to the Minister, Secretary and relevant bodies on:
 - the results of assessments relating to early childhood learning and development
 - student performance as measured by assessments conducted against standards (including national standards).

The VCAA develops and/or provides the following high-quality curriculum and assessment for all Victorian schools:

- curriculum
 - Victorian Early Years Learning and Development Framework (VEYLDF)
 - Victorian Curriculum F–10 including curriculum area resources
 - Victorian Certificate of Education (VCE) including the VCE Vocational Major and all VCE study designs and supporting materials
 - Victorian Certificate of Applied Learning (VCAL) including VCAL units and strands
 - Victorian Pathways Certificate (VPC), including VPC curriculum designs and supporting materials
 - Vocational Education and Training (VET) in the VCE or VCAL including VCE VET programs
- assessment
 - National Assessment Program – Literacy and Numeracy (NAPLAN)
 - Digital Assessment Library
 - VCE external assessments including the General Achievement Test (GAT)
 - VCE results.

VISION

Our vision is to be a global education leader.

MISSION

Our mission is to provide high-quality curriculum, assessment and reporting to enable learning for life.

GOALS

Over the next 4 years we aim to:

- enable education professionals to maximise outcomes for learners from birth to senior secondary
- be responsive, adaptive and accessible to learners and education professionals
- embed innovation and continuous improvement in everything we do.

VALUES

The VCAA upholds the Victorian public sector (VPS) values of:

- responsiveness
- integrity
- impartiality
- accountability
- respect
- leadership
- human rights.

REPORT OF OPERATIONS

CHAIR'S FOREWORD

This year was a year of change and transition for the VCAA. In senior secondary, we took the first steps towards implementing an integrated senior secondary certificate. In the Victorian Curriculum F–10, we commenced the adoption and adaptation of the Australian curriculum. In the Board itself, we saw significant change in membership, including the retirement of former Chair, Chris Wardlaw.

The VCAA commenced work on certificate design and consultation to move to an integrated senior secondary certificate, with vocational education embedded in the VCE. This work is based on the recommendations arising from the *Review into Vocational and Applied Learning Pathways in Senior Secondary Schooling* (the Firth Review). It culminated in the Victorian Registration and Qualifications Authority (VRQA) accrediting the VCE Vocational Major (VM) and a new foundation pathways certificate to formally recognise the skills and achievements of students who are not ready to complete the VCE, the Vocational Pathways Certificate (VPC).

These certificates, introduced for the first time in 2023, will replace and build upon the success of the existing standalone Victorian Certificate of Applied Learning (VCAL) certificates.

VCAL commenced in 2002 with a small pilot group of schools and an initial enrolment of 200 students. Since then, around 150,000 students have completed VCAL certificates. I would like to thank all the schools and teachers who worked to deliver VCAL. I trust their expertise and commitment to applied learning will be brought to bear in the implementation of the VM and VPC.

Notwithstanding these major changes and transitions, we upheld our outstanding reputation for curriculum, assessment and reporting for senior students undertaking the VCE, VCAL and VET.

In 2022, approximately 50,000 students graduated with their VCE, a completion rate of 98.1 per cent. More than 15,319 students graduated with their VCAL. Up to 21,251 students received a study score of 40 or more, including 629 who received a study score of 50. In addition, 3351 students were awarded the VCE (Baccalaureate).

While senior secondary was VCAA's major focus this year, the important curriculum and assessment work continued through support for the VEYLDF and the Victorian Curriculum F–10.

The Education Ministers approved the Australian Curriculum Version 9.0 with an agreement that each state and territory will 'adopt and adapt' the revised Australian Curriculum in their jurisdictions.

The VCAA has commenced a revision process to develop the next generation of the Victorian Curriculum F–10. To inform the revision, we have drawn on feedback provided over the last 4 years about the implementation of the current Victorian Curriculum F–10, as well as the expertise of teachers and discipline experts. The first of these revisions to the F–10 Mathematics curriculum was completed for release in the coming year.

My thanks go to the VCAA Board members for their expertise and the commitment they bring to their role. I wish to acknowledge our outgoing Chair, Chris Wardlaw. Chris, appointed to the Board in 2014, ably steered the VCAA through critical periods for the delivery of our services.

The Board welcomed new members Kristy Keenan, Terry Bennett and Jim Laussen, who together bring extensive experience in leadership and education. I acknowledge the invaluable contribution of Jenny Atta PSM, Secretary of the Department of Education, and the leadership of VCAA Chief Executive Officer Stephen Gniel.

On behalf of the Board, I thank VCAA staff for their passion for education, and discretionary effort for leading Victorian curriculum and assessment services in a time of change and transition.



Rob Fearnside
Acting Chair, VCAA Board

CHIEF EXECUTIVE OFFICER'S FOREWORD

With 2022–23 proving to be another year of rapid change, the VCAA maintained its focus on supporting Victoria's young people as they face the challenges of life and work in the 21st century.

Working in partnership with our school and school sector partners and our other valued stakeholders, the VCAA progressed several sector wide initiatives and reforms in 2022–23.

Most notably, the VCAA progressed work on the transformation of Victoria's senior secondary school certification – the biggest reforms since the VCE's inception in 1987. In 2022, the VCAA undertook extensive stakeholder consultations to inform the initial design of Victoria's new integrated senior secondary school certificate.

In 2023, the new VCE VM and VPC were implemented. The VPC is a new inclusive and flexible certificate designed to meet the needs of a smaller number of students who would benefit from a more individualised program at a more accessible level than a senior secondary certificate.

The VCE VM was introduced, complete with new studies in Literacy, Numeracy, Personal Development Skills and Work Related Skills. Extensive support for teachers and schools, including professional learning, was provided to bring these applied learning studies to life. The integrated certificate is on track to be progressively rolled out across Victorian schools from 2025.

‘With 2022–23 proving to be another year of rapid change, the VCAA maintained its focus on supporting Victoria's young people as they face the challenges of life and work in the 21st century.’

New literacy and numeracy standards were introduced in 2022 as part of a reformed GAT. The new standards assess whether students have demonstrated the literacy and numeracy skills expected of someone completing secondary school – giving another indication of their readiness to move on to further education, training or employment.

‘The revised Victorian Curriculum F–10 will give Victoria's students the best opportunity to thrive in a world of increasing change and rapid technological advancement.’

In 2023, NAPLAN testing also underwent 2 significant improvement and modernisation reforms to better serve our students and their families. By bringing testing forward to March, crucial data can inform more targeted support for students earlier in the year. In addition, new proficiency standards were introduced to make it easier for parents and carers to understand how their child is performing at school.

In August 2022, we commenced the Victorian Curriculum F–10 revision project. This was supported by an investment in the 2023–24 Victorian Budget of \$17.3 million over 3 years to provide professional learning programs, support materials and resources, and a purpose-built digital curriculum planning and monitoring tool.

The revised Victorian Curriculum F–10 will give Victoria's students the best opportunity to thrive in a world of increasing change and rapid technological advancement. As the revised Victorian Curriculum F–10 reflects the expertise and feedback of our teachers, it will make it easier for them to plan, assess and report on student learning.

For our early years cohort, we continued our revision of the VEYLD to make sure it continues to support Victorian early childhood professionals in their work with children and families during this time of significant reform.

To support students through our end-of-year assessment period, we streamlined the evidence requirements for Special Examination Arrangements applications to further support students with disability, illness or facing other ongoing personal circumstances.

An unexpected challenge hit Victoria in October 2022. With end-of-year examinations just weeks away, several schools across the state were impacted by devastating floods – among the worst in Victoria's history.

CEO's foreword continues on next page...

CHIEF EXECUTIVE OFFICER'S FOREWORD (CONTINUED)

'I am immensely proud of VCAA team members and all they achieved across these major reform areas over this reporting period.'

The VCAA worked directly with impacted schools, conducting a range of activities across Victoria to ensure the wellbeing of all students, supervisors, assessors and school personnel. These efforts supported the 2022 VCE written examination period to commence as planned on 26 October 2022.

I am immensely proud of VCAA team members and all they achieved across these major reform areas over this reporting period.

In 2023, the VCAA was fortunate enough to attract some very talented and experienced new members to its executive leadership team. Jason Smallwood joined us as Executive Director of Curriculum, along with Lauren Sayer as Director of Curriculum. We also farewelled Sandra Woodman, our Executive Director, Assessment and Reporting Division,

at the end of June 2023. During her time at the VCAA, Sandra oversaw several major reform projects. Thank you to Sandra for all her contributions and I wish her all the best in her well-deserved retirement.

My genuine thanks to all members of the VCAA Board for their expertise and shared vision in ensuring that the quality and integrity of curriculum and assessment in Victoria is maintained and consistently meets the changing demands of Victorian students.

I'd like to acknowledge former VCAA Board Chair Chris Wardlaw, whose inspiring leadership kept the VCAA on track throughout his 9-year term. Thank you also to Jenny Atta, Secretary of the Department of Education, for her unwavering support.

Looking ahead, the VCAA will continue to provide high-quality curriculum, assessment and reporting to enable learning for life so Victoria's teaching community can empower and encourage young people to thrive and prosper in an ever-changing world.



Stephen Gniel
Chief Executive Officer

'Looking ahead, the VCAA will continue to provide high-quality curriculum, assessment and reporting to enable learning for life so Victoria's teaching community can empower and encourage young people to thrive and prosper in an ever-changing world.'



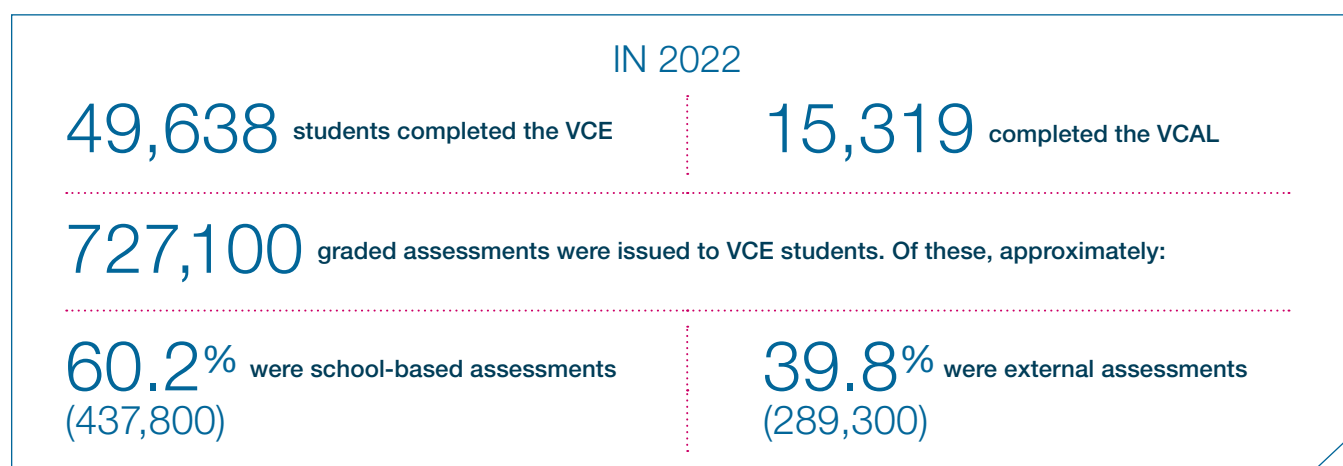
YEAR IN REVIEW

Our core work in the 2022–23 financial year was the delivery of the following programs:

• VEYLDf	• VCAL
• Victorian Curriculum F–10	• Senior Secondary Certificate Reform
• NAPLAN	• VET
• VCE	

This report documents our work to develop and implement the curriculum and assessment of these programs. It also outlines our planned initiatives for 2023–24.

HIGHLIGHTS AT A GLANCE



Study scores 2018–2022

	2018	2019	2020	2021	2022
Number of study scores issued	259,152	249,364	252,167	247,486	240,515
Students with at least one study score	76,979	74,824	75,184	73,831	71,656
Students with at least one study score of 40+	14,695	14,225	14,215	13,940	13,613
Students with at least one study score of 50	616	575	648	612	571
Number of study scores of 50	690	639	705	667	641

Key assessment outcomes 2018–2022

	2018	2019*	2020	2021	2022*
VCE completions**	50,981	49,366	50,302	50,774	49,638
Students awarded the VCE (Baccalaureate)	4,052	3,755	3,763	3,574	3,351
VCAL certificate completions	13,280	14,061	14,552	14,262	15,319
Students who successfully completed at least one unit of higher education study	674	634	482	560	498

*The VCE cohorts in 2019 and 2022 were smaller than in other years.

**Includes VCE on the Northern Hemisphere Timetable

Results delivered to students' homes 2018–2022

	2018	2019	2020	2021	2022
VCE statements of results	81,552	79,393	80,143	80,247	78,588
GAT statements	78,760	76,676	75,793	72,658	78,902
VET statements of results	15,783	15,007	15,096	14,985	17,764
VCAL statements of results	3,514	3,449	3,646	3,660	8,656
Statements of Equivalent Qualification	285	325	148	167	201

Results delivered to students through their school 2018–2022

	2018	2019	2020	2021	2022
VCE statements of results	68,228	66,503	65,031	64,460	65,685
VET statements of results	38,559	39,841	37,704	37,657	30,715
VCAL statements of results	18,634	19,499	20,310	21,445	16,319

Results delivered to overseas students and providers 2018–2022

	2018	2019	2020	2021	2022
Certificates to overseas providers	589	381	675	757	546
Statements of results to overseas providers	819	822	736	807	663
GAT statements to overseas students	795	793	685	382	471

VCAA and VTAC end-of-year results service 2018–2022

	2018	2019	2020	2021	2022
Students who accessed their results online	72,174	63,307	30,914	47,016	47,272
Students who accessed their online results via mobile phones	48,575	33,633	25,867	5,399	4,530*

* In 2022, of the 82,282 students who had a VCE Unit 3–4 enrolment, 75,638 had a registered email address and 91.9% of students received their results by email.

Early years

The VCAA, in partnership with the Department of Education, supports the implementation of the VEYLDF for children from birth to 8 years, illustrating that learning begins at birth and continues into the early years of school and beyond. The VEYLDF sets out practice principles and nationally agreed learning outcomes to guide the learning and development of children.

The VEYLDF is unique in being the only other approved learning framework (ALF) in Australia alongside national frameworks, the Early Years Learning Framework (EYLF) (for early years education and care settings, birth to 5 years) and My Time Our Place (for school-aged care settings). The VEYLDF is different from the national EYLF as it applies to all early years professionals who work with children from birth to 8 years. As such the VEYLDF supports professionals in early years education, care settings, health and early school years. This includes educators, teachers, maternal and child health nurses, family services, early intervention and allied health workers.

The purpose of the VCAA Early Years Unit (EYU) is to develop, refine and implement a high-quality VEYLDF and the resources required to deliver it. The EYU supports early childhood professionals to better understand the assessment opportunities in their practice. The EYU develops resources to support implementation of the VEYLDF and facilitates professional learning opportunities for early childhood professionals. With Best Start Best Life reforms underway in Victoria the EYU team has expanded to accommodate this demand.

Key activities

The early years on-demand and live webinar series continued with strong metropolitan and regional attendance. This included:

- *A pedagogy of inquiry to support integrated teaching and learning approaches*
This video explores ways educators can weave children's natural inquiry into their everyday teaching practice and how this approach develops co-construction of knowledge between children and educators.
- *Can you see the Victorian Early Years Learning and Development Outcomes in your practice?*
Filmed on location at 2 early learning services in Victoria, the video shown during a live webinar explains the 5 VEYLDF outcomes with 2 practitioners sharing insights and reflections on how they represent these outcomes in their daily practice.

- *Children's agency: What does it mean and why is it regarded as important?*

Excerpted from a live webinar featuring Dr Caroline Scott, a lecturer at Victoria University, 4 videos discuss children's agency and ideas, how infants and children pursue outcomes that are meaningful to them and how educators can play a significant role in shaping of identity for young learners.

- *'They are big, they are scary and they have cool names' – Responding to interests or responding to learning? Making the most of your visit to the Melbourne Museum*

Filmed on location at the Melbourne Museum, this series of 3 videos (*Bugs, Dinosaurs and the Natural World*) were developed with Melbourne Museum experts to assist educators and families to get the most out of an excursion to the Museum and respond to children's learning before and afterwards. The VEYLDF recognises the importance of exploration and discovery of scientific ideas, as well as opportunities to learn in different environments.

In 2023, the VCAA in partnership with the Department of Education commenced revising the VEYLDF to ensure that it continues to reflect current research, practice and policy to support all professionals working with children from birth to 8 years. This revision will strengthen existing content, build on the recently released national EYLF Version 2.0 and align with current Victorian Best Start Best Life reform initiatives. The revision reaffirms Victoria's distinctive, nation-leading approach to early learning and development. By connecting with the current F–10 curriculum revision it will help to align learning and development across the entire birth to 8 period.

As part of the revision during 2022–23 we have:

- identified key priorities for the VEYLDF revision
- developed a VEYLDF revision project work plan
- aligned our project with Department of Education led initiatives as part of the Best Start Best Life early childhood education reform
- aligned our project with the concurrent revision of the VEYLDF and F–10 curriculum, to strengthen continuity of learning between early childhood and school
- progressed a stakeholder engagement, communications and consultation plan
- developed a new, direct VCAA communications channel for early childhood educators.

Victorian Curriculum F–10

We continue to support teachers and other educators through the provision of the Victorian Curriculum F–10, the mandated Prep to Year 10 curriculum for government and Catholic schools. We do this through professional learning programs and the provision of high-quality, targeted resources that support teachers and curriculum leaders to understand the curriculum and how it can be used in their teaching and learning programs. For example, we partnered with researchers at Deakin University to develop new assessment resources that support Health and Physical Education (HPE) teachers in assessing the movement component of the HPE curriculum. The Victorian Curriculum F–10 website attracted 5,858,232 unique page views in this reporting period, up slightly from the 5,804,018 views for the same period last year.

Curriculum monitoring

We continue to understand how well we are supporting schools to implement the Victorian Curriculum F–10 by conducting an annual curriculum monitoring and evaluation activity using the VCAA's Victorian Curriculum F–10 Monitoring Framework. The data obtained through this framework is invaluable in ascertaining how well we are supporting schools to implement the Victorian Curriculum and to inform revisions to the next iteration of the Victorian Curriculum F–10.

Victorian Curriculum F–10 revision project

The Victorian Curriculum F–10 revision project commenced in August 2022. This followed the approval of the Australian Curriculum Version 9.0 by all Education Ministers on 1 April 2022. This approval was based on an agreement that each state and territory would adopt and adapt the revised curriculum as they implement it in their respective jurisdictions.

The revised Victorian Curriculum F–10 will incorporate content from the Australian Curriculum Version 9.0 and refine the overall design and content to make it easier for teachers to implement efficiently and effectively. Building on the success of the current Victorian Curriculum F–10, the revisions will:

- ensure Victoria can implement the Australian Curriculum Version 9.0 while maintaining Victorian priorities and standards
- make the curriculum more teachable and manageable
- strengthen student access to the essential knowledge and skills needed to be successful learners
- improve achievement standards to help teachers assess student learning more effectively
- incorporate changes to better meet the needs of Victorian students
- provide opportunities to strengthen the alignment with the VEYLDF
- provide the necessary knowledge and skills for senior secondary pathways
- include a program of implementation (professional learning and resources) and monitoring that supports and enables Victorian teachers to teach the curriculum effectively
- support delivery of the next generation of the curriculum in Victorian schools by ensuring digital platforms are fit for purpose, accessible and user-friendly.

In November 2022 the VCAA convened a reference panel for each curriculum area. The VCAA Board approved the scope of revisions in December 2022.

The curriculum area reference panel (CARP) consisted of primary and secondary educators and other experts from the government, Catholic and independent sectors who met regularly to provide advice on the revisions to the Victorian Curriculum F–10. There were over 230 members who made up the various CARPs. The breakdown of these members was 53 per cent from government schools, 21.7 per cent from Catholic schools and 26.3 per cent from independent schools. The CARPs worked diligently until June and July 2023.

The feedback used to develop the revisions to Victorian Curriculum F–10 includes:

- formal monitoring of the implementation of the current Victorian Curriculum F–10 conducted over the past 4 years
- significant consultation conducted by the Australian Curriculum, Assessment and Reporting Authority (ACARA) in reviewing the Australian Curriculum
- advice provided by Victorian teachers from across sectors and learning area experts who have been meeting since November 2022.

NAPLAN 2023 testing

Students in Years 3, 5, 7 and 9 undertake NAPLAN testing, which we conduct on behalf of the ACARA. The testing examines students' proficiency in language conventions (spelling, grammar and punctuation), and in writing, reading and numeracy to measure whether young Australians are meeting important educational outcomes.

NAPLAN reforms

Two major reforms to NAPLAN occurred in 2023. The first was to shift the test window from the traditional timeslot of May to earlier in the school year. NAPLAN 2023 took place from 15 to 27 March 2023.

In February 2023, Education Ministers agreed on a set of reforms to NAPLAN reporting. Primarily these reforms were to:

- reset the NAPLAN scale and time series to align with the completion of the online transition in 2022 and to improve the accuracy of results
- introduce 4 achievement levels (proficiency standards) to replace the existing 10 bands and the National Minimum Standard used for NAPLAN reporting between 2008 and 2022.

The reporting reforms aim to provide schools, parents and carers with clearer information that details student achievement against the new proficiency standards: Exceeding, Strong, Developing and Needs additional support.

To support the implementation of the NAPLAN reforms and the 2023 test administration in Victoria, we have:

- worked with schools to prepare for the earlier delivery of NAPLAN in Term 1
- developed a comprehensive NAPLAN 2023 information kit for schools to access in the lead-up to the test period
- developed and executed school and technical readiness activities for new schools opening in 2023 undertaking NAPLAN testing for the first time
- provided a range of guidance materials and resources for schools, parents and carers to assist them to understand the NAPLAN reporting reforms
- released a series of tailored reports for NAPLAN 2023 via the VCAA Data Service which incorporate the new proficiency standards.

NAPLAN 2022 results

For NAPLAN 2022, 2295 schools conducted NAPLAN testing online. 2022 marked the final year of the national transition to NAPLAN online, with most Victorian schools now conducting online testing as a business-as-usual (BAU) activity. A small number of schools (23) continue to access the NAPLAN paper tests. This coheres with their approved alternative curriculums to limit the use of information and communications technology (ICT) for primary year students.

In May 2022, we delivered, administered and reported the results to schools and parents. More than 298,000 Victorian students sat the tests.

We provided schools with a range of NAPLAN school summary and item-level reports.

We delivered these reports via the secure VCAA Data Service. As a follow-up, we conducted online professional development workshops for teachers, principals and curriculum leaders via webinar sessions at multiple locations across Victoria.

NAPLAN delivery in 2024

In 2024, the NAPLAN test window is from 13 to 25 March 2024.

Planning for administration of the test window in 2024 is in progress. This includes preparation, training and the implementation of technical readiness activities for 14 new government schools opening in 2024.

A key focus area in the ACARA work plan in 2024 is to build upon the success of the earlier test window and the NAPLAN reporting reforms by continuing work towards earlier NAPLAN results delivery to schools and parents in Term 2.

Digital Assessment Library

The Digital Assessment Library (DAL) offers high-quality online classroom student assessments, providing teachers with meaningful and timely information about students' learning progress.

The DAL now has over 850 schools registered. From June 2022 to June 2023, the VCAA has administered approximately 126,000 assessments.

The DAL has over 340 assessments available across English, Mathematics, Science, Critical and Creative Thinking and Health and Physical Education. Assessments are targeted at different aspects of the curriculum. This allows educators to administer achievement level, sub-strand, skills and focus assessments. Over the last 12 months, we released assessments for Mathematics, Science and Health and Physical Education. We will continue to release further assessments.

The VCAA undertook a trial to facilitate the release of branched adaptive achievement level assessments for English and Mathematics in Term 2, 2023. Unfortunately, participation did not meet targets, despite sector support. We will analyse the data collected and explore a range of options to better facilitate the release of these assessments in 2024.

Working with the Department of Education, we developed a suite of new Mathematics focus assessments and released them to schools. These highly targeted assessments cover one content description from the Victorian Curriculum F–10 and are provided in pairs to facilitate pre and post testing.

Over the reporting period we held a series of training and professional learning sessions to support educators using the DAL. These included general DAL information sessions, as well as sessions targeted specifically to Mathematics, English, Science and Health and Physical Education.

Senior secondary curriculum

Victoria offered 2 major senior secondary certificates of education – the VCE and VCAL – and introduced the VPC as a new foundation secondary certificate across 2022–23.

The VCAA is responsible for these 3 certificates and supported their delivery during this period by developing high-quality curriculum and assessments. Advice, teacher support materials, professional development activities and online resources were provided.

In 2023 we introduced the VCE VM to replace the VCAL as an applied learning program within the VCE. This means the VCE will now recognise a wider range of students equally. We also introduced the VPC in 2023. An accredited foundation secondary certificate, we have designed the VPC for students who would benefit from a more individualised program at a more accessible level. These new options provide senior secondary students with more choice, a higher-quality curriculum and better workplace experiences, preparing them for further study, training or work.

Transitional credit arrangements applied in 2023 to provide schools and students with additional flexibility during implementation of the VCE VM and VPC. These arrangements enabled schools to continue delivering Senior VCAL units which provide credit into the VCE VM in 2023. They also allowed eligible Year 12 students to undertake the Intermediate VCAL in 2023.

We awarded Senior and Foundation VCAL for the last time in 2022. In 2024 we will discontinue all VCAL units and they will cease to be available for enrolment.

We continued to develop and maintain the recognition arrangements for VET within the VCE, VCAL and now the VPC.

We also delivered professional development to school VCE leadership teams and classroom teachers. Using our online services, this professional development activity was targeted at improving the analysis of a school's VCE results.

VCE

The VCE includes a broad range of studies. At the beginning of the 2023 school year, the VCE offered more than 130 studies. This includes 4 VCE VM studies, 48 languages and 27 VCE VET programs, as well as other school-based apprenticeships and traineeships.

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

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

VCAL

The accreditation period for VCAL ended in 2023. VCAL programs supported students to explore pathways into employment and further training that met their individual needs, learning styles and career aspirations. From 2022 onwards, VCAL has been replaced by the VCE VM and the VPC.

There were 3 VCAL levels: Foundation, Intermediate and Senior. All 3 levels were offered until the end of 2022, and the Intermediate VCAL certificate was the only VCAL certificate to be offered in 2023.

Students started at the VCAL level that matched their needs and abilities. A student's learning program comprised 4 compulsory curriculum strands:

- Literacy and Numeracy Skills
- Work Related Skills
- Industry Specific Skills
- Personal Development Skills.

VET

VET qualifications contribute to the VCE, VCE VM, VPC and VCAL through credit arrangements determined by the VCAA. They form an important vocational aspect of VCE VM programs and are essential in satisfying the requirements for the VCE VM. School-based apprenticeships and traineeships can contribute towards VCE, VCE VM, VPC and VCAL qualifications.

Get VET

The Get VET awareness campaign emphasises how VET can provide skills sought by employers, provide more employment options and lead to a career the student can be passionate about.

As part of the Get VET campaign, we developed publications, resources, activities and videos that were published on our website.

VET highlights

There were 52,431 students enrolled in VET at 633 providers in 2022. This resulted in 72,205 certificate enrolments across a range of industries, including 3155 enrolments in school-based or part-time apprenticeships and traineeships.

We continued with a series of webinars to provide schools with VET updates at the end of the year. These webinars focused on revisions to 15 VCE VET programs and the

introduction of one new VCE VET program. They also addressed the administrative process aligned to VET and the VET sector changes which will impact how schools deliver the VET to secondary students.

We delivered all VCE VET scored assessment professional development activities online, as well as 16 individual online activities.

In partnership with professional teaching associations, tertiary providers and registered training organisations (RTOs), we provided professional development programs and supported VCE VET teacher networks for the following programs:

- Animal Studies
- Agriculture
- Automotive
- Building and Construction
- Equine Industry
- Hair and Beauty
- Health
- Hospitality
- Information, Digital Media and Technology
- Music
- Sport and Recreation.

We facilitated networks for the VET Delivered to Secondary Students coordinators from all Victorian TAFEs and continued to facilitate the private RTO network, with up to 50 representatives from these organisations participating. We worked closely with the Department of Education, VRQA, Independent Schools Victoria and the Catholic Education Commission of Victoria.

VET curriculum development activities

This reporting period saw more revisions to VCE VET programs than any other since we introduced VET into the VCE.

Major reviews in this reporting period included VCE VET Hospitality, Hair and Beauty and Building and Construction.

Minor reviews were carried out for VCE VET Applied Language.

Senior secondary certificate reform

The VCAA conducted extensive consultations to inform the design and implementation of an integrated senior secondary certificate which embeds vocational and applied learning in the VCE. This reform work responds to recommendations made by the Firth Review. All these recommendations were accepted in principle by the Victorian Government.

The VRQA accredited the VCE VM in April 2022. The VCE VM is a 2-year vocational and applied learning program within the VCE from 2023. It replaces Senior and Intermediate VCAL. The VCE VM includes 4 new studies: VCE VCE VM Literacy, VCE VM Numeracy, VCE VM Work Related Skills and VCE VM Personal Development Skills.

The VCE VM builds on the strengths of the VCAL and provides students with the best opportunity to achieve their personal goals and aspirations in a changing world by:

- equipping them with the skills, knowledge, values and capabilities to be active and informed citizens, lifelong learners and confident and creative individuals
- empowering them to make informed decisions about the next stages of their lives through real-life workplace experiences.

The VPC was launched in April 2022 following VRQA accreditation as a foundation secondary certificate. The VPC is a new, inclusive and flexible certificate that meets the needs of a smaller number of students who would benefit from a more individualised program at a more accessible level than a senior secondary certificate. It offers an engaging curriculum and additional support for students to develop the work-related skills and capabilities they will need to succeed in life after school.

The VCAA released a suite of implementation support materials, including resources for each study, planning and assessment advice, exemplar units for each study and general guidance material. Extensive professional learning opportunities have supported teachers, school leaders and other education staff to prepare for delivery of the new certificates in 2023. These included webinars and face-to-face professional learning on certificate overviews, transitional credit arrangements, timetabling and curriculums. Professional learning continued throughout 2023, including face-to-face applied learning delivered in practice workshops across metropolitan and regional Victoria.

During 2022, the VCAA began design and development of the next stage of the senior secondary certificate reform – a fully integrated senior secondary certificate. Currently planned for introduction across all Victorian schools and senior secondary providers from 2025, the fully integrated senior secondary certificate will retain the same high standards of excellence that now apply to Victoria's nationally and internationally recognised VCE. The new certificate will build on these foundations to enhance the VCE's capacity to prepare students for the world of work and further training.

Senior secondary assessment

VCE examinations

The annual VCE examination cycle represents a core activity in our responsibilities for assessment and reporting.

The 2022 VCE written examination period commenced as planned on 26 October 2022.

Preparing for the examinations in 2022 required significant additional planning to support flood-affected communities, including Melbourne suburbs along the Maribyrnong and communities in northern Victoria, particularly Shepparton, Rochester and Echuca. We worked across Victoria to ensure the wellbeing of all students, supervisors, assessors and school personnel.

Examination period

Across Victoria, 561 schools operated as examination centres for more than 82,000 students who sat examinations in 2022. The examination period ran from Monday 3 October to Wednesday 16 November.

During the examination period, we delivered:

- oral examinations for 43 language studies, involving 7574 students and 653 assessors at 36 venues over 17 days
- oral presentations of Extended Investigation at 6 venues over 5 days, involving 285 students
- performance examinations for 7 VCE and VCE VET performing arts studies, involving 4249 students and 284 assessors at 56 venues, over a 28-day period
- 111 written examinations for 107 VCE studies over 16 days, starting with the Collaborative Curriculum Assessment Framework for Languages (CCAFL) examinations on Wednesday 19 October.

We worked with the Victorian Tertiary Admissions Centre to issue results to students on Monday 12 December.

This completed a 53-day program of work that covered processing and assessing all student written examinations, finalising exam scores, allocating grades and calculating results.

Examination access

Access to examination facilities was equitable for all students. This involved us ensuring that examination rooms were accessible, and that sufficient time was provided for students to enter and leave. We also provided a range of special provision options to enable students to access VCE examination material. These included clarifiers, scribes, extra production time and the use of assistive technologies such as computers and text-to-voice and voice-to-text software. Where required, examinations for students with approved special examination arrangements were provided in alternative formats, including braille, e-text and large print. For the written examination period we supplied 202 examinations in alternative format.

Preparing for 2023 examinations

In May 2023, we offered a professional learning program designed for teachers who had no previous or recent experience marking VCE written examinations.

We delivered 10 webinar sessions for Agricultural and Horticultural Studies, History: Revolutions, Physical Education, German Oral, French Written, Environmental Science, First Languages, Biology, English and VET Music: Performance. More than 100 schools had representatives attend.

Training and other support for the assessment period included:

- training chief supervisors and school staff responsible for the conduct and administration of VCE external assessments
- monitoring the conduct and administration of VCE written examinations through site visits to ensure schools complied with requirements.

General Achievement Test

On 7 September 2022 we administered the redeveloped GAT, which included explicit measurement and reporting of literacy and numeracy standards. The later test date reflected the additional time required to ensure the redeveloped GAT was valid and reliable.

Following administration of the 2022 GAT, we undertook analysis and set standards to determine the thresholds for meeting the standard and for displaying excellence in Reading, Writing and Numeracy.

We released the results from the 2022 GAT in December and published overall outcomes on the VCAA website.

We administered a 'resit' of the literacy and numeracy standards testing in April 2023. Students exiting their secondary schooling who did not meet the standards were eligible to participate, following an expression of interest period, which began in December 2022 after the results were released and closed in January 2023

We held the 2023 GAT in June and the results are being processed.

Special Examination Arrangements (special provisions)

The VCAA streamlined the evidence requirements for Special Examination Arrangements applications. From 2023, we require schools to provide comprehensive, school-based evidence including a history of provisions approved and used by the student. We made decisions on Special Examination Arrangements applications based on the strength and completeness of evidence of existing modifications made by the school for the student in classroom learning and school-based assessments.

We delivered 2 webinar sessions covering changes to the evidence requirements for Special Examination Arrangements applications in March.

School-based Assessment Audit

In 2022, we performed 1363 audits across 586 schools. This represents an audit rate of 11 per cent of providers across all studies. Schools were able to monitor their audit requirements and outcomes through Victorian Assessment Software System. We provided individual audit reports including details of audit findings and recommendations for improvement to each school.

We launched the 2023 annual audit of School-based Assessment in February 2023.

Celebrating Victoria's young people

We recognised and promoted young people's achievements through a variety of awards and scholarships.

Plain English Speaking Award

The Plain English Speaking Award encourages students to extend their skills and confidence in oral communication, speechwriting and research. Each year, we coordinate the Victorian competition. In 2022, the award recipient was Anna Blinks of Waverley Christian College. Anna delivered a prepared speech titled 'Discrimination of Disability in the Public Transport System' which highlighted the many challenges faced daily by people with disabilities through lived experience.

VCE Leadership Awards

The VCE Leadership Awards recognise VCE students who promote leadership and participation in their schools and wider communities. The awards celebrate students who demonstrate initiative, inspire others, work well in teams, and are committed to making a difference. In 2022, there were 6 VCE Leaders recognised in an awards ceremony. The overall leader for 2022 was Leena Mazin of Sirius College – Keysborough Campus.

Margaret Schofield Memorial Scholarships

The VCAA coordinates the Margaret Schofield Memorial Scholarships on behalf of the Margaret Schofield Memorial Trust. The 2 scholarship types available to VCE students from government schools are:

- the Music Performance Scholarship, awarded to VCE Music Performance, VCE Music Investigation and/or VCE VET Music students as soloists
- the Music Composition Scholarship, awarded to VCE Music Style and Composition, Music Investigation, Music Performance and/or VCE VET Music Industry students.

In 2023, 4 Music Performance Scholarships were awarded. The recipients were James Miles, Sophia Shaw, Aj Singh and Daniel Stow, from Victorian College of the Arts Secondary School.

One Music Composition Scholarship was awarded to Quinlan Hames from Victorian College of the Arts Secondary School.

VCAL Achievement Awards

The VCAL Achievement Awards have recognised the outstanding achievements of young VCAL students, as well as VCAL teachers and partner organisations that have developed and delivered innovative VCAL programs. The VCAA Chair's Award for outstanding achievement in 2023 recognised the VCAL Quality Assurance Panel Leaders for the 2022 academic year. 2023 was the final year of the VCAL Awards.

Showcasing student talent – the VCE Season of Excellence

Showcasing the work of past VCE students, the VCE Season of Excellence is a feature of the Victorian education calendar that VCE students and teachers keenly anticipate. The Season is a cross-sectoral project which involves students from government, Catholic and independent schools. Staff from these 3 sectors are on the audition and selection panels.

Our 2023 festival featured a sample of outstanding student works in design, technology, multimedia and the cinematic, visual and performing arts. The Season included exhibitions, screenings and performances in Melbourne's major cultural venues and online offerings from February to July. Again, it set a benchmark for VCE assessment and curriculum.

We supported the Season's showcase of achievement with educational talks, forums and panel discussions, a catalogue, programs and online material.

This year's program featured:

- 11 performing arts concerts through the Top Class concert series
- a Top Acts concert curated from the Top Class concert series
- 2 exhibitions – Top Designs and Top Arts – which presented works in design, technology, media and visual arts
- screenings of short films by VCE Media students in Top Screen
- a forum featuring oral presentations by high-performing Extended Investigation students in Top Talks.

In 2023, the Season continued exploring delivery in digital spaces. Students and teachers across Victoria could view virtual tours of exhibitions, film programs, solo performances and exemplary folios online which increased the accessibility of the festival.

We also included educational resources for Top Designs, Top Class and Top Screen in the program. This included discussion forums, podcasts and video profiles featuring exhibitors, performers and filmmakers. We recorded Top Acts and the Top Class Drama and Theatre Studies concerts and made these available to educators and their students as teaching resources.

The Season reflects our goal of providing high-quality education by recognising student achievement and best-practice teaching. With its focus on the arts and creative industry it encourages students to move into allied work areas and further study.

Cultural and linguistic diversity

We continue to support cultural and linguistic diversity through an impressive curriculum that enables students to study any world language from Foundation to Year 10 and 48 languages at VCE level. We support the study of additional languages through the VET study, Certificate III of Applied Languages. The VCAA's provision of Languages studies from Foundation to Year 12 makes a major contribution to students' capacity to understand the value of cultural and linguistic diversity. The Languages curriculum provides students with practical skills that enable them to communicate with and understand people from cultural and linguistic backgrounds different to their own. We further support this development of intercultural awareness by using context-specific content related to other learning areas as appropriate.

In 2022–23, we continued to support teachers to implement Languages teaching and learning programs. For students in primary and lower secondary school programs, the Victorian Curriculum F–10 provides language-specific documentation for 17 languages, including Victorian Aboriginal Languages, and a framework for the Classical Languages. There is also generic curriculum for Roman and non-Roman alphabet languages, which enables schools to implement the Victorian Curriculum F–10 in any world language. The curriculums for each of the languages in the Victorian Curriculum F–10 explicitly promote meaningful experiences of cultural and linguistic diversity and opportunities for reflection on how these relate to the world in which each student lives.

At VCE level, Victorian students had access to the study of 48 languages in the following categories:

- 12 Second Languages
- 5 First Languages
- 3 Classical Languages
- Indigenous Languages of Victoria: Reclamation and Revival (renamed Aboriginal Languages of Victoria from 2023)
- Chinese Language, Culture and Society
- 26 CCAFL languages, including Auslan.

All VCE Languages study designs have undergone reviews in the last 4 years. As noted in last year's report, all revised Languages study designs have a stronger focus on supporting students to reflect on the connections between language and culture. We are a major contributor to the Collaborative Curriculum and Assessment Framework for Languages. As host state for 18 of the CCAFL languages at VCE level, including Auslan, we continue to play a major role in all aspects of this national partnership. Our ongoing

commitment involves working with these 18 language communities to develop culturally appropriate examinations that also meet our own high-quality assurance standards.

We are participating in the CCAFL Renewal Project to perform a national review of the CCAFL languages. We have developed language-specific materials that will be used nationally to support the new CCAFL study designs. We are leading the national review of the Auslan Framework for senior secondary studies within the CCAFL suite. We have published revised VCE study designs for each CCAFL language. We will implement these at Units 1 and 2 in 2024, followed by Units 3 and 4 in 2025.

The CCAFL model is unique to Australia, and the provision of such a wide range of Languages curriculum is unique to Victoria. In March 2023, VCAA delegates attended the annual national CCAFL meeting in Hobart. We contributed to the cross-jurisdictional cooperation and collaboration that characterises the CCAFL model of languages delivery. The renewed CCAFL Framework represents best practice and contemporary thinking in the national delivery of language programs. It highlights cultural and intercultural awareness and mediating between languages which directly influences teachers' capacity to develop and promote cultural and linguistic diversity in Victoria through their teaching and learning programs.

We continue to develop on-demand professional learning resources such as videos, recorded webinars and downloadable print resources, including frequently asked questions, for teachers of all VCE languages. We supplement these resources with live question-and-answer webinars. We also offer individualised support via email and telephone to ensure we can meet stakeholders' needs in ways that suit their specific requirements.

In addition, we present targeted professional learning sessions to teachers and educators for a range of our stakeholders each year.

We ran sessions for the following stakeholders in 2022–23:

- Chinese Language Teachers' Association of Victoria
- Community Languages Victoria
- Japanese Language Teachers' Association of Victoria
- Modern Greek Teachers' Association of Victoria
- Modern Language Teachers' Association of Victoria
- Victorian Indonesian Language Teachers' Association
- Melbourne University Graduate School of Education.

Schools teaching Chinese, French, German, Indonesian, Italian, Japanese, Modern Greek and Spanish at Levels F–10 have continued access to online language tests in these languages at no cost. We developed these tests in collaboration with the Australian Council for Educational Research as part of the Languages Assessment Project. These resources generate accurate assessment data for teachers while giving students a dynamic and stimulating learning activity.

Victorian Aboriginal Languages

We continue to provide high-quality curriculum and responsive stakeholder support to encourage the inclusion of Aboriginal languages in schools' teaching and learning programs. The increased interest from schools wishing to provide these opportunities to their students and local communities has not yet translated into implementation of programs and subsequent enrolments at senior levels. There is insufficient data available to comment on uptake in lower levels, but it is apparent from stakeholder communications that this continues to be an area of growth. We were privileged to take part in the first ever Victorian Aboriginal Languages Teachers' Association Forum in November 2022. This 2-day event saw Aboriginal educators and community leaders from across Victoria come together to collaborate and learn from each other. This forum helped identify barriers, priorities and plans for strengthening the teaching of Aboriginal languages in Victoria more widely and more effectively. During this reporting period, we supported the teachers of the revised VCE Aboriginal Languages of Victoria study design in its first year of implementation with specifically targeted support. Given the small cohort, we negotiated this personalised approach with the stakeholders, and it was well received.

We have continued to work closely with key stakeholders to support schools to implement the Victorian Curriculum F–10 Victorian Aboriginal Languages curriculum, which includes support for early childhood programs. We continue to meet with representatives from the Victorian Aboriginal Education Association Inc. (VAEAI), the Victorian Aboriginal Corporation for Languages and the Koorie Outcomes Division of the Department of Education.

VCE offshore program

The VCE offshore program develops meaningful school partnerships between Victorian and offshore schools and contributes to Victoria's international education sector. The program provides a pipeline of international students to Australia's tertiary institutions.

In 2022, 626 students completed the VCE offshore. This was down from 729 in 2021. Eighty-seven per cent of students indicated they plan to study at tertiary institutions in Australia, with 56 per cent of these intending to study in Victoria. Seventy-two per cent gained acceptance into Australia's Group of Eight universities. There was a 6 per cent decrease of students choosing Australia as their study destination. The international education sector has been impacted by COVID-19 and this is demonstrated in reduced numbers.

We partnered with 5 Victorian schools to deliver the VCE offshore and interstate. Twenty-six schools delivered the VCE, with 21 in China and one each in Malaysia, Timor-Leste, Vietnam and the Philippines. One school in the Northern Territory delivered the VCE interstate. There has been a decrease in the number of programs in China due to a change in Chinese regulations which relates to the delivery of international curriculum. Seven VCE offshore programs delivered VCE studies on the Northern Hemisphere Timetable (NHT) – 5 in China and one each in Vietnam and the Philippines. Eight Victorian schools delivered VCE studies on the NHT. In 2022, 138 students completed the VCE on the NHT.

Offshore delivery of the VCE is key to delivering our vision to be a global education leader. It also supports *Victoria's International Education Recovery Plan 2025*.

FUTURE PLANS AND CHALLENGES

We are set for another busy year in 2023–24 with these actions already identified in our work plans.

Victorian Curriculum F–10

- We will publish Victorian Curriculum F–10 Mathematics Version 2.0 for familiarisation at the beginning of Term 3 2023, for implementation from the beginning of 2024, with full implementation by 2025.
- We will make webinars and professional learning modules available during the familiarisation process and provide ongoing support throughout implementation. We will publish supporting resources during familiarisation which will include a Mathematics leaders' guide and teacher guide, curriculum area maps, curriculum comparisons, scope and sequences, glossary, example assessment tasks as well as example teaching and learning units. Similar familiarisation support materials and professional learning opportunities will be available for English throughout Term 1 and 2 in 2024.
- We will publish the Victorian Curriculum F–10 English Version 2.0 before the end of 2023, for familiarisation in 2024 and implementation from the start of 2025.
- We will publish all other curriculum areas in mid-2024 for familiarisation beginning Term 3 in 2024 with implementation timelines yet to be determined by sectors. Languages will be published iteratively throughout 2024 and 2025 in line with ACARA publications.
- We will publish English and Mathematics Levels A–D at the beginning of Term 3 2024.
- We will monitor and evaluate the digital assessment tools and look to transition to a new iteration of these tools for Victorian Curriculum F–10 Languages.
- We will update and realign the suite of Bushfire Education resources to the new iteration of the Victorian Curriculum F–10.
- We will undertake reviews of the F–10 English as an Additional Language and Levels A–D: Towards Foundation curriculum.

NAPLAN

- We will collaborate with ACARA to transition all schools to the earlier testing timeline in 2023.
- We will release the VCAA Data Service to support the reporting requirements for NAPLAN.
- We will continue to support schools conducting testing online in 2023 by providing a range of training, resources and quality helpdesk services in preparation for and during the test period.

Early Years

- We will continue to work with the early years sector, the Department of Education and the office of the Minister for Early Childhood and Pre-Prep to progress revisions to the VEYLDF.
- In mid-2024 we will submit the revised VEYLDF to the Minister for Early Childhood and Pre-Prep for approval.
- We will present the revised VEYLDF to Education Ministers for endorsement as an ALF for Victorian Early Childhood Education and Care services.
- We will commence implementation support for the early years sector in partnership with Department of Education in late 2024.
- We will create a stronger digital presence for Victorian early years professionals as the revision process for the VEYLDF progresses. This work will align with other Department of Education and VCAA initiatives in relation to online learning platforms and resources which enhance the experience of professional learning for early years practitioners.
- We will use the VEYLDF process as an opportunity to identify priorities relating to implementation, resource development and professional learning opportunities for those working in the early years sector. We will work in partnership with the Department of Education who have already begun work to support a significant expansion of kindergarten and pre-prep across Victoria.

DAL

- We will continue to release assessments for Mathematics, Science, and Health and Physical Education to support teacher assessment of students' learning and progression along the curriculum continuum.
- We will focus on supporting schools to get the most out of the DAL to complement their teaching and learning approaches.
- We will continue to develop assessment content.
- We will incorporate feedback from schools and sectors to inform a strategic roadmap for future delivery of the DAL.

VCE

- We will implement revised VCE studies that commence from 2024. These include: English Language, Legal Studies, Media, Outdoor and Environmental Studies, Politics (currently known as Australian and Global Politics) (Units 1 and 2: 2024–2028; Units 3 and 4 2025–2028), Physics (Units 3 and 4), Product Design and Technologies (currently known as Product Design and Technology), Sociology, Visual Communication Design, Languages (CCAFL) – Armenian, Bengali, Bosnian, Chin Hakha, Croatian, Dutch, Filipino, Hebrew, Hindi, Hungarian, Karen, Khmer, Macedonian, Persian, Polish, Portuguese, Punjabi, Romanian, Russian, Serbian, Sinhala, Swedish, Tamil, Turkish and Yiddish (Units 1 and 2: 2024–2028; Units 3 and 4: 2025–2028).
- We will finalise our review and deliver professional learning opportunities for VCE which we will implement from 2025. This includes for those working in the following subjects: Accounting, Applied Computing, Classical Studies, Drama, Extended Investigation, Health and Human Development, Philosophy, Physical Education, Theatre Studies and Languages: CCAFL Auslan.
- We will publish support materials in a digital format on our website for VCE studies. We will implement this from 2025, for subject areas including: Accounting, Applied Computing, Classical Studies, Drama, Extended Investigation, Health and Human Development, Philosophy, Physical Education, Theatre Studies and Languages: CCAFL.
- We will undertake a review of VCE studies we plan to implement from 2026. This includes Dance and Systems Engineering.
- We will continue expanding the online application system for Special Examination Arrangements to enable schools to submit additional requests, appeals, emergency applications and rollover applications.
- We will establish a Special Provision Advisory Group to provide independent expertise relating to inclusive education and learning with particular focus on accessibility of external assessments and the VCAA Special Provision Policy, procedures and statutory obligations.

VET

- We will continue to provide training to schools interested in starting Structured Workplace Learning recognition for VET within the VCE and VCAL and develop support material as required.
- We will conduct approximately 100 VCE VET school-assessed coursework audits with particular emphasis on the implementation of the revised coursework rules.
- We will support the Department of Education and the VRQA to implement reforms to school-based apprenticeships and traineeships.
- We will implement the VET reforms aligned with the introduction of the VCE VM and VPC.
- We will complete reviews of 11 VCE VET programs in line with the Training Package endorsement by the Australian Industry and Skills Committee and the Australian Skills Quality Authority and the VRQA and implement these programs from 2024.
- We will update the Get VET resources to align with the VCE VM and VPC.
- We will publish additional high-quality teacher resources to support VCE VET programs.

Senior secondary certificate reform

- We will support schools to deliver the VCE VM and VPC by providing professional learning opportunities to teachers and school leaders, as well as support materials and tailored guidance to schools and providers seeking additional support.
- We will implement the Student Achievement Profile summary for students who partially complete the VCE VM or VPC in 2023 and 2024 to acknowledge achievements in senior secondary education.
- We will design the Student Achievement Profile for students who complete, or partially complete, the VCE or VPC from 2025, a statement presenting a holistic summary of a student's achievements captured during their senior secondary education that will recognise achievement alongside the Statement of Results.
- We will design the integrated VCE, which we will roll out across all Victorian schools and senior secondary providers from 2025.
- We will develop an assessment and moderation model for VCE VM studies which will recognise levels of achievement.
- We will explore the potential to design a scalable framework for the assessment and reporting of capabilities in the senior secondary curriculum.
- We will continue the development of new VPC studies which will allow students to choose from a broader range of subjects, supporting them to reach their future goals and develop work-related skills and capabilities to succeed in life after school.
- We will expand the VCAA's public reporting on senior secondary completion and achievement to include VCE VM and VPC data.
- We will evaluate the development and implementation of the VCE VM and VPC to inform the way the VCAA undertakes major curriculum, assessment or reporting reforms, as well as its BAU activities.

SUMMARY OF FINANCIAL RESULTS

The Victorian Government considers the net result from transactions to be the appropriate measure of financial management that can be directly attributed to government policy.

The VCAA recorded a net surplus of \$0.853 million in 2022–23. This compares with a net deficit of \$0.628 million in 2021–22.

The receipt of additional funding from government for projects, where expenditure is expected in subsequent years as projects are delivered, has influenced the net results over the last 5 years.

In 2022–23 government funding was \$92.836 million. This is an increase of \$11.774 million from the previous year. Government funding increased by \$11.56 million. This is primarily due to additional funding to support the increased costs of delivering statutory functions such as VCE examinations, and additional operational funding for core service delivery and ICT project activities.

Both total assets and total liabilities remained stable across the 2022–23 financial year. Financial assets increased by \$2.543 million over the same period.

The table below provides a summary of financial information for 2022–23 and a comparison with prior years.

Summary of financial information 2018–19 to 2022–23 inclusive

	2022–23 \$'000	2021–22 \$'000	2020–21 \$'000	2019–20 \$'000	2018–19 \$'000
Government funding	92,836	81,276	70,418	68,008	76,979
Total income from transactions	98,506	86,732	78,077	74,924	87,097
Total expenses from transactions	97,653	87,310	82,989	71,309	78,611
Net result from transactions	853	(578)	(4,912)	3,615	8,486
Net result for the period	853	(629)	(4,912)	3,615	8,486
Net cash flows from operations	3,464	3,417	(1,646)	(397)	11,139
Financial assets	31,897	29,354	28,461	32,816	36,850
Total assets	37,163	36,718	36,321	38,708	40,198
Total liabilities	12,878	9,338	8,712	6,187	11,291

GOVERNANCE AND ORGANISATIONAL STRUCTURE

MINISTERS

The VCAA is primarily accountable to the Minister for Education. It is also responsible to the Minister for Training and Skills and the Minister for Early Childhood and Pre-Prep.

Minister for Education and Minister for Women **The Hon. Natalie Hutchins MP**

Minister Hutchins is the Member for Sydenham and was elected to the Victorian Parliament as the Member for Keilor in 2010. She has been Minister for Education and Minister for Women since June 2022.

Minister Hutchins previously served as Minister for Local Government from December 2014 to September 2017, Minister for Aboriginal Affairs and Minister for Industrial Relations from December 2014 to December 2018, Minister for Women and Minister for Prevention of Family Violence from September 2017 to December 2018 and Minister for Crime Prevention, Minister for Corrections, Minister for Youth Justice and Minister for Victim Support from June 2020 to June 2022.

The Minister for Education oversees Victoria's Education State reforms and the administration of education to more than a million Victorian students. This portfolio includes government investment in school infrastructure and programs.

Minister for Early Childhood and Pre-Prep, and Minister for Workplace Safety **Ms Ingrid Stitt MP**

Minister Stitt was elected to the Victorian Parliament as the Member for Western Metropolitan in 2018. She has been the Minister for Early Childhood and Pre-Prep and the Minister for Workplace Safety since September 2020.

The Minister for Early Childhood and Pre-Prep oversees Victoria's kindergarten system, the staged rollout of universally funded Three-Year-Old Kindergarten and Pre-Prep, and early childhood education and care services, including for children with disability or developmental delay.

Minister for Training and Skills, Minister for Higher Education, and Minister for Agriculture **The Hon. Gayle Tierney MP**

Minister Tierney was elected to the Victorian Parliament as the Member for Western Victoria in 2006. She has been the Minister for Training and Skills since November 2016, Minister for Higher Education since November 2018 and Minister for Agriculture since June 2022. Minister Tierney became the Deputy Leader of the Government in the Legislative Council in September 2020. She was Minister for Corrections from November 2016 to December 2018. Minister Tierney previously served as the Cabinet Secretary and Deputy President of the Victorian Legislative Council. She was Deputy Chair of the Rural and Regional Parliamentary Committee from March 2007 to November 2010 and Deputy Chair of the Education and Training Parliamentary Committee from February 2010 to June 2013.

During the reporting period, the Minister for Training and Skills was responsible for ensuring Victoria's VET and Adult Community Education system and played a key role in achieving the economic and social objectives of government, industry, local communities and individual learners.

During the reporting period, the Minister for Higher Education was responsible for administering the legislation that regulates Victoria's 8 public universities, developing higher education policy and representing Victoria's higher education sector within government.

Rob Fearnside

BEd, DipEd, BEd, MBA

Rob Fearnside is the Acting Chair of the VCAA Board. Rob was Executive Director (Academic) of the Hong Kong Council for Accreditation of Academic and Vocational Qualifications until 2019. Before going to Hong Kong in 2010 he was the Deputy Director of the VRQA.

Prior to working at the VRQA, Rob was Acting Director of the Victorian Qualifications Authority and a Director in the Victorian Auditor-General's Office (VAGO) with responsibility for performance audits of TAFE institutes and universities. Before joining VAGO Rob was an Assistant General Manager with the Victorian Department of Education with responsibility for the triennial review program for Victorian government schools.

Rob is also a member of the Australian Psychology Accreditation Council Board.

Jenny Atta

PSM, BAppSc, MA Public Policy

Jenny Atta has been Secretary of the Department of Education since March 2019. Prior to this, Jenny was Acting Secretary from November 2018.

Jenny is directly responsible for the management of the department and for supporting the early childhood and pre-prep and school education ministers in the management and administration of their portfolios.

Jenny joined the Department of Education in December 2015 as Deputy Secretary, Infrastructure and Finance Services. In this role, Jenny was responsible for the management and oversight of the Department of Education's financial, procurement and information technology services, along with strategic advice and planning for state budget processes, and infrastructure policy and delivery. This followed a range of senior roles in the VPS, including in the Department of Treasury and Finance and the former Department of Human Services.

Jenny holds a Bachelor of Applied Science and a Master of Public Policy and was awarded a Public Service Medal in 2021 for outstanding public service to strategic social policy reform and delivery in Victoria. In 2019, Jenny was inducted as an Institute of Public Administration Australia Victorian Fellow.

Catherine Dillon

BEd, MEd, GradDipEd, MAICD

Catherine Dillon is a registered teacher who has worked as a school and system leader and educator in Victorian Catholic schools for over 30 years. She has held leadership roles across a diverse range of metropolitan and regional educational settings, which have included specialist educational settings and Foundation to Year 12 schools.

Her leadership roles have included terms as Deputy Director at Catholic Education Sandhurst, Manager of Leadership and School Development at Catholic Education Melbourne, Principal of Mount St. Joseph Girls' College, Altona and Deputy Principal of Catholic Regional College Sydenham. Catherine has extensive experience supporting schools with leadership formation, cyclic school reviews, curriculum mapping, data analysis and strategic planning to improve student learning growth. She has completed the Australian Institute of Company Directors course and has served on school advisory councils. Catherine also has experience as a leader, board chair and director in the not-for-profit sector with a particular focus on developing youth leadership through community service.

Professor Wayne Hodgson

BSc, PhD, GradCertHighEd

Professor Wayne Hodgson is Dean, Health Sciences at Monash University. In this role he oversees the School of Nursing & Midwifery, School of Rural Health, School of Primary and Allied Health Care and the medical course.

Wayne has a keen interest in research that examines the relationship between admissions criteria and subsequent performance at university and widening access to courses for students from under-served populations. He is an internationally renowned pharmacologist who specialises in toxinology (the study of toxins produced by living organisms). He is the Vice-President of the Western Pacific Association for Medical Education. He also serves on a number of editorial boards of scientific journals.

Catharine Hydon

DipT (EC), MEd (EC), DipGov, FICDA, MICDA

Catharine Hydon has 30 years' experience leading and advocating for quality early childhood education and care. She is the Principal Consultant and Director at Hydon Consulting. Her work focuses on supporting professionals to explore the relationship between theory and practice.

Catharine has worked as an early childhood teacher, established programs with the Brotherhood of St. Laurence, managed a range of services for children and their families in Melbourne's northern suburbs and a school-based program in Papua New Guinea. Catharine has a Master of Education in Early Childhood Education from Monash University and has been a member of the VCAA Early Years to 10 Curriculum and Assessment Committee since 2017.

Among other pursuits, Catharine is a longtime member of Early Childhood Australia (ECA). She is an active contributor to ECA's reconciliation work and a regular contributor to ECA publications. Catharine has been a member of the ECA Code of Ethics Working Group for the last 2 reviews and is a co-author of ECA's *Ethics in Action: A practical guide to implementing the ECA Code of Ethics*. In addition, Catharine is a second-tier reviewer for Australian Children's Education and Care Quality Authority.

In 2022, Catharine completed a Diploma of Governance, deepening her interest and understanding of effective governance and leadership to support outcomes for children and communities.

Aayushi Khillan

BBMed

Aayushi Khillan is an innovative leader with a passion for youth advocacy on a national and international scale. Aayushi's involvement in school leadership programs at high school demonstrates her passion for leadership from an early age. She was a member of the Victorian Student Representative Council executive team (2017–18). Aayushi applied for a Board position to strengthen student engagement within the curriculum. She has remained a key member of the education sector by providing volunteer tutoring and support to young VCE students. In 2020, Aayushi received several accolades for her outstanding contribution to the Victorian community during the COVID-19 pandemic. The City of Melbourne named her Youth Champion at the 40 Under 40 Most Influential Asian-Australian Awards 2020, and she was highly commended for the Victorian Multicultural Award for Excellence in Youth Leadership in 2020. Aayushi is a youth adviser for several youth-directed programs and has founded her own company, Body Buddies, aimed at raising health awareness in the community.

Professor Mark Rose

PhD, MEd (Administration), BA, DipT

Mark Rose is traditionally linked to the Gunditjmara Nation of Western Victoria. He has a 40-year career in education, contributing to a broad range of educational settings in Victoria, Australia and overseas. Mark is Pro Vice-Chancellor, Indigenous Strategy and Innovation in the Faculty of Arts and Education at Deakin University.

In ministerially appointed arrangements, Mark advised former Australian Government ministers Brendan Nelson, Julie Bishop, Julia Gillard and Peter Garrett, co-chaired the Royal Commission into Aboriginal Deaths in Custody Review and has sat on numerous government taskforces.

He is involved with the United Nations Permanent Forum on Indigenous Issues in New York and is a delegate to the National Congress of Australia's First Peoples. He is Vice-President of the VAEAI. He chairs the Indigenous advisory group of ACARA and is Chancellor of Batchelor Institute in the Northern Territory.

Professor Emeritus Kaye Stacey

BSc (Hons), MSc, DPhil, DipEd, FAustMS

Kaye Stacey is one of Australia's leading mathematics education experts with a strong international reputation. She has worked as a researcher in education at the University of Melbourne, as a primary and secondary teacher educator and a supervisor of graduate research. She is an adviser to governments on mathematics curriculum. She has written many practically oriented books and articles for mathematics teachers. She is especially interested in adapting curriculum and assessment to the new technological environment and in all aspects of science, technology, engineering and mathematics education. Kaye has a Centenary Medal from the Australian Government, a Career Medal from the Mathematics Education Research Group of Australasia and received the 2017 Life Time achievement award for Excellence in Educational Design from the International Society for Design and Development in Education. Her latest book is on teaching mathematical literacy.

James Laussen

BEd (EnvSci), MEd (Administration)

James Laussen is Foundation Principal at All Saints Anglican School, Shepparton, having served as Principal of Overnewton Anglican Community College for 22 years. James brings robust experience and knowledge of the Prep to Year 12 school environment to the Board. He has relevant experience as an Association of Heads of Independent Schools of Australia State Executive, member of the Board of the Anglican Diocesan Schools Commission, member of the Management Committee of Anglican Schools Australia and its President from 2015 to 2017. He has been a member of several other committees and boards, including the VCAA Secondary Principals' Reference Group from 2011 to 2021, the Victorian Institute of Teaching Accreditation Committee from 2014 to 2022, the Victorian Government's LGBTIQ+ Education Reference Group since 2019, and the Independent Schools Victoria Board from 2016 to 2022.

Terrance Bennett

PSM, DipT, MEd

Terrance Bennett worked for 52 years with the Victorian Department of Education (formerly the Department of Education and Early Childhood Development and Department of Education and Training). Terrance has made a significant contribution to education in Victoria, as evidenced by his Public Service Medal awarded in the 2022 Australia Day Honours. He was Regional Director of the department's North Eastern Victoria Region from March 2019 to April 2022. He had responsibility for approximately 400 government primary and secondary schools and 400 early childhood centres. His role was to support schools and early childhood centres and guide implementation of Victorian Government education policy and reform. Terrance also has over 20 years' experience as a secondary school principal.

Kristy Mullins

BEd (Hons), MEd (School Leadership)

Kristy Mullins is Principal of Wangaratta West Primary School. Kristy is a passionate professional with a strong understanding of the diversity of schools through her work as a teacher and leader at 2 large metropolitan Melbourne schools, leadership of a regional primary school and interacting with principals across her network. In 2021 she took on the role of Chair and Acting Senior Education Improvement Leader (SEIL) for the Benalla–Mansfield–Wangaratta network.

SENIOR EXECUTIVES

Chief Executive Officer

Stephen Gniel

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

Before his appointment as Chief Executive Officer, Stephen Gniel held a number of deputy secretary positions in the former Department of Education and Training, including in School Education Programs and Support Group and Regional Services Group. He was also Regional Director, South East Victoria from 2016 to 2020. In this role he was responsible for more than 400 government schools with over 250,000 students.

Stephen holds a Bachelor of Education, Master of Business Administration and has completed further study through Harvard University, the Australia and New Zealand School of Government Executive Fellowship Program and the Australian Institute of Company Directors. He is the National President and Board Chair of the Australian Council for Educational Leaders.

Executive Director, Assessment and Reporting

Dr Sandra Woodman

The Executive Director, Assessment and Reporting is responsible for policies and procedures associated with assessment, certification, analysis and reporting of student achievement. They also coordinate the division's work programs, including the strategic redevelopment of the VCAA's assessment technology. The division collects and processes student enrolment and assessment data, manages the Victorian Student Register and conducts measurement activities.

Sandra Woodman has significant educational and public sector leadership experience and holds a Bachelor of Science (Hons) from Monash University, a Diploma of Education from La Trobe University and a PhD in Science and Mathematics Education from the University of Melbourne. Her previous roles include Executive Director, School Improvement and SEIL at the then Department of Education and Training's South Western Victoria Region, Principal of Blackburn High School and Lecturer at the University of Melbourne.

Executive Director, Curriculum

Jason Smallwood

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

Jason Smallwood is a valued member of the executive leadership team who embodies the Victorian public sector values and has built trust and respect within the Curriculum division and across the organisation. Prior to joining the VCAA, Jason was at the Victorian Academy of Teaching and Leadership as the Principal in Residence and Interim Co-Director of the Teaching Excellence Division. Jason co-led the delivery and operations of the Teaching Excellence Program, designed to foster professional excellence that enables highly skilled teachers to amplify exemplary teaching for the benefit of students and to raise the status of the teaching profession. Prior to his role at the Academy, Jason held numerous positions at the former Department of Education and Training in the South Western Victoria Region, including Acting Executive Director of School Improvement and Senior School Improvement Practice Leader. Jason was also principal at both Woodville Primary School and Manor Lakes P–12 College.

Jason has established strong connections with various stakeholders and key partners such as VAEAI, teacher and principal associations, and leaders from the Catholic and independent school sectors and the Department of Education. He represents the VCAA on numerous cross-sectoral and Department of Education reference groups, working groups and committees.

Executive Director, Senior Secondary Certificate Reform
Sue Bell

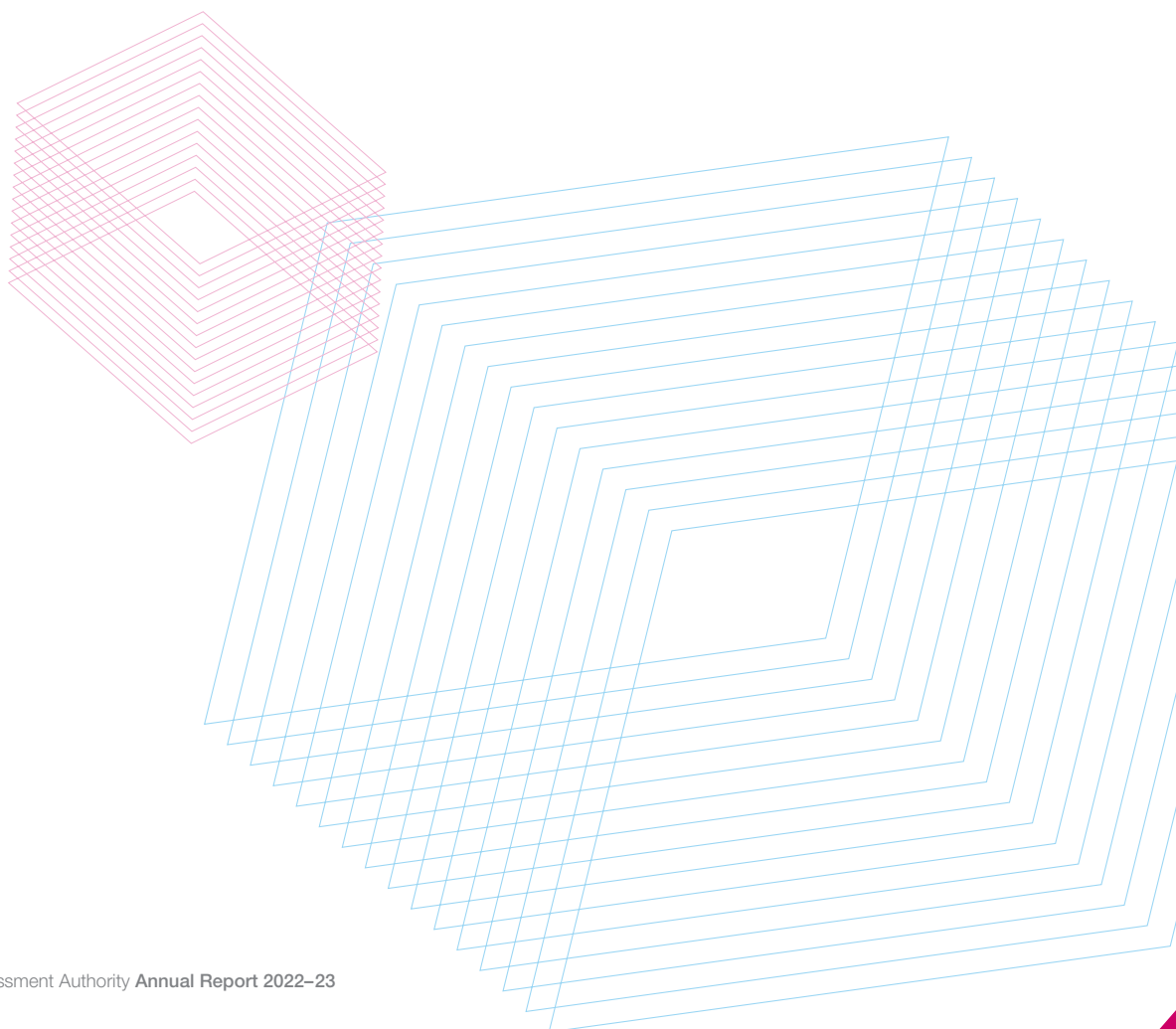
The Executive Director, Senior Secondary Certificate Reform is responsible for delivering improved vocational and applied learning pathways in the senior secondary years. The senior secondary reforms are a key priority for the VCAA and the Victorian Government over the next few years.

Sue Bell has been involved in education for 40 years. She has taught and been a leader in technical schools, academic high schools and pathway colleges. This has provided her with extensive insight into the teaching and learning experience of local and international students. Sue was Executive Principal of Monash College, the pathway college for Monash University, for 5 years. In this role, she oversaw college campuses on Monash University's Clayton, Caulfield and Peninsula campuses as well as 4 overseas campuses in Singapore, Guangzhou, Sri Lanka and Jakarta. Previously, she was Assistant Principal at Melbourne High School for 10 years and Acting Principal for 2 years. Sue has a passion for improving student learning outcomes through understanding optimal student learning practices. A former Principal of Wantirna College, she worked with staff and the local community to maximise individual learning outcomes through data and research. From the start of 2018, Sue supported secondary school principals across Victoria and promoted public education through her role as President of the Victorian Association of State Secondary Principals.

Executive Director, Infrastructure and Business Services
Tarkan Koman

The Executive Director, Infrastructure and Business Services is responsible for providing corporate support and information services. In this role, they oversee the VCAA's finance, human resources, governance and corporate planning, legal, procurement, technology infrastructure, audit, risk and assurance, project assurance and communication functions, as well as the licensing of VCE delivery offshore.

Tarkan Koman is an experienced executive with a strong corporate services background, who took on this role in May 2021. Over the past decade, Tarkan has held executive positions in the VPS. Before joining the public service, Tarkan worked in the private sector for almost 20 years, holding senior corporate service roles in the banking and oil sectors. Tarkan holds a Bachelor of Information Management and Social Sciences from the University of Melbourne.



Committees of the VCAA Board

Executive Committee

The Executive Committee established under section 2.5.7 of the Victorian Curriculum and Assessment Authority Act comprises the Chair (Chris Wardlaw up to April 2023 and Rob Fearnside from April to June 2023), the Chief Executive Officer Stephen Gniel and Board members Catherine Dillon, Rob Fearnside (as a member of the committee until April 2023) and Professor Wayne Hodgson.

Audit Committee

The Audit Committee comprised Board members Terrance Bennett (Chair, from May 2022), Catharine Hydron (from May 2022), Professor Emeritus Kaye Stacey and independent external members Stuart Alford, Jan Fitzgerald (to May 2023) and Trevor Plowman.

This committee assists the VCAA Board in its responsibility to establish and maintain effective financial governance. The committee independently reviews and assesses the effectiveness of the VCAA's systems and controls for financial management, performance and sustainability, including risk management. It also oversees the internal audit function and audit activities. It advises the Board on key accountabilities, which include the annual audit of financial statements, the annual financial report and compliance with financial management requirements.

Early Years to 10 Curriculum and Assessment Committee

The Early Years to 10 Curriculum and Assessment Committee comprised Board members Chris Wardlaw (Acting Chair up to April 2023), Professor Wayne Hodgson, Professor Emeritus Kaye Stacey, Doctor Toni Meath (until February 2022), Catharine Hydron, Jim Laussen, Kristy Keenan and external members Pippa Proctor, Coralee Pratt, Debra Punton and Doctor Helen Schiele.

The committee gives advice to the VCAA and makes recommendations on:

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

Senior Secondary Curriculum and Assessment Committee

The Senior Secondary Curriculum and Assessment Committee comprised Board members Catherine Dillon (Chair), Professor Wayne Hodgson, Aayushi Khillan, Professor Emeritus Kaye Stacey, Chris Wardlaw (up to April 2023) and external members Katrina Currie (until March 2023), Jeremy Beard, Scott Widmer, Simon Lindsay (replaced by Shauna-Maree Sykes in May 2023), Jackie Macreadie, Megan O'Connell (replaced by Amanda Achterberg and Doctor Carly Sawatzki in May 2023) and Jane Trewin.

This committee advises the VCAA and makes recommendations on:

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

Senior Secondary Certificate Reform Committee

The Senior Secondary Certificate Reform Committee comprised Board members Professor Marcia Devlin (Chair until November 2021), Rob Fearnside (Chair from February 2022), Catherine Dillon, Doctor Toni Meath (until March 2022), Jim Laussen (joined May 2022) and external members Stephen Gniel, Professor Stephen Lamb, Professor Sandra Milligan and Scott Widmer.

This committee advises the VCAA and makes recommendations on the implementation of the senior secondary reforms recommended in the Firth Review, including:

- policy, strategy and risk matters related to the reform of the senior secondary certificate
- the development, evaluation and approval of a vocational pathway within the VCE
- the design of an integrated senior secondary certificate
- the development of new senior secondary curriculum and assessment relating to the vocational pathway
- arrangements for enrolled students in 2023 and 2025
- any other matters relating to implementing the recommendations of the review.

Vocational Education Reference Group

The Vocational Education Reference Group comprises VCAA Board members, representatives from the Catholic Education Commission of Victoria, ISV, the Department of Education, VRQA, the TAFE sector, the tertiary education sector, Local Learning Employment Networks, the industry sector and representatives from senior secondary schools.

The group:

- advises the Senior Secondary Curriculum and Assessment Committee of the VCAA on:
 - VET delivered to secondary students
 - block credit into the VCE
 - other issues arising across all levels of schooling in relation to state and Commonwealth initiatives in vocational learning, enterprise education and employability skills
- makes recommendations on the development of new VCE VET programs and revisions to existing programs based on industry expectations and training package development
- monitors the work of VCAA projects in vocational education and training
- recommends directions and strategies, outcomes and timelines for VCAA projects.

Review committees

The VCAA establishes a review committee only when required to address a specific matter. A review committee consists of three members, one of whom must be a Board member who acts as the committee chair. Review committees are responsible for:

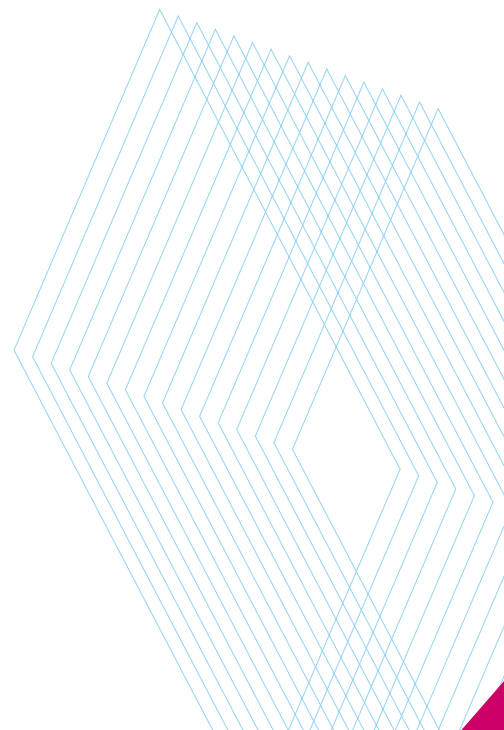
- hearing student appeals against decisions by their school, and any penalties imposed, in respect of contraventions of VCAA assessment rules relating to School-based Assessments
- conducting hearings into allegations that students have contravened the VCAA examination rules or obtained an assessment by fraudulent, illegal or unfair means
- imposing penalties where appropriate in accordance with the requirements of the ETR Act. Penalties range from reprimands to amending or cancelling students' grades.

International Committee

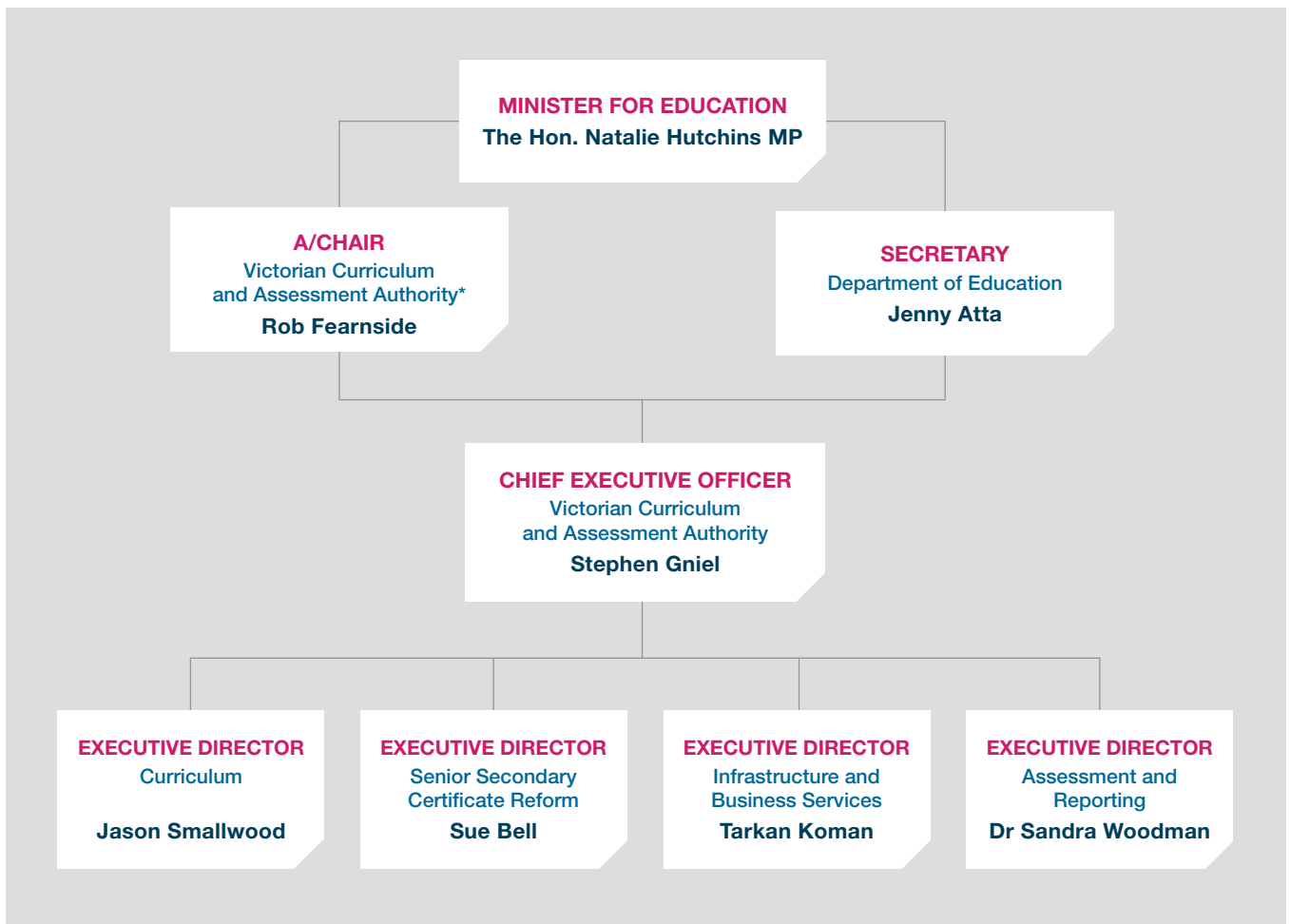
The International Committee comprised Board members Professor Wayne Hodgson (Chair) and Chris Wardlaw, and external members Linda Vaughan, Jennifer Bahen, Bill Damachis, Mona Chung and Kim Cleary.

This committee advises the Board and makes recommendations on policy, strategy and operational matters on VCAA international activities and engagement, including:

- assessing licence applications from Victorian schools to deliver the VCE Offshore Program
- licensing VCAA products and services for use overseas
- providing risk management and quality assurance related to the VCE
- monitoring offshore delivery
- aligning VCAA international activities with VCAA and government policy and strategy objectives.



Organisational structure at 30 June 2023



* During the reporting period the VCAA also reported to the Minister for Early Childhood and Pre-Prep, Minister for Training and Skills and Minister for Trade in relation to relevant provisions in the ETR Act administered by those ministers.

VCAA staff

On 30 June 2023 there were

232.6

full-time equivalent (FTE) Victorian Public Service employees working at the VCAA through the Department of Education.

During the period 1 July 2022 to 30 June 2023 the VCAA employed

5,138

people on a casual or sessional basis (VCAA direct employed [non VPS]).

Our corporate commitments

Gender equality

We are committed to promoting gender equality in communication with schools and within our workforce. We develop educational programs that remain fair and accessible to all and ensure our ongoing commitment to equity and diversity.

Working with the community

We ensure that the diverse nature of Australian society is reflected in all aspects of our operations. We are strongly committed to the principles set out in *Victorian. And proud of it. Victoria's Multicultural Policy Statement*.

We are committed to valuing, respecting and meeting the needs of people who have been traditionally marginalised, which include Victoria's culturally and linguistically diverse communities, women, young people and Aboriginal people.

People with disability

We are committed to improving accessible outcomes in curriculum, assessment, consultation, information and communication, employment and physical access to facilities. We are guided by the disability policies of the Department of Education, in particular its *Disability Action Plan 2018–2021*. The Department of Education is developing a new disability action plan, which is a requirement for Victorian Government departments under the *Disability Act 2006*.

We are dedicated to raising staff awareness of disability and, in partnership with the community, achieving greater inclusion. In managing examinations, we ensure all students have equitable access to facilities.

WORKFORCE DATA

Occupational health and safety

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

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

To fulfil these objectives, the VCAA:

- proactively ensures that the workplace is safe and without risk to health
- monitors the health and wellbeing of the employees and conducts risk assessments of the work environment
- assists occupational health and safety representatives to maintain their knowledge and keep abreast of any legislative changes to the *Occupational Health and Safety Act 2004 (Vic)*
- develops and applies occupational health and safety policies, procedures and practices.

Major initiatives during 2022–23 included:

- following Victorian Government directives to implement remote working for health and safety of staff at all sites and actively encouraging staff to report all occupational health and safety issues

- continuing to review and upgrade the skills of first aid officers
- maintaining the knowledge level of wardens through practical drills.

During the reporting period, the VCAA received no new claims and no improvement or prohibition notices.

Merit training

Seven VCAA staff completed accreditation training during the reporting period. Eighty-eight current staff have trained in merit-based selection procedures.

We require a merit protection accredited person to be present on all recruitment selection panels.

Industrial relations

No time was lost due to industrial action during 2022–23.

Workforce data

FTE staffing trends

	2023	2022	2021	2020	2019	2018	2017
FTE	232.6	220	208.7	211.6	218.2	189.9	177.8

Summary of employment levels from June 2022 to 2023

	All employees		Ongoing			Fixed-term		Non VPS
	Headcount	FTE	Full-time headcount	Part-time headcount	FTE	Headcount	FTE	Headcount
June 2023	241	232.6	193	28	212.6	20	20	150
June 2022	230	220	181	27	199.1	22	20.9	100

Annual total salary, by \$20,000 bands, for executives and other senior non-executive staff

Income band (salary, \$)	Executives	STS	PS	SMA	SRA	Other
<160,000						
160,000–179,999		1				
180,000–199,999		1				
200,000–219,999	1					
220,000–239,999		1				
240,000–259,999						
260,000–279,999	2					
280,000–299,999	1					
300,000–319,999						
320,000–339,999						
340,000–359,999						
360,000–379,999						
380,000–399,999	1					
Total	5	3				

In June 2023, there were 2 executive class employees (equivalent to 2.0 full-time positions) working at the VCAA. These employees fall under the Government Teaching Service (GTS) classification and are not reflected in the comparative workforce table for VPS. Additionally, no GTS employees were working at the VCAA in June 2022.

Staff employment levels for June 2022 and June 2023

The following table discloses the headcount and FTE of all active public service employees, employed in the last full pay period in June of the current reporting period (June 2023) and in the last full pay period in the previous reporting period (June 2022).

Victorian Public Service		June 2023							June 2022						
		All employees		Ongoing			Fixed term and non VPS employees		All employees		Ongoing			Fixed term and non VPS employees	
		Headcount	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Headcount	FTE	Headcount	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Headcount	FTE
DEMOGRAPHIC DATA	GENDER														
	Women	170	162.6	126	26	144.6	18	18.0	158	149.4	117	25	134.1	16	15.3
	Men	71	70.0	67	2	68.0	2	2.0	72	70.6	64	2	65.0	6	5.6
	Self-described	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	AGE														
	Under 25	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	25–34	23	22.8	13	1	13.8	9	9.0	24	16.4	16	1	16.8	7	6.6
	35–44	70	67.4	55	10	62.4	5	5.0	56	49.9	46	5	49.8	5	4.7
	45–54	68	65.7	60	6	63.7	2	2.0	65	70.2	50	9	56.2	6	6.0
	55–64	57	55.8	48	6	52.8	3	3.0	63	57.5	54	6	57.8	3	3.0
	Over 64	23	20.9	17	5	19.9	1	1.0	21	17.6	15	6	18.5	1	0.6
CLASSIFICATION DATA	VPSG1–6	233	224.6	186	28	205.6	19	19.0	222	212.0	173	27	191.1	22	20.9
	VPSG1	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	VPSG2	7	5.9	5	2	5.9	–	–	9	8.0	7	2	8.0	–	–
	VPSG3	44	40.7	30	10	36.7	4	4.0	35	31.7	20	10	27.1	5	4.6
	VPSG4	39	38.4	31	2	32.4	6	6.0	42	41.5	34	1	34.8	7	6.7
	VPSG5	89	86.6	72	10	79.6	7	7.0	86	83.0	72	9	78.4	5	4.6
	VPSG6	54	53.0	48	4	51.0	2	2.0	50	47.8	40	5	42.8	5	5.0
	Senior employees	8	8.0	7	0	7.0	1	1.0	8	8.0	8	0	8.0	–	–
	STS	3	3.0	2	–	2.0	1	1.0	2	2.0	2	0	2.0	–	–
	SES	5	5.0	5	–	5.0	–	–	6	6.0	6	–	6.0	–	–
	Total employees	241	232.6	193	28	212.6	20	20.0	230	220.0	181	27	199.1	22	20.9

*The VCAA also engaged 5,138 employees on a casual or sessional (VCAA direct employed [non VPS]) basis throughout the year. 'Headcount' refers to the number of people employed where each person counts as an employee regardless of the number of hours engaged to work.

Age of staff is calculated as at 30 June each year. The category VPSG2 includes graduate recruits.

OTHER DISCLOSURES AND ATTESTATIONS

LOCAL JOBS FIRST

The *Local Jobs First Act 2003 (Vic)* brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy.

Departments and public sector bodies must apply the Local Jobs First policy in all projects valued at \$3 million or more in metropolitan Melbourne or for statewide projects, or \$1 million or more for projects in regional Victoria.

MPSG applies to all construction projects valued at \$20 million or more.

The MPSG guidelines and VIPP guidelines will continue to apply to MPSG-applicable and VIPP-applicable projects respectively, when contracts have been entered into before 15 August 2018.

Projects commenced – Local Jobs First standard

In 2022–23, the VCAA did not begin any new projects.

VICTORIA'S SOCIAL PROCUREMENT FRAMEWORK

The VCAA's approach to social procurement aligns with the Department of Education's Social Procurement Strategy. The strategy prioritises the following social procurement objectives:

- opportunities for Victorian Aboriginal people
- women's equality and safety
- opportunities for disadvantaged Victorians
- safe and fair workplaces
- environmentally sustainable outputs.

Social procurement metrics

In 2022–23, the VCAA spent a total of \$234,989 through direct engagement of 11 verified social benefit suppliers.

Outcome	Metric	2022–23 (VCAA actual)
Opportunities for Victorian Aboriginal people		
Purchasing from Victorian Aboriginal businesses	Total spend with Victorian Aboriginal businesses	\$3,626.36
	Number of Victorian Aboriginal businesses engaged	2
Opportunities for Victorians with disability		
Purchasing from Victorian social enterprises and Australian Disability Enterprises	Total spend with Victorian social enterprises led by a mission for people with disability and Australian Disability Enterprises	\$74,130.23
	Number of Victorian social enterprises led by a mission for people with disability and Australian Disability Enterprises engaged	2
Opportunities for disadvantaged Victorians		
Purchasing from Victorian social enterprises	Total spend with Victorian social enterprises led by a mission for the disadvantaged	\$141,271.75
	Number of Victorian social enterprises led by a mission for the disadvantaged engaged	6
Supporting safe and fair workplaces		
Purchasing from suppliers that comply with industrial relations laws and promote secure employment	Proportion of suppliers who attest to comply with the Supplier Code of Conduct	100%

(Social benefit suppliers may meet none, one or more than one of the above classifications)

Case study

Wurundjeri Woi Wurrung Cultural Heritage Aboriginal Corporation

The VCAA engaged the Wurundjeri Woi Wurrung Cultural Heritage Aboriginal Corporation. This engagement was to seek links to First Nations Elders or respected community members. First Nations Elders were invited to conduct a Welcome to Country at our major events.

This engagement provided opportunities for Victorian Aboriginal people in this reporting period and contributed to the ongoing employment of Victorian First Nations people as suppliers to the Victorian Government.

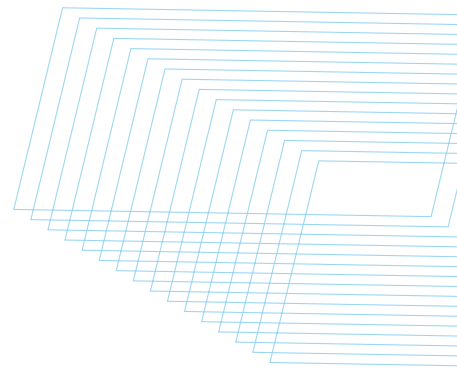
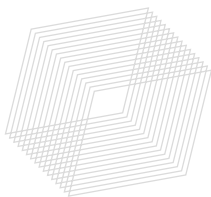
In 2023, the VCAA invited 2 Wurundjeri representatives to conduct a Welcome to Country at various events delivered by the VCAA Festival and Events team.

Wurundjeri Man Daniel Ross provided a Welcome to Country at the VCAL Achievement Awards, the launch of Top Screen, and Top Acts. Wurundjeri Elder Tony Garvey

welcomed attendees to Country at Top Talks and the Plain English Speaking Award State Final.

Aunty Joy Murphy Wandin AO, a Wurundjeri Elder who is attached to the Wurundjeri Woi Wurrung Cultural Heritage Aboriginal Corporation, states that 'a Welcome to Country is a very important way of giving Aboriginal people back their place in society, and an opportunity for us to say, "We are real, we are here, and today we welcome you to our land." It's paying respect, in a formal sense, and following the traditional custom in a symbolic way.'

Including a Welcome to Country in VCAA events is important because it's a way to include, recognise and pay respect to the Traditional Owners of the lands where the VCAA works and their ongoing connection to Country. This is integral to the process of reconciliation.



CONSULTANCY EXPENDITURE

In 2022–23, there were no consultancy expenditures.

ICT EXPENDITURE

BAU ¹ ICT expenditure (\$)	Non-BAU ICT expenditure (\$)	Operational expenditure (\$)	Capital expenditure (\$)
Total	Total = A + B	A	B
15,335,796	0	0	0

¹ Business as usual (BAU)

FREEDOM OF INFORMATION (FOI)

The *Freedom of Information Act 1982 (Vic)* (FOI Act) allows the public to access documents and information held by the VCAA. The purpose of the FOI Act is to extend as far as possible the right of the community to access information held by government departments, local councils, ministers and other bodies subject to the FOI Act.

An applicant has a right to apply for access to documents held by the VCAA. These can be documents created by the VCAA or supplied to the VCAA by an external organisation or individual. These can include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes. Information about the type of material produced by the VCAA is available under its Part II Information Statement at www.vcaa.vic.edu.au.

The FOI Act allows the VCAA to refuse access, either fully or partially, to certain documents. Examples of documents that may not be accessed include Cabinet documents, some internal working documents; law enforcement documents, documents covered by legal professional privilege such as legal advice, personal information about other people, information provided to the VCAA in confidence, and information that is confidential under another Act.

Under the FOI Act, the processing time for requests is 30 days. However, when external consultation is required under ss 29, 29A, 31, 31A, 33, 34 or 35 of the FOI Act, the processing time automatically reverts to 45 days. Processing time may also be extended by periods of 30 days, in consultation with the applicant. With the applicant's agreement, this may occur any number of times. However,

obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

If an applicant is not satisfied by a decision made by the VCAA, under section 49A of the FOI Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

Making a request

Applicants can lodge FOI requests online at www.foi.vic.gov.au. Applicants will need to pay an application fee. The application fee from 1 July 2022 to 30 June 2023 was \$30.10. Applicants may also need to pay access charges if the document pool is large and the search for material is time-consuming.

Applicants can also make a written request to access documents through the VCAA's Legal Services Unit, as detailed in section 17 of the FOI Act. When making an FOI request, applicants should make requests in writing, and clearly identify what types of material or documents they are seeking. Applicants should address their requests to:

Legal Services Unit
Victorian Curriculum and Assessment Authority
Level 7, 2 Lonsdale Street, Melbourne VIC 3000

For any enquiries, contact the Legal Services Unit via phone on (03) 9032 1629 or email at vcaa.foi@education.vic.gov.au.

FOI statistics and timelines

During 2022–23, the VCAA received 5 valid applications. Of these applications, 2 were from the media and 3 were from the general public.

The VCAA made 3 decisions within the statutory 30-day period. We made one decision within 69 days, after an extension was agreed to by the applicant. We had one further application which we dealt with outside the FOI Act, by means of one of the VCAA's existing processes for provision of information.

The average time taken to finalise requests in 2022–23 was 22.75 days.

No requests were subject to a complaint or internal review by OVIC. No applications were made to the Victorian Civil and Administrative Tribunal.

Further information

To better understand the operation and scope of FOI, we suggest consulting the FOI Act, regulations made under the FOI Act and OVIC by visiting <https://ovic.vic.gov.au>.

NATIONAL COMPETITION POLICY

The Department of Education is responsible for legislation and regulations enacted within the portfolio and the regulatory burden assessments carried out include consideration of the principles contained in the National Competition Policy. The department also coordinates portfolio reporting as required under the Competition Principles Agreement and Competition and Infrastructure Reform Agreement.

Competitive neutrality

Government businesses are required to cost and price these services as if they were privately owned.

Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

The VCAA does not conduct any businesses and was not involved in any complaints for the year 2022–23.

Competitive neutrality requires government businesses to ensure that where services compete, or potentially compete, with the private sector, any advantage arising solely from government ownership be removed if it is not in the public interest.

COMPLIANCE WITH THE *PUBLIC INTEREST DISCLOSURES ACT 2012 (VIC)*

The Public Interest Disclosures Act encourages and assists people in making disclosures of improper conduct by public officers and public bodies. It provides protection to people who disclose information and establishes a system for the matters they disclose to be investigated and for rectifying action to be taken.

The VCAA does not tolerate improper conduct by its employees or officers, or taking reprisals against those who come forward to disclose such conduct.

We are committed to ensuring transparency and accountability in our administrative and management practices. We support any 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.

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

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

Disclosures can remain anonymous.

Independent Broad-based Anti-corruption Commission
Level 1, North Tower
459 Collins Street
Melbourne VIC 3000

For any enquiries, contact IBAC via phone on 1300 735 135 or email at info@ibac.vic.gov.au

For an explanation on how to provide information to IBAC and how to make a complaint, visit www.ibac.vic.gov.au.

Further information

The VCAA's public interest disclosures procedures are available online (under 'Corporate policies') at: www.vcaa.vic.edu.au/About-us/Pages/WhatWeDo.aspx.

To request a hard copy of these procedures, contact VCAA's Public Interest Disclosures Coordinator.

Executive Director
Infrastructure and Business Services
Victorian Curriculum and Assessment Authority
Level 7, 2 Lonsdale Street, Melbourne VIC 3000



ADDITIONAL INFORMATION AVAILABLE ON REQUEST

In compliance with the requirements of the Standing Directions 2018 under the *Financial Management Act 1994* (Vic), details in respect of the items listed below have been retained by the Chief Executive Officer of the VCAA and are available on request, subject to the provisions of the FOI Act, which include:

- a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- details of any shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- details of publications produced by the VCAA about itself and how these can be obtained
- details of changes in prices, fees, charges, rates and levies charged by the VCAA
- details of any major external reviews carried out on the VCAA
- details of major research and development activities undertaken by the VCAA
- details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- details of major promotional, public relations and marketing activities undertaken by the VCAA to develop community awareness of the VCAA and its services
- details of assessments and measures undertaken to improve the occupational health and safety of employees
- a general statement on industrial relations within the VCAA and details of time lost through industrial accidents and disputes
- a list of major committees sponsored by the VCAA, the purposes of each committee and the extent to which the purposes have been achieved
- details of all consultancies and contractors including:
 - consultants/contractors engaged
 - services provided
 - expenditure committed for each engagement.

The information is available on request from:

Executive Director
Infrastructure and Business Services
Victorian Curriculum and Assessment Authority
Level 7, 2 Lonsdale Street, Melbourne VIC 3000
vcaa@education.vic.gov.au

ATTESTATION FOR FINANCIAL MANAGEMENT COMPLIANCE WITH MINISTERIAL STANDING DIRECTION 5.1.4

I, Kaye Stacey, on behalf of the Responsible Body, certify that the Victorian Curriculum and Assessment Authority has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* (Vic) and Instructions.



Kaye Stacey
VCAA Board member and
Audit Committee member
15 September 2023

HOW THIS REPORT IS STRUCTURED

The VCAA has presented its audited general purpose financial statements for the financial year ended 30 June 2023 in the following structure to provide users with the information about the VCAA's stewardship of resources entrusted to it.

Financial statements

- Comprehensive operating statement
- Balance sheet
- Statement of changes in equity
- Cash flow statement

Notes to the financial statements

- 1. About this report**
The basis on which the financial statements have been prepared and compliance with reporting regulations
- 2. Funding delivery of our services**
Revenue recognised in respect of operational funding and other income sources
- 3. The cost of delivering services**
Operating expenses of the VCAA
- 4. Key assets available to support output delivery**
- 5. Other assets and liabilities**
Working capital balances and other key assets and liabilities
- 6. How we financed our operations**
Borrowings, cash flow information, leases
- 7. Risks, contingencies and valuation judgments**
Financial risk management, contingent assets and liabilities as well as fair value determination
- 8. Other disclosures**

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

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance

sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2023 and financial position of the VCAA at 30 June 2023.

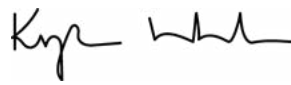
At the time of signing, we are not aware of any circumstance that would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 13 December 2023.



Diane Joseph

Chair
Melbourne
13 December 2023



Kylie White

A/Chief Executive Officer
Melbourne
13 December 2023



Poonam Fernandes

A/Chief Finance Officer
Melbourne
13 December 2023



Independent Auditor's Report

To the board of the Victorian Curriculum and Assessment Authority

Opinion	<p>I have audited the financial report of the Victorian Curriculum and Assessment Authority (the authority) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2023 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • accountable officer's and chief finance and accounting officer's declaration. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board's responsibilities for the financial report	<p>The board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the board is responsible for assessing the authority'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.</p>

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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 authority'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 authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

MELBOURNE
16 January 2024



Charlotte Jeffries
as delegate for the Auditor-General of Victoria

COMPREHENSIVE OPERATING STATEMENT

For the financial year ended 30 June 2023

	Note(s)	\$ 2023	\$ 2022
Continuing operations			
Revenue and income from transactions			
Funding	2.2	92,836,311	81,276,455
Interest	2.3.1	443,604	50,121
Grants	2.3.2	63,869	161,186
Resources received free of charge	2.3.3	2,580,132	2,580,132
Other income	2.3.4	2,581,600	2,663,963
Total income from transactions		98,505,516	86,731,857
Expenses from transactions			
Employee expenses	3.1.1(a)	62,376,447	55,377,344
Depreciation and amortisation	4.1.1	2,889,730	2,677,179
Interest expense	6.2(b)	15,620	19,503
Supplies and services	3.1.2	29,030,898	25,953,175
Other expenses	3.1.2	760,066	702,818
Resources received free of charge	3.1.2	2,580,132	2,580,132
Total expenses from transactions		97,652,893	87,310,151
Net result from transactions (net operating balance)		852,623	(578,294)
Other economic flows included in net result			
Net gain/(loss) on non-financial assets ⁽ⁱ⁾	8.2	–	(50,697)
Total other economic flows included in net result		–	(50,697)
Net result		852,623	(628,991)
Total other comprehensive income		–	–
Comprehensive result		852,623	(628,991)

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

Notes:

- (i) 'Net gain/(loss) on non-financial assets' includes unrealised and realised gains/(losses) from revaluations, impairments, and disposals of all physical assets and intangible assets, except when these are taken through the asset revaluation surplus.

BALANCE SHEET

As at 30 June 2023

	Note(s)	\$ 2023	\$ 2022
Assets			
Financial assets			
Cash and deposits	6.3	30,762,979	28,594,246
Receivables	5.1	1,125,575	759,385
Held for sale – vehicles		8,423	–
Total financial assets		31,896,977	29,353,631
Non-financial assets			
Property, plant and equipment	4.1	662,515	982,268
Intangible assets	4.2	3,937,849	5,421,395
Other non-financial assets	5.3	665,939	560,527
Total non-financial assets		5,266,303	6,964,190
Total assets		37,163,280	36,317,821
Liabilities			
Payables	5.2	7,639,288	7,864,819
Contract liabilities	5.2	418,027	758,481
Borrowings	6.1	532,863	714,588
Employee related provisions	3.1.1(b)	4,287,465	–
Total liabilities		12,877,643	9,337,888
Net assets		24,285,637	26,979,933
Equity			
Accumulated surplus		19,587,145	22,281,441
Contributed capital		4,698,492	4,698,492
Total equity		24,285,637	26,979,933

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

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 June 2023

	\$ Accumulated surplus	\$ Contributions by owner	Total
Balance at 1 July 2021	22,910,432	4,698,492	27,608,924
Net result for the year	(628,991)	–	(628,991)
Balance at 30 June 2022	22,281,441	4,698,492	26,979,933
Net result for the year	852,623	–	852,623
Accumulated deficit brought forward from previous reporting periods	(3,546,919)		(3,546,919)
Balance at 30 June 2023	19,587,145	4,698,492	24,285,637

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

CASH FLOW STATEMENT

For the financial year ended 30 June 2023

	Note(s)	\$ 2023	\$ 2022
Cash flows from operating activities			
Receipts			
Receipts from government		92,884,919	81,603,545
Interest received		443,604	50,121
Other receipts		1,882,918	2,598,495
Total receipts		95,211,441	84,252,160
Payments			
Payments to employees		(61,543,206)	(55,617,133)
Payments to suppliers		(30,203,915)	(25,217,550)
Total payments		(91,747,121)	(80,834,683)
Net cash flows from/(used in) operating activities	6.3.1	3,464,320	3,417,477
Cash flows from investing activities			
Payments for non-financial assets		–	(166,498)
Payments for work in progress		(1,113,864)	(1,854,991)
Net cash flows from/(used in) investing activities		(1,113,864)	(2,021,489)
Cash flows from financing activities			
Repayment of borrowings and principal portion of lease liabilities	6.2(c)	(181,723)	(178,061)
Net cash flows from/(used in) financing activities		(181,723)	(178,061)
Net increase/(decrease) in cash and cash equivalents		2,168,733	1,217,927
Cash and cash equivalents at the beginning of the financial year		28,594,246	27,376,319
Cash and cash equivalents at the end of the financial year	6.3	30,762,979	28,594,246

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

1. ABOUT THIS REPORT

The VCAA is a statutory authority continued under the ETR Act and a public body under the Financial Management Act. The VCAA directly reports to, and is primarily accountable to, the Victorian Minister for Education. The ETR Act sets out the functions and powers of the VCAA.

A description of the nature of its operations and its principal activities is included in the **Report of operations**, which does not form part of these statements.

Its principal address is:

Victorian Curriculum and Assessment Authority
Level 7, 2 Lonsdale Street
Melbourne Vic 3000

Basis of preparation

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

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

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

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgments and assumptions made by management in the application of Australian Accounting Standards that have significant effects on the financial statements and estimates are disclosed in the notes under the heading 'Significant judgment or estimates'.

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

agency and have been prepared on a going concern basis – refer Note 8.8 'Economic dependency'.

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

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

COVID-19

This financial report has been prepared during a year in which the COVID-19 pandemic has impacted many public sector entities as well as the State of Victoria as a whole. The impact of COVID-19 on the 2022–23 financial statements has seen increased expenditure related to conducting key activities – such as VCE examinations – in line with COVID-19 requirements. However, offsetting these additional costs was additional government funding.

As the impacts of COVID-19 and necessary restrictions continue across Victoria, the VCAA will continue to monitor the impacts on the delivery of its statutory functions and activities.

Compliance information

These general purpose financial statements have been prepared in accordance with the Financial Management Act, and applicable Australian Accounting Standards 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, the VCAA is classed as a not-for-profit entity.

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

Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

These annual financial statements were authorised for issue by the Chair of the Board on 13 December 2023.

2. FUNDING DELIVERY OF OUR SERVICES

Introduction

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

The VCAA is predominantly funded by the Department of Education for the provision of outputs. As a statutory authority, the VCAA also derives revenue from a number of external sources, including the Australian Government, overseas student fees, publication sales, student services, royalties and other administrative fees.

Structure

2.1 Summary of income that funds the delivery of our services

2.2 Funding

2.3 Income from transactions

2.3.1 Interest

2.3.2 Grants

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

2.3.4 Other income

2.1 Summary of income that funds the delivery of our services

	Note(s)	\$ 2023	\$ 2022
Funding	2.2	92,836,311	81,276,455
Interest	2.3.1	443,604	50,121
Grants	2.3.2	63,869	161,186
Fair value of assets and services received free of charge	2.3.3	2,580,132	2,580,132
Other income	2.3.4	2,581,600	2,663,963
Total income and revenue from transactions		98,505,516	86,731,857

Total revenue and income that fund delivery of the VCAA's services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

2.2 Funding

	\$ 2023	\$ 2022
Operational funding	92,836,311	81,276,455
Total funding	92,836,311	81,276,455

The VCAA has determined that the grant income included in the table above is recognised in accordance with AASB 1058. This grant income has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the VCAA has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, the VCAA recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards.

Related amounts may take the form of:

- contributions by owners, in accordance with AASB 1004
- revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15
- a lease liability in accordance with AASB 16
- a financial instrument, in accordance with AASB 9
- a provision, in accordance with AASB 137.

2.3 Income from transactions

2.3.1 Interest

	\$ 2023	\$ 2022
Interest on bank deposits	443,604	50,121
Total interest	443,604	50,121

Interest income includes interest received on bank deposits in operational bank accounts.

Interest income is recognised using the effective interest method, which allocates the interest over the relevant period.

2.3.2 Grants

	\$ 2023	\$ 2022
General purpose grants	63,869	161,186
Total grants	63,869	161,186

The VCAA has determined that grants are recognised as income of not-for-profit entities in accordance with AASB 1058, except for grants that are enforceable and with sufficiently specific performance obligations and accounted for as revenue from contracts with customers in accordance with AASB 15.

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

	\$ 2023	\$ 2022
Accommodation	2,580,132	2,580,132
Total fair value of assets and services received free of charge or for nominal consideration	2,580,132	2,580,132

Contributions of resources provided free of charge or for nominal consideration are recognised at their fair value when the recipient obtains control over the resources, irrespective of whether restrictions or conditions are imposed over the use of the contributions.

Fair value of assets and services received free of charge or from nominal consideration relates to 2 separate building occupancy agreements:

- Level 7, 2 Lonsdale Street, Melbourne, Victoria, Australia
- 189 Urquhart St, Coburg, Victoria, Australia

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

2.3.4 Sale of goods and services

	\$ 2023	\$ 2022
User charges	1,944,791	2,031,359
Royalties	152,594	116,307
Miscellaneous income	484,215	516,297
Total other income	2,581,600	2,663,963

User charges

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

Student assessment fees from overseas students including offshore licence fees for the delivery of the VCE.

The user charges included in the table above are transactions that the VCAA has determined to be classified as revenue from contracts with customers in accordance with AASB 15. AASB 15 applies to contracts with customers that are enforceable with sufficiently specific performance obligations.

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in the contract with the customer. The VCAA recognises revenue when it transfers control of a good or service to the customer, that is, when, or as, the performance obligations for the sale of goods, biological assets and services to the customer are satisfied.

- Customers obtain control of the supplies and consumables at a point in time when the goods are delivered to and have been accepted at their premises.
- Revenue from the sale of goods is recognised when the goods are delivered and have been accepted by the customer at their premises.
- Revenue from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed; and over time when the customer simultaneously receives and consumes the services as it is provided.

Customers are invoiced and revenue is recognised when the goods are delivered and accepted by customers. For services rendered, where customers simultaneously receive and consume the services as it is provided, revenue is recognised progressively as contract assets until the customer is subsequently invoiced in accordance with the terms of the service agreement. For other customers that are only able to consume the services when they have been completed, revenue is only recognised upon completion and delivery of the services. In rare circumstance where there may be a change in the scope of services provided, the customer will be provided with a new contract for the additional services to be rendered and revenue is recognised consistent with accounting policy above.

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability (Note 5.2). Where the performance obligations is satisfied but not yet billed, a contract asset is recorded (Note 5.1).

3. THE COST OF DELIVERING SERVICES

Introduction

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

Structure

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

3.1 Expenses incurred in delivery of services

	Note(s)	\$ 2023	\$ 2022
Employee benefit expenses	3.1.1	62,376,447	55,377,344
Other operating expenses	3.1.2	32,371,096	29,236,126
Total expenses incurred in delivery of services		94,747,543	84,613,470

3.1.1(a) Employee benefits – comprehensive operating statement

	\$ 2023	\$ 2022
Salary and wages (including annual leave and long service leave)	53,039,350	46,674,700
Termination	–	925,582
Superannuation	5,500,730	4,641,514
Other on-costs (fringe benefits tax, payroll tax and WorkCover levy)	3,836,368	3,135,548
Total employee benefits	62,376,447	55,377,344

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

3.1.1(b) Employee benefits in the balance sheet

Provision is made for benefits accruing to casual or sessional (VCAA direct employed [non VPS]) employees in respect of long service leave for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

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

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

	\$ 2023	\$ 2022
Current provisions		
Employee benefits	3,608,977	–
On-costs	678,488	–
Total current provisions for employee benefits	4,287,465	–
Total provisions for employee benefits	4,287,465	–

3.1.1(c) Superannuation contributions

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

The VCAA does not recognise any defined benefit liability in respect of the plan(s) because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance recognises and discloses the State's total defined benefit liabilities in its disclosure for administered items. However, superannuation contributions paid or payable for the reporting period are included as part of

employee benefits in the comprehensive operating statement of the VCAA.

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

The VCAA paid contributions on behalf of eligible casual and sessional (VCAA direct employed [non VPS]) employees into 292 different funds.

Contributions are calculated at a rate of 10.5 per cent (2022: 10 per cent) pursuant to the provisions of the *Superannuation Guarantee (Administration) Act 1992* (Cth). The names, details and amounts of the major employee superannuation funds and contributions made by the VCAA are provided in the table below.

	Paid contribution for the year		Contribution outstanding at year end	
	\$ 2023	\$ 2022	\$ 2023	\$ 2022
Defined contribution plans				
Aware Super	1,401,165	1,109,461	45,276	102,179
AustralianSuper	157,422	153,744	11,141	6,023
UniSuper	102,700	107,498	3,721	12,228
Emergency Services & State Super	77,364	79,594	2,577	10,677
Various other	671,940	679,529	41,707	69,874
Total	2,410,591	2,129,827	104,422	200,980

3.1.2 Other operating expenses

	\$ 2023	\$ 2022
Supplies and services		
Examination centre, supervisor and other payments	7,518,527	4,439,981
Teacher release and development payments	598,324	2,115,733
Contractors and consultants	10,580,962	10,271,201
Administrative expenses	4,482,723	2,811,046
Information, technology and communication expenses	4,058,875	4,894,278
Purchase of other supplies and services	1,791,487	1,420,937
	29,030,898	25,953,176
Other expenses		
Short-term lease/rental expenses	752,769	682,098
Bad debts from transactions	7,297	20,720
	760,066	702,818
Fair value assets and services provided free of charge or for nominal consideration		
Accommodation	2,580,132	2,580,132
	2,580,132	2,580,132
Total other operating expenses	32,371,096	29,236,126

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

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

The following lease payments are recognised on a straight-line basis:

- short-term leases – leases with a term of 12 months or less
- low-value leases – leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than \$10,000.

Variable lease payments that are not included in the measurement of the lease liability (that is, that do not depend on an index or a rate and which are not, in substance, fixed) such as those based on performance or usage of the underlying asset, are recognised in the comprehensive operating statement (except for payments that have been included in the carrying amount of another asset) in the period in which the event or condition that triggers those payments occur.

Contributions of resources received free of charge or for nominal consideration represent the value of the VCAA accommodation costs from the Department of Education recognised in the comprehensive operating statement as an expense offset by an increase to revenue as resources received free of charge.

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

Introduction

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

Fair value measurement

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

Structure

- 4.1 Total property, plant and equipment
 - 4.1(a) Total right-of-use assets: buildings, plant, equipment and vehicles
 - 4.1.1 Depreciation and amortisation
 - 4.1.2 Reconciliation of movements in carrying values of property, plant and equipment
- 4.2 Intangible assets

4.1 Total property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	\$ 2023	\$ 2022	\$ 2023	\$ 2022	\$ 2023	\$ 2022
Buildings	1,004,245	1,004,245	(516,070)	(348,696)	488,175	655,549
Vehicles	37,073	87,250	(15,110)	(41,412)	21,963	45,838
Property, plant and equipment at fair value	3,533,162	3,415,645	(3,380,785)	(3,273,591)	152,377	142,054
Assets under construction at cost	–	138,826	–		–	138,826
Total	4,574,480	4,645,966	(3,911,965)	(3,663,698)	662,515	982,268

4.1(a) Total right-of-use assets: buildings, plant, equipment and vehicles

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	\$ 2023	\$ 2022	\$ 2023	\$ 2022	\$ 2023	\$ 2022
Buildings (right-of-use)	1,004,245	1,004,245	(516,070)	(348,696)	488,175	655,549
Vehicles (right-of-use)	37,073	87,250	(15,110)	(41,412)	21,963	45,838
Total	1,041,318	1,091,495	(531,180)	(390,108)	510,138	701,387

	Gross carrying amount	
	\$ 2023	\$ 2022
Opening balance	701,387	884,509
Additions	–	–
Disposals	(6,123)	–
Depreciation	(185,126)	(183,122)
Closing balance	510,138	701,387

Initial recognition

Items of property, plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount.

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 a leasehold improvement is capitalised and depreciated over the remaining term of the lease or its estimated useful life, whichever is shorter.

Right-of-use asset acquired by lessees – initial measurement

The VCAA 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 less any lease incentive received, 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.

Right-of-use asset – subsequent measurement

The VCAA depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the end of the useful life of the right-of-use asset or the end of the lease term, whichever is earlier. The right-of-use assets are also subject to revaluation.

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

Impairment of property, plant and equipment

The recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

4.1.1 Depreciation and amortisation

Charge for the period	\$ 2023	\$ 2022
Buildings (right-of-use)	167,374	167,374
Vehicles (right-of-use)	17,752	15,748
Plant and equipment	107,194	104,947
Intangible assets	2,597,410	2,389,110
Total	2,889,730	2,677,179

Notes:

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

Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below.

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

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

Asset	Useful life (years)
Plant and equipment (including computer equipment)	3–5
Intangibles	3–5
Vehicles (right-of-use)	5–10
Buildings (right-of-use)	6

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

Right-of-use assets are generally depreciated over the asset's useful life or the lease term, whichever is shorter. Where the VCAA obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

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

Impairment of non-financial assets

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

During the 2022–23 financial year no intangible assets have been impaired. (2022: \$50,697)

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as 'other economic flow', except to the extent that it can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The recoverable amount for most assets is measured at the depreciated or amortised replacement cost or the fair value (whichever is higher) less the cost to sell. When assets are held primarily to generate net cash inflows, the recoverable amount is measured at the present value of future cash flows expected from the asset, or the fair value (whichever is higher) less the cost to sell.

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

	Buildings at fair value	Plant and equipment at fair value	Motor vehicles at fair value	Assets under construction at cost	Total
2023	\$	\$	\$	\$	\$
Balance at 1 July 2022	655,549	142,055	45,838	138,826	982,268
Additions	–	–	–	–	–
Disposals	–	–	–	(21,310)	(21,310)
Depreciation and amortisation	(167,374)	(107,194)	(17,752)	–	(292,320)
Transfers in/(out) of assets under construction	–	117,516	–	(117,516)	–
Transfers to held for sale – vehicles	–	–	(6,123)	–	(6,123)
Balance at 30 June 2023	488,175	152,377	21,963	–	662,515

	Buildings at fair value	Plant and equipment at fair value	Motor vehicles at fair value	Assets under construction at cost	Total
2022	\$	\$	\$	\$	\$
Balance at 1 July 2021	822,923	49,086	61,586	–	933,595
Additions	–	27,672	–	138,826	166,498
Disposals	–	–	–	–	–
Depreciation and amortisation	(167,374)	(104,947)	(15,748)	–	(288,069)
Transfers between classes	–	170,244	–	–	170,244
Balance at 30 June 2022	655,549	142,055	45,838	138,826	982,268

4.2 Intangible assets

2023	Computer software \$	Work in progress \$	Total \$
Balance at 1 July 2022	5,152,493	268,902	5,421,395
Additions	1,113,864	–	1,113,864
Amortisation of intangible produced assets ⁽ⁱ⁾	(2,597,410)	–	(2,597,410)
Transfers in/(out) of software work in progress	268,902	(268,902)	–
Balance at 30 June 2023	3,937,849	–	3,937,849

2022	Computer software \$	Work in progress \$	Total \$
Balance at 1 July 2021	4,696,215	1,480,240	6,176,455
Additions	1,598,851	256,140	1,854,991
Amortisation of intangible produced assets ⁽ⁱ⁾	(2,389,110)	–	(2,389,110)
Transfers in/(out) of software work in progress	1,389,530	(1,389,530)	–
Transfers to property, plant and equipment	(142,993)	(27,251)	(170,244)
Impairment losses charged to net result ⁽ⁱⁱ⁾	–	(50,697)	(50,697)
Balance at 30 June 2022	5,152,493	268,902	5,421,395

(i) The consumption of intangible produced assets is included in the 'depreciation' line item, where the consumption of the intangible is included in the 'net gain/(loss) on non-financial assets' line item on the comprehensive operating statement.

(ii) Impairment losses are included in the line item 'net gain/(loss) on non-financial assets' in the comprehensive operating statement.

Initial recognition

Purchased intangible assets are initially recognised at cost. When the recognition criteria in AASB 138 Intangible Assets is 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. Depreciation and 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 phases of an internal project) is recognised if, and only 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
- an intention to complete the intangible asset and use or sell it
- the ability to use or sell the intangible 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
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent measurement

Intangible produced assets with finite useful lives are amortised as an 'expense from transactions' on a straight-line basis over their useful lives. Produced intangible assets have useful lives of between 3 and 5 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. The policy in connection with testing for impairment is outlined in Section 4.1.1.

5. OTHER ASSETS AND LIABILITIES

Introduction

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

Structure

- 5.1 Receivables (and guidance on de-recognition of financial assets)
 - 5.1.1 Movement in the allowance for credit losses
 - 5.1.2 Ageing analysis of contractual receivables
- 5.2 Payables
 - 5.2.1 Maturity analysis of contractual payables
- 5.3 Other non-financial assets

5.1 Receivables

	\$ 2023	\$ 2022
Contractual		
Fee-paying international students	483,030	168,035
Allowance for expected credit losses	(33,838)	(40,719)
Other receivables	676,383	632,069
	1,125,575	759,385
Total receivables	1,125,575	759,385
represented by:		
Current receivables	1,125,575	759,385

Contractual receivables are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. The VCAA holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method less any impairment.

Details about the VCAA's impairment policies, the VCAA's exposure to credit risk, and the calculation of the loss allowance are set out in Note 7.1.4.

5.1.1 Movement in the allowance for credit losses

The VCAA 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.

	\$ 2023	\$ 2022
Balance at beginning of the year	(40,719)	(43,703)
Increase in allowance recognised in the net result	16,382	27,322
Reversal of allowance of receivables written off during the year as uncollectable	(9,500)	(24,338)
Balance at end of the year	(33,838)	(40,719)

5.1.2 Maturity analysis of contractual receivables

	\$					
	Carrying amount	Not past due and not impaired	Past due but not impaired			
			Less than 1 month	1–3 months	3 months – 1 year	1–5 years
2023						
Fee-paying international students	449,192	411,984	–	–	–	37,208
Other receivables	676,383	676,383			–	–
Total	1,125,575	1,088,367	–	–	–	37,208
2022						
Fee-paying international students	127,316	87,519	–	–	–	39,797
Other receivables	632,069	632,069	–	–	–	–
Total	759,385	719,588	–	–	–	39,797

The average credit period for fee-paying international students is 45 days and for other receivables is 30 days.

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

5.2 Payables

	\$ 2023	\$ 2022
Contractual		
Supplies and services	61,565	357,786
Accrued wages and salaries	6,074,584	1,126,748
Accrued expenses	2,868,791	3,203,252
	9,004,940	4,687,786
Statutory		
Group tax payable	185,723	753,401
Amounts payable to government departments	2,736,090	2,423,632
Total payables	11,926,753	7,864,819
represented by:		
Current payables	11,926,753	7,864,819

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

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

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

Contract liabilities	\$ 2023	\$ 2022
Contract liabilities		
Opening balance brought forward	758,481	962,144
Add: Payments received for performance obligations yet to be completed during the period	1,349,034	1,315,015
Less: Revenue recognised in the reporting period for the completion of a performance obligation	(1,689,488)	(1,518,678)
Total contract liabilities	418,027	758,481
represented by:		
Current contract liabilities	418,027	758,481
Non-current contract liabilities	–	–

Contract liabilities include consideration received in advance from schools in respect of international student licence fees and international student fees. Invoices are raised at the beginning of the academic year. The balance of contract liabilities represents a performance obligation until 31 December 2023.

5.2.1 Maturity analysis of contractual payables⁽ⁱ⁾

	\$					
	Carrying amount	Nominal amount	Maturity dates			
			Less than 1 month	1–3 months	3 months – 1 year	1–5 years
2023						
Supplies and services	61,565	61,565	61,565	–	–	–
Accrued wages and salaries	6,074,584	6,074,584	6,074,584	–	–	–
Accrued expenses	2,868,791	2,868,791	2,868,791	–	–	–
Total	9,004,940	9,004,940	9,004,940	–	–	–
2022						
Supplies and services	357,786	357,786	357,786	–	–	–
Accrued wages and salaries	1,126,748	1,126,748	1,126,748	–	–	–
Accrued expenses	3,203,252	3,203,252	3,203,252	–	–	–
Total	4,687,786	4,687,786	4,687,786	–	–	–

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

5.3 Other non-financial assets

	\$ 2023	\$ 2022
Current other assets		
Prepayments	665,939	560,527
Total current other assets	665,939	560,527
Total other non-financial assets	665,939	560,527

Other non-financial assets include prepayments, which represent payments in advance of receipt of goods or services or payments made for services covering a term extending beyond 30 June 2023.

6. HOW WE FINANCED OUR OPERATIONS

Introduction

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

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

Structure

- 6.1** Borrowings
 - 6.1.1** Maturity analysis of borrowings
- 6.2** Leases
- 6.3** Cash flow information
 - 6.3.1** Reconciliation of net result to cash flow from operating activities
- 6.4** Commitments for expenditure
 - 6.4.1** Total commitments payable

6.1 Borrowings

	\$ 2023	\$ 2022
Current borrowings		
Lease liabilities ⁽ⁱ⁾	227,563	221,764
Total current borrowings	227,563	221,764
Non-current borrowings		
Lease liabilities ⁽ⁱ⁾	305,300	492,824
Total non-current borrowings	305,300	492,824
Total borrowings	532,863	714,588

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

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

6.1.1 Maturity analysis of borrowings

	\$					
	Carrying amount	Nominal amount	Maturity date			
			Less than 1 month	1–3 months	3 months – 1 year	1–5 years
2023						
Lease liabilities	532,863	554,797	18,964	37,927	170,672	305,300
Total	532,863	554,797	18,964	37,927	170,672	305,300
2022						
Lease liabilities	714,588	751,617	18,480	36,961	166,323	492,824
Total	714,588	751,617	18,480	36,961	166,323	492,824

6.2 Leases

Information about leases for which the VCAA is a lessee is presented below.

The VCAA's leasing activities

The VCAA leases a property and motor vehicles. The lease contracts are typically made for fixed periods of 3 to 5 years. Lease payments for the property are renegotiated every 3 years to reflect market rentals. There is an option to renew the property lease after that date.

6.2(a) Right-of-use assets

Right-of-use assets are presented in Note 4.1(a).

6.2(b) Amounts recognised in the comprehensive operating statement

The following amounts are recognised in the comprehensive operating statement relating to leases.

	\$ 2023	\$ 2022
Interest on lease liabilities	15,620	19,503
Total amount recognised in the comprehensive operating statement	15,620	19,503

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

6.2(c) Amounts recognised in the statement of cashflows

The following amounts are recognised in the statement of cashflows for the year ending 30 June 2021 relating to leases.

	\$ 2023	\$ 2022
Total cash outflow for leases	(181,723)	(178,061)

For any new contracts entered into, the VCAA considers whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the VCAA assesses whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the VCAA and for which the supplier does not have substantive substitution rights
- the VCAA has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and whether the VCAA has the right to direct the use of the identified asset throughout the period of use
- the VCAA has the right to make decisions in respect of how and for what purpose the asset is used throughout the period of use.

Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

Recognition and measurement of leases as a lessee

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease (if that rate is readily determinable) or the VCAA's incremental borrowing rate.

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

- fixed payments (including in-substance fixed payments) less any lease incentive receivable
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee
- payments arising from purchase and termination options reasonably certain to be exercised.

Lease liability – subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or in profit and loss if the right-of-use asset is already reduced to zero.

Short-term leases and leases of low-value assets

The VCAA has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

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

6.3 Cash flow information and balances

For cash flow statement presentation purposes, cash and cash equivalents include cash and deposits at call. Deposits at call are held in accordance with the standing direction relating to the central banking system requirements.

	\$ 2023	\$ 2022
Total cash and deposits at call disclosed in the balance sheet	30,762,979	28,594,246
Balance as per cash flow statement	30,762,979	28,594,246

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

	\$ 2023	\$ 2022
Net result for the period	852,623	(628,991)
Non cash movements		
(Gain)/loss on disposal of non-current assets	–	50,697
Depreciation and amortisation of non-current assets	2,889,730	2,677,179
Resources received free of charge (revenue)	2,580,132	2,580,132
Resources received free of charge (expense)	(2,580,132)	(2,580,132)
Accumulated deficit brought forward from previous reporting periods	(3,546,919)	–
Movements in assets and liabilities		
(Increase)/decrease in receivables	(359,309)	327,802
(Increase)/decrease in other non-financial assets	(105,412)	189,699
Increase/(decrease) in payables	(206,522)	1,007,738
Increase/(decrease) in contract payables	(340,455)	(203,663)
Increase/(decrease) in receivables provisions	(6,881)	(2,984)
Increase/(decrease) in employee related provisions	4,287,465	–
Net cashflows from/(used in) operating activities	3,464,320	3,417,477

6.4 Commitments for expenditure

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

6.4.1 Total commitments payable⁽ⁱ⁾

Nominal amounts	\$ Less than 1 year	\$ 1–5 years	\$ Total
2023			
Capital expenditure commitments payable	142,521	–	142,521
Operating commitments payable	1,173,812	–	1,173,812
Total commitments (inclusive of GST)	1,316,333	–	1,316,333
Less GST recoverable from the Australian Tax Office			119,667
Total commitments (exclusive of GST)			1,196,666
2022			
Capital expenditure commitments payable	1,500,685	–	1,500,685
Operating commitments payable	1,305,933	739,200	2,045,133
Total commitments (inclusive of GST)	2,806,618	739,200	3,545,818
Less GST recoverable from the Australian Tax Office			322,347
Total commitments (exclusive of GST)			3,223,471

(i) Future finance lease and operating lease payables are recognised on the balance sheet.

7. RISKS, CONTINGENCIES AND VALUATION JUDGMENTS

Introduction

The VCAA is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgments and estimates associated with recognition and measurement of items in the financial statements. This section provides information on financial instruments, including exposure to financial risks, as well as contingent assets and liabilities. It also provides information on items that require a higher level of judgment – for VCAA this pertains mainly to fair value determination.

Structure

- 7.1** Financial instruments specific disclosures
 - 7.1.1** Financial instruments: categorisation
 - 7.1.2** Financial instruments: net holding gain/(loss) on financial instruments by category
 - 7.1.3** Financial risk management: objectives and policies
 - 7.1.4** Financial instruments: credit risk
 - 7.1.5** Financial instruments: liquidity risk
 - 7.1.6** Financial instruments: market risk
- 7.2** Contingent assets and contingent liabilities
- 7.3** Fair value determination
 - 7.3.1** Fair value determination of financial assets and liabilities
 - 7.3.2** Fair value determination: non-financial physical assets

7.1 Financial instruments specific disclosures

Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the VCAA's activities, certain financial assets and liabilities arise under statute rather than through a contract (for example, taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 Financial Instruments: Presentation.

Categories of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the VCAA to collect the contractual cash flows
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

The VCAA recognises the following assets in this category:

- cash and deposits
- receivables (excluding statutory receivables)
- term deposits.

Categories of financial liabilities

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between

the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability, using the effective interest rate method. The VCAA recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- borrowings (including finance lease liabilities).

Derecognition of financial assets

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

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

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

7.1.1 Financial instruments: categorisation

	Financial assets at amortised cost \$	Financial liabilities at amortised cost \$	Total \$
2023			
Contractual financial assets			
Cash and deposits	30,762,979	–	30,762,979
Receivables⁽ⁱ⁾			
Receivables	1,125,575	–	1,125,575
Total contractual financial assets	31,888,554	–	31,888,554
Contractual financial liabilities			
Payables⁽ⁱ⁾			
Supplies and services	–	9,004,940	9,004,940
Borrowings			
Lease liabilities	–	532,863	532,863
Total contractual financial liabilities	–	9,537,802	9,537,802

	Contractual financial assets – loans and receivables held to maturity \$	Contractual financial liabilities at amortised cost \$	Total \$
2022			
Contractual financial assets			
Cash and deposits	28,594,246	–	28,594,246
Receivables⁽ⁱ⁾			
Receivables	759,385	–	759,385
Total contractual financial assets	29,353,631	–	29,353,631
Contractual financial liabilities			
Payables⁽ⁱ⁾			
Supplies and services	–	4,687,786	4,687,786
Borrowings			
Lease liabilities	–	714,588	714,588
Total contractual financial liabilities	–	5,402,374	5,402,375

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

7.1.2 Financial instruments: net holding gain/(loss) on financial instruments by category

	Net holding gain/(loss) \$	Total interest income/(expense) \$	Total \$
2023			
Contractual financial assets			
Financial assets at amortised cost	(7,297)	–	(7,297)
Total contractual financial assets	(7,297)	–	(7,297)
Contractual financial liabilities			
Financial liability at amortised cost	–	(15,620)	(15,620)
Total contractual financial liabilities	–	(15,620)	(15,620)
2022			
Contractual financial assets			
Financial assets at amortised cost	(20,720)	–	(20,720)
Total contractual financial assets	(20,720)	–	(20,720)
Contractual financial liabilities			
Financial liability at amortised cost	–	(19,503)	(19,503)
Total contractual financial liabilities	–	(19,503)	(19,503)

Amounts disclosed in this table exclude holding gains and losses related to statutory financial assets and liabilities. The net holding gains or losses disclosed above are determined as follows:

- for financial assets at amortised cost that are classified as financial assets at fair value through other comprehensive income, the net gain or loss is calculated by taking the movement in the fair value of the asset, the interest income, plus or minus foreign exchange gains or losses arising from revaluation of the financial assets, and less any impairment recognised in the net result
- for financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost.

7.1.3 Financial risk management: objectives and policies

The VCAA manages its financial risks, and the associated volatility of its financial performance, in accordance with its financial risk management program, which employs a variety of methods to measure and manage the risks to which the VCAA is exposed.

The Accountable Officer of the VCAA has primary responsibility for identifying and managing financial risks.

The VCAA's main financial risks are credit risk, liquidity risk and interest rate risk.

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

The financial statements and notes in this report detail the VCAA's accounting policies and methods for each class of financial asset, financial liability and equity instrument listed in Section 7.1.1, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised.

7.1.4 Financial instruments: credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. The VCAA's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the VCAA. Credit risk is measured at fair value and is monitored on a regular basis.

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

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

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

There has been no material change to the VCAA's credit risk profile in 2022–23.

Credit quality of contractual financial assets

	Financial institutions (AA credit rating) \$	Financial institutions (AAA credit rating) \$	Other \$	Total \$
2023				
Cash and deposits	30,762,979	–	–	30,762,979
Receivables ⁽ⁱ⁾	–	–	1,125,575	1,125,575
Total contractual financial assets	30,762,979	–	1,125,575	31,888,554
2022				
Cash and deposits	28,594,246	–	–	28,594,246
Receivables ⁽ⁱ⁾	–	–	759,385	759,385
Total contractual financial assets	28,594,246	–	759,385	29,353,631

(i) The total amounts disclosed here exclude statutory amounts (for example, amounts owing from the Victorian Government and GST input tax credit).

7.1.5 Financial instruments: liquidity risk

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

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

- close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements
- an adequate level of uncommitted funds that can be drawn at short notice to meet short-term obligations
- careful maturity planning of financial obligations based on forecasts of future cash flows

- a high credit rating for the State of Victoria (AA by Standard and Poor's and Aa2 by Moody's Investor Service), which assists in accessing the debt market at a lower interest rate.

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

7.1.6 Financial instruments: market risk

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

Sensitivity disclosure analysis and assumptions

VCAA's sensitivity to market risk is determined by the observed range of historical data for the preceding 5-year period, with all variables other than the primary risk variable held constant. Movement in the market interest rates of 50 basis points down and 50 basis points up is reasonably possible over the next 12 months (2022: 50 points up and 50 points down).

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

Interest rate risk

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

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

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

The tables below set out the carrying amount of financial assets and liabilities that are exposed to interest rates and the VCAA's sensitivity to interest rate risk.

Interest rate exposure of financial instruments

	Weighted average interest rate %	Carrying amount \$	Interest rate risk exposure		
			Fixed interest rate \$	Variable interest rate \$	Non-interest bearing \$
2023					
Financial assets					
Cash and deposits	2.40	30,762,979	–	30,762,979	–
Receivables ⁽ⁱ⁾		1,125,575	–	–	1,125,575
Total financial assets		31,888,554	–	30,762,979	1,125,575
Financial liabilities					
Payables ⁽ⁱ⁾					
Supplies and services		9,004,940	–	–	9,004,940
Borrowings					
Lease liabilities		532,863	532,863	–	–
Total financial liabilities		9,537,802	532,863	–	9,004,940
2022					
Financial assets					
Cash and deposits	1.05	28,594,246	–	28,594,246	–
Receivables ⁽ⁱ⁾		759,385	–	–	759,385
Total financial assets		29,353,631	–	28,594,246	759,385
Financial liabilities					
Payables ⁽ⁱ⁾					4,687,786
Supplies and services		4,687,786	–	–	–
Borrowings					
Lease liabilities		714,588	714,588	–	–
Total financial liabilities		5,402,375	714,588	–	4,687,786

(i) The total amounts disclosed in the table above exclude statutory amounts (for example, amounts owing from the Victorian Government and GST input tax credit recoverable).

Interest rate sensitivity analysis

	Carrying amount \$	- 50 basis points		+ 50 basis points	
		Net result \$	Available-for-sale revaluation surplus \$	Net result \$	Available-for-sale revaluation surplus \$
2023					
Contractual financial assets					
Cash and deposits	30,762,979	(153,815)	–	153,815	–
Total impact	30,762,979	(153,815)	–	153,815	–
2022					
Contractual financial assets					
Cash and deposits	28,594,246	(142,971)	–	142,971	–
Total impact	28,594,246	(142,971)	–	142,971	–

7.2 Contingent assets and liabilities

Contingent assets and 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 and payable respectively.

Contingent assets

Contingent assets are possible assets that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future event not wholly within the control of the entity.

They are classified as quantifiable, where the potential economic benefits is known, or non-quantifiable.

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future event not wholly within the control of the entity; or
- present obligations that rise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
 - the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

At 30 June 2023 the VCAA had no contingent assets (nil at 30 June 2022) and no contingent liabilities (nil at 30 June 2022).

7.3 Fair value determination

Significant judgment: fair value measurement of assets and liabilities

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

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: buildings, plant, equipment and vehicles

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

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

Fair value hierarchy

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised using the fair value hierarchy:

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

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

How this section is structured

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

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

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

7.3.1 Fair value determination of financial instrument assets and liabilities

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

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

The VCAA currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts approximate to fair value, due to their short-term nature or with the expectation that they will be paid in full by the end of the 2022–23 reporting period.

The VCAA 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) at the end of each reporting period.

7.3.2 Fair value determination: non-financial physical assets

Fair value measurement hierarchy

	Carrying amount at 30 June 2023 \$	Fair value measurement at end of reporting period using Level 3(i) \$
2023		
Buildings, plant, equipment and vehicles at fair value Plant and equipment	662,515	662,515
Total of buildings, plant and equipment at fair value	662,515	662,515
2022		
Plant and equipment and vehicles at fair value Plant and equipment	843,442	843,442
Total of plant, equipment and vehicles at fair value	843,442	843,442

(i) Classified in accordance with the fair value hierarchy, see Note 7.3.

(ii) Vehicles are categorised to Level 3 assets as the current replacement cost is used in estimating the fair value.

(iii) Buildings right-of-use assets are categorised to Level 3 assets as end of the useful life of the right-of-use asset or the end of the lease term is used in estimating the fair value.

There have been no transfers between levels during the reporting period.

Vehicles are valued using the current replacement cost method. The process of acquisition, use and disposal is managed by experienced fleet managers in the Department of Treasury and Finance who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method.

Building right-of-use asset is held at fair value.

There were no changes in valuation techniques throughout the period to 30 June 2023.

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

Reconciliation of Level 3 fair value

	Buildings		Plant, equipment and vehicles	
	\$ 2023	\$ 2022	\$ 2023	\$ 2022
Opening balance	655,549	822,923	187,892	110,671
Purchases (sales)	–	–	–	27,672
Transfers in (out) of Level 3	–	–	111,394	170,244
Gains or losses recognised in net result				
Depreciation	(167,374)	(167,374)	(124,946)	(120,695)
Closing balance	488,175	655,549	174,340	187,892
Total gains or losses for the period included in profit or loss for assets held at the end of the period	–	–	–	–

Description of significant unobservable inputs to Level 3 valuations

	Valuation technique	Significant unobservable inputs
Plant and equipment	Current replacement cost	Useful life

The significant unobservable inputs have remained unchanged from 2022.

8. OTHER DISCLOSURES

Introduction

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

Structure

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

8.1 Subsequent events

There were no significant events that have occurred subsequent to 30 June 2023.

The VCAA is required to report on events that occur between the end of the reporting period and the date when the financial statements are authorised to be issued if:

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

8.2 Other economic flows included in net result

	\$ 2023	\$ 2022
Net gain/(loss) on non-financial assets		
Net gain/(loss) on non-financial assets (including PPE and intangible assets)	–	(50,697)
Total net gain/(loss) on non-financial assets	–	(50,697)

8.3 Remuneration of executives

The number of VCAA executive officers, other than ministers and accountable officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provides a measure of full-time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long-service benefit or deferred compensation.

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

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

Remuneration of executive officers (including key management personnel disclosed in Note 8.4)	Total remuneration	
	\$ 2023	\$ 2022
Short-term employee benefits	1,185,607	855,992
Post-employment benefits	112,751	110,119
Other long-term benefits	28,464	30,170
Termination benefits	–	–
Total remuneration⁽ⁱ⁾	1,326,822	996,281
Total number of executives	5	5
Total annualised employee equivalents⁽ⁱⁱ⁾	4.9	4.74

(i) The total number of executive officers includes persons who also meet the definition of key management personnel of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure (Note 8.4).

(ii) Annualised employee equivalent is based on the time fraction worked over the reporting period.

8.4 Responsible persons

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

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

Income band	2023 No.	2022 No.
\$0	5	5
\$1–\$9,999	–	3
\$10,000–\$19,999	6	5
\$40,000–\$49,999	1	1
\$380,000–\$389,999	1	1
Total numbers	13	15
Total amounts	\$497,364	\$509,431

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

The compensation details below exclude the salary and benefits of Jenny Atta, Secretary of the Department of Education. According to the ETR Act, membership of the authority must include the Secretary of the department; however, the Secretary's remuneration and allowances are reported within the Department of Education's Financial Report.

Names

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

Minister	Portfolio
The Hon. Natalie Hutchins MP	Minister for Education
The Hon. Gayle Tierney MP	Minister for Higher Education, Minister for Training and Skills and Minister for Agriculture
Ms Ingrid Stitt MP	Minister for Early Childhood

Accountable Officer – Chief Executive Officer
Stephen Gniel

VCAA Board members	
Chris Wardlaw, Chair	Term completed 30 April 2023
Jenny Atta (ex officio)	
Catherine Dillion	
Professor Wayne Hodgson	
Professor Mark Rose	
Professor Kaye Stacey	
Catharine Hydon	
Aayushi Khillan	
Rob Fearnside, Acting Chair	Acting Chair term commenced 1 May 2023
James Laussen	
Terrance George Bennett	
Kristy Jane Keenan	

8.5 Related parties

The VCAA is a wholly owned and controlled entity of the State of Victoria within the Education Portfolio.

Related parties of the VCAA include:

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

Key management personnel of the VCAA include the portfolio ministers, the Secretary of the Department of Education, Board members, the Accountable Officer and senior executive managers. These include:

Jason Smallwood	Executive Director, Curriculum (Term commenced 15 August 2022)
Susan Bell	Executive Director, Senior Secondary Certificate Reform
Sandra Woodman	Executive Director, Assessment and Reporting (Term completed 30 June 2023)
Tarkan Koman	Executive Director, Infrastructure and Business Services

Compensation	\$ 2023	\$ 2022
Short-term employee benefits	1,442,148	1,057,153
Post-employment benefits	128,591	121,000
Other long-term benefits	32,697	32,371
Termination benefits	–	–
Total	1,603,436	1,210,524

Acting arrangements for executive officers who are KMPs are not included.

Transactions with key management personnel and other related parties

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

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

The value of transactions below are between the VCAA and the Department of Education. They do not include operational or capital funding which is disclosed in Note 2.2, however they do include resources received free of charge (Notes 2.3.3 and 3.1.2).

	\$ 2023	\$ 2022
Revenue received	2,644,001	2,907,222
Expenditure incurred	2,914,966	3,076,767

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

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

8.6 Remuneration of auditors

	\$ 2023	\$ 2022
Victorian Auditor-General's Office		
Audit of the financial statements	49,000	30,400
Total remuneration of auditors	49,000	30,400

8.7 Ex-gratia expenses

As at 30 June 2023 the VCAA had not made any ex-gratia payments (nil at 30 June 2022).

8.8 Economic dependency

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

8.9 Other accounting policies

Foreign currency balances/transactions

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

8.10 Australian Accounting Standards issued that are not yet effective

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2023 reporting period. The Department of Treasury and Finance assesses the impact of all these new standards and advises of their applicability and early adoption where applicable. Please refer below to the detailed list of the Australian Accounting Standards issued but are not yet effective for the 2022-23 reporting period.

Standard/ Interpretation (i)	Summary	Applicable for annual reporting periods beginning	Impact on public sector entity financial statements
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current	<p>This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. A liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.</p> <p>AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date was issued in August 2020 and defers the effective date to annual reporting periods beginning on or after 1 January 2023 instead of 1 January 2022, with earlier application permitted.</p>	1 January 2023	The Department is currently in the process of assessing the potential impact of these standards and amendments.
AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.	<p>AASB 2022-10 amends AASB 13 Fair Value Measurement by adding authoritative implementation guidance and illustrative examples for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.</p> <p>Among other things, the Standard:</p> <ul style="list-style-type: none"> ● specifies that an entity needs to consider whether an asset's highest and best use differs from its current use only when it is held for sale or held for distributions to owners under AASB 5 Non-current Assets Held for Sale and Discontinued Operations or if it is highly probable that it will be used for an alternative purpose; ● clarifies that an asset's use is 'financially feasible' if market participants would be willing to invest in the asset's service capacity, considering both the capacity to provide needed goods or services and the resulting costs of those goods and services; ● specifies that if both market selling price and some market participant data required to fair value the asset are not observable, an entity needs to start with its own assumptions and adjust them to the extent that reasonably available information indicates that other market participants would use different data; and ● provides guidance on the application of the cost approach to fair value, including the nature of costs to be included in a reference asset and identification of economic 	1 January 2024	The Department is currently in the process of assessing the potential impact of these standards and amendments.

Standard/ Interpretation (i)	Summary	Applicable for annual reporting periods beginning	Impact on public sector entity financial statements
AASB 2022-8 Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments and AASB 2022-9 Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector	AASB 17 replaces AASB 4 Insurance Contracts, AASB 1023 General Insurance Contracts and AASB 1038 Life Insurance Contracts for not-for-profit public sector entities for annual reporting periods beginning on or after 1 July 2026. AASB 2022-9 amends AASB 17 to make public sector-related modifications (for example, it specifies the pre-requisites, indicators and other considerations in identifying arrangements that fall within the scope of AASB 17 in a public sector context). This Standard applies for annual reporting periods beginning on or after 1 July 2026. AASB 2022-8 makes consequential amendments to other Australian Accounting Standards so that public sector entities are permitted to continue to apply AASB 4 and AASB 1023 to annual periods before 1 July 2026. This Standard applies for annual reporting periods beginning on or after 1 January	1 January 2023	The Department is currently in the process of assessing the potential impact of these standards and amendments.
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants	AASB 2020-1 amended AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current and was applicable to annual reporting periods beginning on or after 1 January 2022. AASB 2020-6 subsequently amended AASB 2020-1, deferring the mandatory effective date of AASB 2020-1 from 1 January 2022 to 1 January 2023. AASB 2022-6 was applicable for annual reporting periods beginning on or after 1 January 2022. AASB 2022-6 amends and clarifies the requirements contained in AASB 2020-1. Among other things, it: <ul style="list-style-type: none"> ● clarifies that only those covenants that an entity must comply with at or before the reporting date affect a liability's classification as current or non-current; and ● requires additional disclosures for non-current liabilities that are subject to an entity complying with covenants within 	1 January 2023	The Department is currently in the process of assessing the potential impact of these standards and amendments.

- A number of other standards and amendments have also been issued that apply to future reporting periods, however they are not expected to have any significant impact on the financial statements in the period of initial application.

8.11 Glossary of technical terms

Actuarial gains or losses on superannuation defined benefit plans

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

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

Amortisation

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

Comprehensive result

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

Commitments

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

Depreciation

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

Employee benefits expenses

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

Financial asset

A financial asset is any asset that is:

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

Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial liability

A financial liability is any liability that is:

- a contractual or statutory obligation:
 - to deliver cash or another financial asset to another entity
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity;

or

- a contract that will or may be settled in the entity's own equity instrument and is:
 - a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial statements

A complete set of financial statements comprises:

- a balance sheet as at the end of the period
- a comprehensive operating statement for the period
- a statement of changes in equity for the period
- a statement of cash flows for the period

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

Grants and other transfers

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

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

Interest expense

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

Interest income

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

Leases

Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Net result

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

Net result from transactions/net operating balance

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

Non-financial asset

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

Other economic flows included in net result

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

It includes:

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

Payables

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

Receivables

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

Sale of goods and services

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

Supplies and services

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

Transactions

Transactions are those economic flows that are considered to arise as a result of government policy decisions. They are usually an interaction between 2 entities by mutual agreement. Transactions can also be flows within an entity. An example is depreciation when the entity is both the owner of the depreciating asset and the consumer of the service provided by the asset. Transactions can be in kind (such as assets provided/given free of charge or for nominal consideration) or where the final consideration is cash.

Style conventions

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

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



APPENDIXES

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APPENDIX 2 – VCAA BOARD MEETING MEMBER ATTENDANCE, 2022–23

There were 6 Board meetings in 2022–23.

Board member name	31 Aug 2022	26 Oct 2022	14 Dec 2022	22 Feb 2023	26 Apr 2023	14 Jun 2023	Attendance
Jenny Atta	D	D	D	D	D	D	6/6
Chris Wardlaw (Chair) ⁽ⁱ⁾	●	●	●	●	●	–	5/6
Catherine Dillon	●	●	●	●	●	●	6/6
Rob Fearnside	●	●	●	●	●	●	6/6
Professor Wayne Hodgson	●	●	●	●	●	●	6/6
Aayushi Khillan	●	●	○	●	●	●	5/6
Professor Emeritus Kaye Stacey	●	●	●	●	●	●	6/6
Terrance Bennett	●	●	●	●	●	●	6/6
James Laussen	●	●	○	●	●	●	5/6
Catharine Hydon	●	●	●	●	●	●	6/6
Professor Mark Rose ⁽ⁱⁱ⁾	●	●	○	○	○	●	3/6
Kristy Keenan	○	●	●	●	●	●	5/6

● Attended ▲ Leave of absence D Delegated ○ Apology

(i) Chris Wardlaw resigned from the Board in April 2023.

(ii) Professor Mark Rose missed the Board meetings due to an extended illness.

APPENDIX 3 – ACRONYMS AND INITIALISMS

AASB	Australian Accounting Standards Board
ACARA	Australian Curriculum, Assessment and Reporting Authority
ALF	approved learning framework
AMAF	Asset Management Accountability Framework
ATAR	Australian Tertiary Admission Rank
Auslan	Language of the Australian deaf community
CARP	curriculum area reference panel
CCAFL	Collaborative Curriculum Assessment Framework for Languages
DAL	Digital Assessment Library
ECA	Early Childhood Australia
ECL	Expected credit loss
EYLF	Early Years Learning Framework
EYU	Early Years Unit
FOI	Freedom of information
FOI Act	Freedom of Information Act 1982 (Vic)
FTE	full-time equivalent
GAT	General Achievement Test
GTS	Government Teaching Service
HESS	Higher Education Scored Study
HPE	Health and Physical Education
IBAC	Independent Broad-based Anti-corruption Commission

ICT	Information and communications technology
MPSG	Major Project Skills Guarantee
NAPLAN	National Assessment Program – Literacy and Numeracy
NHT	Northern Hemisphere Timetable
OVIC	Office of the Victorian Information Commissioner
RTO	Registered Training Organisation
TAFE	Technical and Further Education
VAGO	Victorian Auditor-General's Office
VCAA	Victorian Curriculum and Assessment Authority
VCAL	Victorian Certificate of Applied Learning
VCE	Victorian Certificate of Education
VCE VET	Approved program combining VCE and VET
VELS	Victorian Essential Learning Standards
VET	Vocational Education and Training
VEYLDF	Victorian Early Years Learning and Development Framework
VIPP	Victorian Industry Participation Policy
VM	Vocational Major
VPC	Victorian Pathways Certificate
VPS	Victorian public sector
VRQA	Victorian Registration and Qualifications Authority
VTAC	Victorian Tertiary Admissions Centre

