

Chisholm

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On campus | Online
Workplace | International

Annual Report 2023

TAFE VICTORIA

Wominjeka, welcome to Chisholm

Chisholm acknowledges the Bunurong people of the Kulin Nation as the Traditional Custodians of the Country on which our campuses are located.

We recognise their continuing connection to land and waters and thank them for protecting the Country and its ecosystems that we enjoy today.

We pay our respects to Elders, past and present, and extend that respect to all First Nations people.

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



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Chisholm

About Chisholm

As one of the largest vocational training providers in the state, we transform lives for the better through relevant and responsive quality education and training.

We believe that the small moments of impact are just as important as the life-changing ones, and strive to deliver exceptional experiences for our students, partners and our people. Our goal is to educate and skill our communities and industries for generations to come.

More than 31,000 students studied with Chisholm in 2023 in over 250 courses across a broad range of study areas on campus at Bass Coast, Berwick, Cranbourne, Dandenong, Frankston or Mornington Peninsula, or via online, workplace or offshore delivery. These students are supported by a team of over 1,600 dedicated staff.

At Chisholm, we believe that education journeys can be as individual as each student and offer qualifications from short courses to certificates, diplomas, degrees and postgraduate studies. Our courses are intrinsically linked to community and industry needs and we have a wide range of local, national and international partners who support our training. This gives us the unique ability to showcase how communities and industry, metro and regional, come together for the better.

We believe in equitable access for all and offer personalised support services to students so they can successfully achieve their goals.

Stage two of our new Frankston Innovation and Learning Precinct is an example of our investment in facilities. This \$67.6 million project provides a state-of-the-art learning hub and showcases an outstanding experience for our students and educators, with the latest learning technologies and bespoke teaching and breakout spaces.

We are proud of our vibrant and diverse student mix and are committed to celebrating culture and community, embracing differences in gender, age, ethnicity, race, cultural background, disability, religion and sexual orientation.

Chisholm is a Victorian Government-owned TAFE provider established under the *Education and Training Reform Act 2006*. The responsible Minister is the Hon. Gayle Tierney MP, Minister for Skills and TAFE.

About this report

This document reports on the 2023 operations of Chisholm Institute, TAFE Online (trading as Chisholm Online) and the Caroline Chisholm Education Foundation.

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

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

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

Enquiries about this report can be addressed to:

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More information about Chisholm is available at chisholm.edu.au.



STEPHEN VARTY
Director and Chief Executive Officer

Date: 28 February 2024
Place: Dandenong, Victoria



BEN HELLIER
Chief Finance Officer

Date: 28 February 2024
Place: Dandenong, Victoria

Board Chair's message



On behalf of Chisholm Institute and the Board, I am delighted to present the Chisholm Annual Report for 2023.

This report recognises and celebrates the diverse and inspirational achievements of our students and our employees. Chisholm vocational education and training graduate Leela

Subramaniam was awarded Victorian Apprentice of the Year in 2023. Leela completed a Certificate III in Commercial Cookery apprenticeship at our Mornington Peninsula campus. Her talents saw her promoted immediately to junior sous chef on course completion and she now leads a team of eight staff. Eesha Katyare's inspirational story of changing careers from dental assisting to IT was featured nationally during Australia's Skills Week. Eesha secured employment as a specialist technician prior to finishing her Chisholm qualification and shared her successful pathways story at our 2023 graduation ceremony. Teacher Brad Menzies won the 2023 Individual Teacher of the Year Award at the Weld Australia Excellence Awards, and we also celebrated Jill Ford's achievements as a Victorian Teacher of the Year finalist.

Chisholm celebrated a global award of excellence for teacher professional development at the World Federation of Colleges and Polytechnics event. We were recognised for our use of innovative technology to help teachers plan, view and track their professional development.

Chisholm expanded the higher apprenticeship program to 14 courses, so that students can continue their studies in a familiar, supportive, applied learning environment. We also delivered training for over 4,000 students to support English language acquisition and pathways to further study or employment.

These achievements highlight the extensive breadth of capability that Chisholm offers, as well as the support that we provide to a diverse student cohort. The Board is incredibly proud of the successful learning pathways and partnerships established by our organisation that bring together senior secondary, VET, higher education, short courses and skill sets for our community and our local industries. At the heart of our 2021–2024 Strategic Plan is an ambition to transform lives through relevant and responsive

high-quality education and training. The achievements in this annual report demonstrate the significant progress we have made to date.

These achievements would not be possible without the dedication and passion of the Chisholm workforce. I want to take this opportunity to sincerely thank our employees for their efforts in delivering our core education and training programs, as well as our strategic projects, in 2023.

Chisholm's employee experience is integral to our success. In 2023, our People Matter Survey results highlighted that we are a leading organisation in the areas of employee engagement, integrity, inclusion and safety, as well as learning and development. We are well positioned to navigate the complex operating environment for TAFEs, and to meet the diverse needs of our key stakeholders, including our student community, employers, industry and government.

During the year Chisholm's Board, Board Committees and the Caroline Chisholm Education Foundation farewelled long standing members and welcomed new members. I thank Stephen Marks, Geoff Cullen and John Bennie for their contributions to the Board. I also extend my thanks to Robert Comelli, who served on the Audit and Risk Management Committee, Robert Johnson, who served on the Infrastructure, Systems and Planning Committee, and to the community and staff members who served as Trustees with the Caroline Chisholm Education Foundation in 2023.

I welcome our new Board Directors Gillian Miles, George Lekakis and Geoff Harry, as well as our new co-opted Board Committee members and Trustees.

I wish to acknowledge the leadership and diligence shown by Board members, Board Committee members and Trustees in 2023. Chisholm's governance model has gone from strength to strength and our success is a testament to the diverse expertise and considered advice provided by members throughout the year. I also wish to recognise Chisholm's CEO, Stephen Varty, and the Executive leadership team, for their resilience and commitment throughout 2023. Congratulations to all on a successful year.

A handwritten signature in black ink, appearing to read 'P. Digby'.

PRUE DIGBY
Board Chair

Date: 28 February 2024

Place: Dandenong, Victoria

CEO's message



This year we supported over 31,000 students to participate in a wide range of vocational and higher education programs. Our diverse student cohort came from over 150 countries, with more than 150 languages spoken at home.

I am proud of the groundbreaking work that we achieved in 2023 to

expand the education and employment pathways available to meet the diverse needs of our students and employers. Providing a seamless integration of pathways, from VET delivered in secondary schools and foundation courses to vocational education and higher education, is a key focus of our 2021–2024 Strategic Plan.

In 2023 we expanded our Higher Education College programs, which incorporate a vocational diploma in the first year of study. Our innovative traineeship programs, delivered in partnership with industry and the Victorian Government, are addressing critical skills shortages and increasing the support available to employers and priority student cohorts. I want to take this opportunity to thank our government, industry and university partners, whose expertise and commitment are key to our shared success.

The pathways that we deliver demonstrate the power of TAFE and how one tertiary education system can operate to better meet the needs of learners.

This year we had a shared focus across the organisation on delivering on student and employer expectations, and providing consistent, high-quality education. We implemented significant improvements for communications and engagement with our apprentices and employers. This included launching a new mobile application to make it easier for employers to monitor the progress of their apprentices.

We launched a new Customer Service Charter and commenced a rollout of comprehensive customer service training for all employees who work directly with our students. We upgraded our Learning Management System for students and teachers, refreshed our approach to blended delivery of courses and improved our communications, as well as student support facilities and resources.

Diversity, equity and inclusion was a priority focus for our employees in 2023. We launched our Social Justice Charter and participated in a range of well-attended events across

the year including IDAHOBIT day, Wear it Purple and the Midsumma Pride March. We achieved the milestones we set in 2023 for our Gender Equality Action Plan and expanded our Women in Leadership program activities. I wish to thank our Belonging and Inclusion Committee and Gender Equality Committee members for their leadership and the generosity of their contributions to our culture.

This year I met with teams across our organisation as part of Chisholm's CEO roadshows, as well as meeting individually with members of our Chisholm Leadership Group. I observed more people speaking up and using our values of Collaboration, Accountability, Integrity and Respect to celebrate our achievements and to talk about areas of improvement. I want to thank every employee who took time this year to reflect on our values and recognise the success of colleagues. I also want to recognise employees who have had the courage to speak up and be honest when things are not working well or when support is needed. Creating a safe environment to speak up is critical to our innovation and improvement. It is something that the Executive team has worked incredibly hard to cultivate over the past few years, and we will continue to maintain in the years ahead.

I wish to thank the Chisholm Institute Board, Board Committees and Caroline Chisholm Education Foundation Board of Trustees for their leadership and guidance this year. Chisholm's management team has benefited widely from the depth and breadth of members' expertise. I also wish to recognise our Executive Directors Group and broader Chisholm Leadership Group, whose leadership and support enabled many of the achievements described in this report.

Next year we will commence the development of our 2025–2029 Strategic Plan. The timing of our strategic planning cycle coincides with significant policy reforms for the tertiary education sector. I look forward to conversations with our people and key stakeholders about how Chisholm continues to transform the lives of the people who learn, work and partner with us.

A handwritten signature in black ink, appearing to read 'S Varty', written over a horizontal line.

STEPHEN VARTY
Director and Chief Executive Officer

Date: 28 February 2024

Place: Dandenong, Victoria

Chisholm Strategic Plan 2021–2024

Chisholm's ambition is to transform lives through relevant and responsive high-quality education and training.

We strive to make a positive difference to the industries and communities we serve in Melbourne's south east through our commitment to excellence in teaching and training provision.

We are committed to delivering outstanding experiences that empower students, employers and industry to reach their full potential.

To achieve our strategic intent, we put the needs of our students and our customers at the centre of everything we do.

Guiding principles

Ten guiding principles form the basis for our strategic decision making now and into the future:

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

Strategic pillars

Our strategic pillars describe our primary focus and strategic direction, as well as the processes, resources and capabilities we need to achieve our objectives:

- > Deliver on student and employer expectations
- > Provide consistent, high-quality education
- > Extend our influence to grow our markets
- > Engage our communities and industries in the south east
- > Develop our people and nurture a collaborative culture
- > Design inviting and inspiring campus experiences
- > Ensure modern and reliable technology platforms
- > Achieve sustainable financial and investment performance.

Values

The Chisholm values are at the core of our strategic plan and drive our interactions with students, each other and our external partners. Our values guide the decisions we each make in our roles and shape our culture at Chisholm.

Collaboration

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

Accountability

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

Integrity

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

Respect

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

2023 highlights

In 2023 we implemented a range of initiatives to deliver on our measures of success, with a priority focus on student and employer experience, and education quality.

Deliver on student and employer expectations

- > Identified and implemented significant improvements for apprentices and employers, including delivering an Employer Kconnect app, designed to make things as simple and easy as possible for employers to engage with Chisholm.
- > Launched the Chisholm Customer Service Charter and customer service training for all frontline employees.
- > Launched a communications framework, tools and templates to promote consistent communications across our organisation.
- > Improved library facilities and services, including a self-service model, digital resource spaces, dedicated education zones and increased casual seating and collaboration.

- > Translated student support information for the top 20 languages spoken by our students, with publications available at all campuses.
- > Upgraded our Learning Management System (MyChisholm) to facilitate an improved learning and teaching experience.

Provide consistent, high-quality education

- > Implemented centralised internal surveys to monitor student and employer feedback, and automated dashboards powered by our new data and analytics function.
- > Completed the transition to deliver all technical trade training to Navy personnel as part of the new Joint Technical Trades Training Services contract.
- > Expanded Professional Educator College partnerships and commenced further upgrades to the Educator Passport.
- > Transitioned Chisholm Online to Chisholm Institute to integrate our blended delivery capability and offer more variety in course study options for students.

Extend our influence to grow our markets

- > Launched a new brand campaign 'For the better', which was featured through digital channels, including catch-up TV as well as out-of-home advertising in Melbourne's south east.
- > Launched our B2B marketing campaign and new commercial Chisholm Solutions team.
- > Expanded the delivery of our early childhood traineeship program in partnership with the Victorian Department of Education.
- > Expanded our higher education offering to include the Associate Degree of Business (Accounting) and the Bachelor of Business (Accounting).

Engage our communities and industries in the south east

- > Established Industry Advisory Groups to create a consistent, systematic way of engaging and collaborating with industry in Melbourne's south east.
- > Launched an inaugural employer–student day to connect employers with students seeking employment after graduation.
- > Implemented an industry and community customer relationship management system and community survey to facilitate aggregated reporting and a strategic approach to relationships in Melbourne's south east.

Develop our people and nurture a collaborative culture

- > Launched our Social Justice Charter and Belonging and Inclusion initiatives.
- > Expanded our Health, Safety and Wellbeing training program.
- > Launched our Leadership Capability Framework.
- > Continued our Women in Leadership program.
- > Implemented our Respectful Workplace Behaviours training program.

Design inviting and inspiring campus experiences

- > Made significant progress on construction of the \$67.6 million Frankston Redevelopment Project Stage 2 (due for completion in January 2024).
- > Developed a new sustainability strategy, to embed environmental sustainability in our culture and practices.
- > Implemented a range of compliance and aesthetic improvements to assets and facilities across our campuses, including multi-faith space upgrades and signage improvements.

Ensure modern and reliable technology platforms

- > Continued improvements to core technology systems.
- > Commenced the transition to a new student management system.
- > Implemented an information management framework and associated initiatives.
- > Established a new technology solution for the management and reporting of corporate governance and compliance.
- > Implemented an upgraded and enhanced firewall solution.

Achieve sustainable financial and investment performance

- > Established a new data and analytics function to drive evidence-based decisions and improved reporting.
- > Continued to improve our course viability program.
- > Expanded our procurement practices to include more social benefit suppliers.

Awards, events and achievements



Leela Subramaniam

Victorian Apprentice of the Year

Apprentice cook Leela Subramaniam was named Victorian Apprentice of the Year at the Victorian Training Awards in August, competing against finalists from a range of industries across the state.

After working in hospitality from an early age, Leela began a Certificate III in Commercial Cookery at Chisholm in 2019. She was named Apprentice of the Year at the 2023 Chisholm Education Awards, was runner-up in the 2023 Australian Training Awards and was Victorian winner of the 2022 AUS-TAFE Culinary Trophy (third year apprentice category), going on to take out bronze in that year's national AUS-TAFE Culinary finals.

Today Leela is working full time in the industry and is excelling. Just promoted to junior sous-chef, she has her sights set on working at a Michelin-star restaurant in London.

Finalist for Victorian Teacher of the Year

Chisholm teacher Jillian Ford was a finalist in the Teacher/Trainer of the Year category at the Victorian Training Awards, which recognise outstanding student, teacher and provider achievements across the state.

Jill delivers the Certificate III in Dental Assisting traineeship at Chisholm. Her role involves marketing, liaising with employers and trainees, orientations, program delivery, resources development and workplace assessments statewide. Her achievements include redeveloping the course in innovative ways to suit trainees and employers across Victoria, significantly increasing enrolments and ensuring students remain engaged.

She continues to be heavily involved in industry as President of the Dental Assistants Professional Association (national peak body) and as a member of the Australian Dental Training Advisory Group. She also shares her methodologies across various Chisholm areas and regularly collaborates with other dental educators in Victoria and interstate. To further her skills and knowledge, Jill is undertaking a Graduate Certificate of Adult, Vocational Education and Training at university.



Left to right: Damien Van Eyk Chief Commercial Officer, Jill Ford, Stephen Varty Chief Executive Officer.

Chisholm Education Awards

The Chisholm Education Awards provide an opportunity to celebrate our students – their successes and their inspiring journeys. It is also a time to recognise exceptional employee achievements.

Approximately 180 people attended our gala event in June, including 106 finalists and guests, 16 industry representatives and 10 VIP guests. Among the guests were the Hon. Nina Taylor MP, Parliamentary Secretary for Training and Skills; Craig Robertson, CEO of the Victorian Skills Authority; and representatives from industry and government organisations.

The 2023 winners were:

- > Apprentice of the Year: **Leela Subramaniam**
- > Bill Norling Automotive Excellence: **Aiden Evans**
- > Educator of the Year: **Rodney Bentvelzen**
- > Foundation Student of the Year: **Heidi Perry**
- > Higher Education Student of the Year: **Labrine Fotopoulos**
- > International Student of the Year: **Thanaphol Vimolkiet**
- > Koorie Student of the Year: **Sarah Thorne**
- > Trainee of the Year: **Florence D'Alquen**
- > Vocational Student of the Year: **Zahra Karimi**
- > Secondary Student of the Year: **Vito Kaev**.

Graduations

Our graduation ceremonies continue to be a highlight on the events calendar. In 2023 we held two graduation ceremonies, in March and October.

At the ceremony held in March, 128 students received qualifications from Certificate III to graduate certificates at Frankston Arts Centre. Rosie Batty AO, a former Chisholm student, inspired graduating students with her story of resilience and growth.

At the October celebration, 140 students attended a ceremony at Bunjil Place, Narre Warren. The guest speaker was recent Chisholm graduate and Caroline Chisholm Education Foundation recipient Eesha Katyare.

WorldSkills

Chisholm was a major sponsor and participant in the WorldSkills national championships, held at the Melbourne Convention and Exhibition Centre in August.

WorldSkills encourages skills excellence in vocational, technological and service-oriented careers through national and international skill competitions. This was the first time that the event had been held in Melbourne in seven years and was the culmination of a series of regional and state competitions.

We were proud to have four of our students reach the national finals in automotive, engineering and cyber security, and two of our teachers were selected to be national judges. We ran the engineering competitions at our Dandenong campus and sponsored tools and equipment across several disciplines.

AMEP 75th Anniversary Award for Excellence

In June, Chisholm Adult Migrant English Program (AMEP) teacher Sawsan Eido was nominated for an AMEP 75th Anniversary Award for Excellence. The awards, recognising teachers, volunteers and students, were presented by Australian Government Minister for Immigration, Citizenship and Multicultural Affairs the Hon. Andrew Giles MP and Rosemary Kariuki OAM at the State Library of Victoria.

Weld Australia award

In November, Chisholm teacher Brad Menzies won the 2023 Individual Teacher of the Year Award at the Weld Australia Excellence Awards. These awards showcase and celebrate the world-class work being undertaken by local welders, fabricators and industry educators.

Housing Industry Australia awards

Three Chisholm students were honoured at the HIA's Victorian Apprentice Awards held in September. Jayde Palmer, an apprentice at Ecoliv Buildings, won the Second Year Carpentry award. Jack Kelsey, an HIA apprentice hosted by Luke Feenstra, was a finalist in the Fourth Year Carpentry category and Sam Dickinson of Norton Builders was a Second Year Carpentry finalist.

Professional Educator College

Over the past eight years, our Professional Educator College has operated with a goal of addressing the professional development needs that underpin educational excellence.

Our Educator Passport System helps VET educators assure their Australian Skills Quality Authority defined professional development requirements. The passport ensures that educators have contemporary skills and knowledge as set out in the RTO standards. They can manage their teaching and industry currency activities so that those activities can be tracked by supervisors and auditors.

Partnerships and collaboration with other organisations are central to the system's success. In 2023 we secured a new partnership with Box Hill Institute and are negotiating with others. Our existing partnerships with TAFE Gippsland, Bendigo Kangan Institute and Sunraysia TAFE continued to grow from strength to strength, as evident from an increased number of partner collaborative initiatives.

During the year, we continued to coordinate regular community of practice meetings; share professional development resources and presenters; collaborate on professional development; and jointly develop initiatives to enhance the passport app.

Gold medal win at the World Federation of Colleges and Polytechnics

In April, we received global recognition for our Educator Passport when we won the Teacher Professional Development Award at the World Federation of Colleges and Polytechnics 2023 Awards of Excellence. The Federation is an international network of national and regional associations of colleges, as well as individual colleges. This award recognises an institution or institutional association that demonstrated excellence in teacher professional development. This is a significant achievement, as only a handful of organisations are named for each category worldwide.

Teacher Training Incentive Program scholarships and mentoring

The Victorian Government's Teacher Training Incentive Program was established to attract qualified teachers to hard-to-staff positions. Of the 12 participants in our 2023 program, two were employed within the sector and two gained ongoing employment at Chisholm. Of the remaining eight, two successfully completed milestones and two are due for completion in January 2024, with the others on track to achieve milestones in 2024. Two participants were engaged in a mentoring pilot and will continue as mentors next year.

Mini Summit

The 2023 Mini Summit, hosted by the Professional Educator College and consortium partners Bendigo Kangan Institute, Sunraysia TAFE and TAFE Gippsland, was held in June. Its goal was to strengthen consortium partner relationships through a day of learning opportunities. The theme was Connecting with our Learners, and speakers included high-profile psychologist Dr Michael Carr-Gregg. Five virtual workshops held across the day saw a total of 528 educators register, 220 of these from our partner institutes.

Spotlight: Educators in Action

Our inaugural Spotlight: Educators in Action event, with more than 50 participants, was held at the Cranbourne campus in November. Highlights included presentations from Foundation College students, workshop presentations from Chisholm educators and a virtual workshop on AI in Education by Scientia Professor of Artificial Intelligence Toby Walsh from the University of New South Wales and CSIRO's Data61.

The event provided a forum for teachers to connect, engage, discuss and share creative, innovative teaching practices that could have a tangible impact on student learning. Nine workshops were held and feedback indicated a 100 per cent response that the event should be held annually.

2023 achievements

- > Developed a 12-month strategic plan that established priority focus areas and paved the way for an expansion of our team and our services, including:
 - > the Educator Mentoring Pilot Program, which developed and piloted a mentoring program targeting new Chisholm educators
 - > development of commercial arrangements for the provision of professional development programs with the VET Development Centre and Velg Training
- > Awarded digital badges for the five mandatory modules in the Teacher Essentials Kit completed by 581 educators, an increase of 14 per cent from 2022
- > Awarded digital badges for the four mandatory modules in the Education Manager Essentials Kit completed by 42 Education Managers
- > Offered more than 26 Learning Journeys and 196 electives to educators and Education Managers
- > Expanded the Professional Educator College reference group, which held monthly meetings.



Left to right: Siobhan Siedlecki State Lead Early Childhood Education traineeship project, Sara Ranatunge ECE Educator, David Christy Manager of Professional Educator College.



Higher Education College

At the conclusion of 2023, the Higher Education College had 14 proprietary courses on scope and ready for delivery to students. This is in stark contrast to the four Chisholm higher education courses that were available in 2020.

During the year we began development of a bespoke social work degree and developed an honours degree to be available to our psychology students. We will continue to develop new courses into 2024.

The Graduate Certificate of Family Violence continues to be our most popular course for domestic students. We continue to see strong demand for the Prevention and Practice stream, with many of our students being the first in their family to complete a degree level qualification. Our team also had excellent research output, publishing a paper on the lived experiences of our own student cohort. Dr Ilsa Evan's paper *Aligning the Personal with the Professional: Lived Experience as Motivation for Further Education and Employment in Domestic and Family Violence* was selected as editor's choice in recognition of an outstanding research achievement (published in *Advances in Social Work and Welfare Education*, 2023, Issue 24.2).

We were proactive in conversations with the Australian University Accord panel and made contributions to TAFE Directors Association submissions. Our contributions emphasised a need for greater equity for higher education students studying at TAFE, particularly in the provision of Commonwealth supported places for TAFE students. We also presented at Linkages, the TAFE Directors Association conference held in October. Our presentation focused on improved ways to ease the transition from TAFE to higher education.

Higher education at Chisholm underwent an independent external review of academic governance in the second half of 2023. The review provided positive feedback on the way in which Chisholm conducts its governance processes and led to a suite of recommendations that will be presented to our Higher Education Academic Board in 2024.

In addition, we:

- > had our Bachelor of Business (Accounting) accredited by CPA Australia and CAANZ
- > worked with La Trobe University for reaccreditation of our third-party nursing degree
- > were recognised by the Clean Energy Council for our ability to provide high-quality graduates in the clean energy sector.

Foundation College

English Language Studies

In 2023, our team supported over 4,070 students with their language and settlement goals, as well as their other learning, pathway and wellbeing needs. More than 2,000 new registrations and assessments were completed. We delivered classes across five Chisholm campuses and three community based centres, with day, evening and weekend schedules offered to engage diverse cohorts.

Collaboration with organisations across the region assisted us in providing current, relevant and customised learning experiences. Life Saving Victoria ran a successful beach program, educating students about water safety at local beaches, and students in our youth programs in Dandenong undertook regular swimming lessons. We collaborated with employers to deliver an employment forum on working in the health sector. A Youth Pathways forum delivered with other Melbourne AMEP providers focused on pathways such as engineering, health and tertiary study. Together with Melbourne AMEP, we also successfully delivered a government funded AMEP Innovation project, working with local community hubs to deliver an English for the Social Assistance Sector program.

Incursions and excursions are a feature of our AMEP courses, providing authentic learning opportunities and linking students to essential services, supports and social connections. In 2023 the Chisholm Skills and Jobs Centre delivered workshops on job seeking and employment opportunities. Centrelink held workshops on issues such as family violence services and debt prevention, and The Water Well Project gave a presentation on healthy relationships. Students also explored local libraries, art galleries and nature spots.

Our delivery of English programs in China continued, with travel to China resuming after the impacts of the COVID-19 pandemic. Our first travellers headed off to Taishan and Chengdu for a month to teach in term 4.

Work Education

Our Work Education courses cater for students with a disability and with complex needs. Many have low self-esteem and mental health issues and require extensive support. Small class sizes are necessary to build strong relationships and offer individual assistance.

In 2023, we successfully enrolled 57 students across our Frankston and Dandenong campuses. Some students have diverse pathways within our local community. A significant outcome involves students transitioning to other Chisholm courses or securing employment opportunities.

Frankston students actively contributed to the community during the year by engaging in weekly work at Pantry 5000 in Carrum. This organisation provides emergency food relief and ongoing support for those experiencing financial hardship. Our students collaborated with fellow volunteers, sorting and packaging food parcels. This practical engagement benefits the community and provides our students with meaningful real-world experiences, further enhancing their skills and personal growth.

General Education

We successfully delivered Certificate I, II, and III courses across Frankston, Berwick and Dandenong campuses, providing a comprehensive educational experience. Our student demographic comprises individuals aged 16 to 18 who, having become disengaged from traditional education, face diverse challenges such as mental health issues, anxiety and depression, as well as learning difficulties. Additionally, a number of mature-age students were enrolled across all campuses.

In 2023, our area facilitated delivery of the Certificate in General Education for Adults to 153 students. Some students successfully completed two certificates within a single year, marking a seamless transition to other mainstream courses. Our student body is sourced from feeder schools within the region, reflecting the strong relationships cultivated with these educational institutions.

Exiting students are equipped with diverse pathways, ranging from apprenticeship and pre-apprenticeship courses within Chisholm to pursuing VCE or VCE-VM. Our students also have access to opportunities for higher education at universities, as well as Chisholm courses in early childhood education, community services, IT, nursing, disability support, graphic arts and educational support. Pathways leading to careers in the Defence Force, including the Occupation Preparation Program, further broaden the spectrum of opportunities available to our students.

Academic Learning Skills Unit

Our Academic Learning Skills Unit supported over 1,000 students in areas such as plumbing, health, community service, electrical, cyber security and engineering. We also delivered a tailored library support program to individual learners.

Celebrating 75 years of AMEP

In October, employees, students and guests joined together at our Dandenong campus to celebrate 75 years of the AMEP. Students wore traditional dress, shared art and music performances, and enjoyed multicultural cuisines.

We have a long-standing involvement with the AMEP, and the event was an opportunity to thank and celebrate our students and teachers for enriching our multicultural community.

Guests at the event included the Hon. Lee Tarlamis MP, Member for South Eastern Metropolitan Region; the Hon. Julian Hill MP, Member for Bruce; City of Greater Dandenong Councillor Rhonda Garad; and representatives from our partners Melbourne Polytechnic, Melbourne AMEP, Foundation House Victoria, Asylum Seeker Resource Centre and South East Community Links.





Tech Schools

New Tech Schools for Dandenong and Frankston

In the 2023 State Budget, the Victorian Government announced that six new Tech Schools will be built in Victoria. Two of these will be hosted by Chisholm, at our Dandenong and Frankston campuses, a recognition of our success with the Casey Tech School.

Development work commenced in 2023 on the consultation, design and construction of the new Frankston Tech School in preparation for science, technology, engineering, arts and mathematics (STEAM) education program delivery in 2025. The Dandenong Tech School is expected to be ready to deliver programs in 2026.

Casey Tech School

In 2023, Casey Tech School delivered programs to over 9,000 secondary school students. Since 2017, Casey Tech School has been an exemplar of high quality, transdisciplinary education in STEAM. Its innovative curriculum is key to its success as it is co-designed with industry and expert teachers to ensure it suits each school's needs and their students' collective interests. The application of student learning focused on authentic, real-world problems and opportunities provided by our local STEAM industry partners is engaging and meaningful for the young people. They develop technical STEAM skills as well as the modern 'enterprise' skills required for success in our future STEM-literate society.

Support from a range of partners underpinned Casey Tech School delivery during the year, including Successful Endeavours; St John of God Hospital; City of Casey; Royal Botanic Gardens (Cranbourne); Global Wellness Tracking; Clean Energy Council; Nursery and Garden Industry Victoria; Kuka Robotics; Inspire Robotics; Earthshack; National Gallery of Victoria; Federation University; Swinburne University; OzGrav ARC; and the South East Local Learning and Employment Network (SELLEN).

Trades

Virtual welding training facility

In January, we introduced augmented reality to engineering training as part of a blended curriculum that is meeting a growing need and addressing an industry shortage of skilled welders.

The technology uses real-world techniques to analyse and assess student progress. It allows them to work in their own time, at their own pace, to ensure they are comfortable and confident before they move into our welding workshop.

In the hazardous environment of welding, training is limited to one-on-one so there are often delays. Augmented reality allows a teacher to demonstrate to a group of 16 students in a safe environment where they can watch each other progress and share the experience.

With augmented reality, students can pick up errors and resolve them before they use real welding equipment. When they move into their individual welding bays, they have the knowledge and confidence they need to use the equipment safely and complete tasks.

We developed the augmented reality training for different abilities, so it is equally useful for novices and skilled welders seeking certification.

Mental Health Mondays

Mental Health Mondays is a mental health initiative in our Engineering Department that is going from strength to strength.

Each year, the engineering team at our Dandenong campus wear TradeMutt shirts to show that they care about student wellbeing. The bright shirts are deliberately designed to initiate conversations that can lead to deeper discussions on issues such as mental health.

In 2023, 30 employees participated, wearing the shirts every Monday. Profits from the sale of the shirts go to support This is A Conversation Starter, a not-for-profit mental health service funded by TradeMutt.

Bowens Youth Mental Health Awareness

In April, May and June, more than 700 apprentices and employees attended workshops on youth mental health held at our Frankston, Dandenong and Berwick campuses.

Sponsored by Bowens and held in partnership with WorkSafe Victoria and HALT, a national grass-roots suicide prevention charity, the sessions featured guest speaker and former AFL player Tom Boyd. Tom's talk about how mental health issues affected his playing career and his life had a strong impact on the audiences and generated much discussion.

After the sessions, Bowens supplied a barbeque lunch while our Student Support Officers and Apprenticeship Support Officers were on hand to answer questions, hand out resources and provide referrals to external services where required.

Support sessions for engineering apprentices

Our engineering team is deeply committed to wellbeing, and a close connection with the Student Support team ensures we can tailor support and workshops to the needs of our cohort.

In September, we held three information sessions on alcohol and other drugs for our apprentices, covering topics such as what addiction is, treatment options, how to get help, and internal and external supports available.

Given student interest and engagement, we asked what else they needed to learn about and the overwhelming response was finances. Over three lunchtime sessions in November, our apprentices heard presentations from Apprenticeship Support Officers and our Wellbeing team covered budgeting, Centrelink, trade support loans and much more.

In total we held six sessions with 500 students attending. Multiple appointments and referrals were made to appropriate support services where required. Responses to our post-workshop survey showed that 87 per cent of students found the workshops to be helpful.

Further sessions are being planned for 2024, covering topics such as finances, vaping/smoking and ADHD.

Youth Pathways Strategy 2023–2025

During 2023, we continued to implement the recommendations in our comprehensive Youth Pathways Strategy 2023–2025. This strategy aligns with the Victorian Skills Plan 2023 and underpins our core value proposition for our youth cohorts – that the educational pathways we provide lead to real employment outcomes or further study opportunities.

With over one third of our student population aged 16 to 19 years, the strategy also guides planning for improving the youth experience of Chisholm through opportunity and access; educational quality; and wellbeing, safety and support when learning and working on our campuses.

Across 2023, this strategy enabled the continuing transition of our senior secondary certificates (VCE and VCE-VM) to provide more flexible study options and greater opportunities for students to choose thematic courses in high priority industry fields. For our youth cohorts transitioning from mainstream schools, this initiative is helping them to better assimilate into Chisholm’s adult-learning environment, as they try a selection of different VCE subjects and VET delivered to secondary students (VETDSS) units to suit their developing career pathway interests.

Grant funding provided by the Department of Education’s Senior Secondary Pathways Reform Taskforce also allowed us to create new support staff positions to further help reduce barriers and provide support to young people so that they can succeed in their senior secondary studies at Chisholm. The impact of these extra supports saw very high proportions of our 2023 cohort of VCE and VCE-VM students achieve their senior secondary certificate; for many students, becoming the first member of their family to achieve such educational success.

Importantly, in 2023 the Youth Pathways Strategy generated greater collaboration between education delivery departments in the design of interconnecting course enrolment pathways to progressive VET and higher education qualifications. New marketing assets were also developed to support career planning for students entering Chisholm through our Foundation College, Casey Tech School, senior secondary colleges or via VETDSS.

By year end, work arising from the Youth Pathways Strategy saw 16 of the 34 recommendations complete or nearing completion, with implementation of all other recommendations commenced by their respective work teams. Additionally, a new, public version of the strategy document was in the final stages of draft and will be available from 2024 to help our students, community, industry and government stakeholders to understand and appreciate the positive impact and innovation being achieved by our Youth Pathways Strategy.

High achiever: VCE results

Chisholm VCE student Jardin Hammond achieved an ATAR of 92.95 in 2023, a fantastic result.

After leaving school in year 11 and working for 12 months, Jardin decided he wanted to complete VCE. After looking at various options he enrolled at Chisholm’s Frankston campus, which offered the subjects he wanted and was close to home. The 19-year-old says he found the flexible and supportive environment suited his learning style, and he enjoyed learning with like-minded students.

Jardin is set for a bright future. His immediate goal is to study humanities and politics at university, with a view to pursuing a career in the public service.

Projects

Early Childhood Educators Traineeship

Our Jobs Victoria Early Childhood Educators Traineeship program was successful in attracting over 200 trainees to the industry across 2022 and 2023.

With the Victorian Government significantly increasing access to early childhood education over the coming years, skills shortages in the sector became a concern. In January 2022, we were awarded a project through Jobs Victoria and the Department of Education and Training that would attract job seekers to the industry statewide, provide appropriate training and match them to employers seeking staff.

The project specifically targeted disadvantaged job seekers including people from culturally and linguistically diverse (CALD) backgrounds; women over 45; young people under 25; and people who were unemployed or underemployed. Our strong marketing campaign was successful in attracting suitable applicants, who were then offered an optional job-ready skills course through Learn Locals to ensure they were confident in their ability to undertake a traineeship.

We sourced suitable host employers from across Victoria and trainees enrolled in a Certificate III in Early Childhood Education and Care, choosing to study with either Chisholm or one of our partner TAFEs. Trainees were also offered the option of continuing on to a Diploma of Early Childhood Education and Care, which can pathway into a bachelor degree.

To maximise retention and placement success, we provided regular mentoring support to all trainees and employers. We offered weekly study support sessions and one-on-one support where required. We also established a statewide Community of Practice so that teachers could share learnings and best practice.

Given the success of the initial contract, in December it was extended to April 2024, with a goal of training and placing 250 people into ongoing jobs.

Engineering project

The Jobs Victoria Engineering Project aimed to recruit, train and support 100 job seekers from disadvantaged cohorts into sustainable jobs with manufacturing industry employers throughout Melbourne's south east.

Funded by Jobs Victoria, the project was a response to a significant skills and labour shortage in manufacturing across our region, which is Victoria's manufacturing heartland.

We began comprehensive recruitment and marketing activities in April, which involved attendance at expos and events aligned with target cohorts. These cohorts were women under 25 and over 45; long-term unemployed people; youth 18 to 25; Aboriginal and Torres Strait Islander people; people with disability; asylum seekers/refugees; newly arrived migrants; people with CALD backgrounds; social housing tenants; people who had recently exited the justice system; and veterans.

We identified and supported job seekers from these backgrounds into a tailored training program, designed to upskill participants quickly and prepare them for a career in manufacturing. The training was developed by our Engineering Department, in collaboration with AMTIL, the South East Melbourne Manufacturers Alliance (SEMMA) and Jobs Victoria. It covered industry-specific topics such as welding, sheet metal, hand and power tools, CNC machining and safety standards.

Wraparound support provided to participants was key to the project's success. This involved mentors (from application through to post-employment), pathways advice, access to resume and interview advice and assistance with our Skills and Jobs Centre, individual counselling and more.

Our project team also worked hard to build rapport, strengthen relationships and educate the manufacturing industry on the benefits of employing diverse job seekers.

The Jobs Victoria Engineering Project is on track to meet the project targets when it concludes in April 2024.

Defence

In June, we signed a multi-year, multi-million dollar contract to deliver trade training to the next generation of Navy recruits at HMAS Cerberus.

This major project will involve 62 teachers and 14 support staff in delivery of four qualifications to more than 500 apprentices per year over the next five-years. Options allow for an additional five year extension to the contract, with the goal of substantially increasing apprentice numbers each year.

Part of a national consortium led by Wodonga TAFE, Chisholm will make a significant contribution to Australia's defence by ensuring that the next generation of Navy personnel receive high quality training to the standard required of trusted technicians. Part of our role is to build capability and to improve perception of Defence trades as aspirational careers.

This is the first time that the Australian Defence Force has combined Army, Navy and Air Force trade training in a single national contract, known as the Joint Trade Training Services. It is also the first time that eight TAFE institutes and two private RTOs have combined to offer a seamless national training solution to the Australian Government.

Qualifications to be delivered by Chisholm are Certificate III in Electronics and Communications; Certificate III in Electrical Fitting; Certificate III in Engineering – Fabrication Trade; and Certificate III in Engineering – Fixed and Mobile Plant Mechanic. Certificate IV and Diploma qualifications are also being delivered by Chisholm and include Certificate IV in Engineering; Certificate IV in Electrical Equipment and Systems; Diploma of Engineering; and the Diploma of Electronics and Communications.

We will also be providing training across a range of Navy-specific non-accredited courses and pathway diploma courses.

To deliver the contract, we established a new training location at Cerberus and tailored delivery to meet Defence requirements. This flexibility and responsiveness resulted in a unique program where all theory is delivered upfront, followed by on-the-job practical training components. Innovation and agility are core to our organisation and will result in high quality training outcomes that meet Defence needs.

This major contract provides our organisation with unique opportunities – to contribute to keeping Australia safe, to work as partners in a national TAFE-led consortium and to bring our learnings to other client projects, augmenting our position as a leading training provider.

Student support

Student Support and Engagement provides holistic, wraparound support that is proactive, accessible and inclusive. Our programs offer support at critical intervention points throughout the student journey, supporting students to stay on track.

We also provide opportunities for connection through workshops, events, social clubs and other activities aimed at building a sense of community and belonging.

In 2023, we delivered over 11,000 individual sessions, reaching just over 1,800 students. Individual support services include counselling, wellbeing, disability support, careers and Koorie student support.

In addition, we delivered over 660 events, workshops, group sessions, orientations and welcome talks across all campuses. These included our orientation festival, sessions on a range of health and wellbeing topics, careers events and library orientations.

Student success and retention

Our retention activities across 2023 reached over 5,400 students through outbound calls and in-class welcome talks, providing new students with information about support and prompting students to reach out if they required assistance.

The *Youth News* newsletter was launched in July, specifically targeting students under 18 with information to support success and wellbeing during their studies, strengthening our ongoing commitment to Child Safe Standards. The newsletter was sent to all under 18s, as well as their listed parents and guardians, aiming to promote open conversations at home and on campus. One edition of this newsletter focused on alcohol and other drugs, including resources around addiction to promote prevention and provide details of relevant support services.

Parents and guardians of students under 18 were provided opportunities to give feedback on their experience with Chisholm and the support available to the young person in their care. This involved an in-person feedback session attended by executives and student support employees, allowing parents to directly provide insight into key areas of improvement, in line with Child Safe Standards.

Student support and wellbeing

Throughout 2023, we expanded our delivery of youth services to offer workshops on topics such as community safety (delivered by Victoria Police), social connection (delivered by Headspace), respectful relationships (delivered by Relationships Australia Victoria), sexual health (delivered by Sexual Health Victoria), financial wellbeing (delivered by Services Australia) and online safety (delivered by the Cyber Safety Project).

We continued to expand our ongoing connection with apprentices through delivery of workshops on topics such as alcohol and other drugs, financial wellbeing and respectful relationships.

Relationships Australia Victoria was also contracted to deliver a series of workshops. These included two respectful relationships workshops for plumbing apprentices targeting prevention of gender-based violence, and respectful relationships workshops for students with intellectual disabilities through work education and transition education programs.

We facilitated a partnership with the Southeast Centre Against Sexual Assault and Family Violence. They delivered highly specialised support to students through co-location in the Dandenong Student Support and Engagement Hub once a month, removing barriers for students to access support in a safe and confidential space.

In 2023 we also expanded our service delivery for our CALD cohorts. This included delivery of tailored respectful relationships education through The Water Well Project. To reduce barriers to accessing support, our Student Support and Engagement service flyer was translated into the top 20 most spoken languages among the student cohort.

Equitable learning and disability support

Students diagnosed with a long-term illness, disability and/or a mental health condition continued to be supported through their student journey. We provided tailored support including reasonable adjustments, assistive technology and in-class support from commencement to graduation.

In 2023, we piloted a prospective support campaign for students flagging a disability at enrolment. As a part of the pilot, every student who requested disability support while enrolling received a targeted phone call from an Equitable Learning and Disability Support Advisor to discuss support and explain the registration process. The pilot was a success and will be embedded into core delivery in 2024.

Koorie student support

During the year, the Koorie student support team connected Koorie students to culture, Community and peers through the monthly meeting of Koorie Connect, a group for Koorie students and employees, and through a range of excursions where Koorie students were invited to visit local Gathering Places to provide direct connection with Community.

Careers counselling

In 2023, we delivered over 100 careers counselling workshops and group sessions, helping students navigate their industry, prepare job applications, and search for and apply for jobs. These workshops were delivered alongside individual support sessions for students across their journey, including a campaign for our students nearing completion of their course. We co-delivered the inaugural Build Your Career in Care event that focused on connecting students to industry representatives and promoting job vacancies in the aged care and disability support sectors. The team also co-located with the Library and Learning Centres, delivering eight drop-in sessions to provide initial resume checks and career guidance.

Student life

Throughout 2023 we delivered a vibrant and inclusive student life program, reflecting the diversity of our student cohort. These events provided our students with the opportunity to connect with peers, celebrate their cultures and have fun, building an ongoing sense of belonging and social connection. Programs and events included monthly social clubs, O-Fest, Harmony Day, International Women's Day, IDAHOBIT, Wear it Purple, Join The Dots (Chisholm's annual celebration of Aboriginal and Torres Strait Islander culture) and R U OK? Day.

We also delivered a suite of student voice initiatives, including the Student Experience Committee.

Library and Learning Centres

Our Library and Learning Centres are hubs for social connection, linking to support services and study support. Across 2023 we reviewed and updated our entire physical collection ensuring the collections are current, relevant and aligned to course design. Dedicated Koorie, EAL and LGBTQIA+ immersion spaces were developed at Frankston, Dandenong and Berwick Library and Learning Centres.

A suite of student services were co-located in the Library and Learning Centres throughout 2023, including regular drop-in sessions with our research and academic librarians. In September we commenced a student outreach program, conducting visits to student hubs, teaching areas and cafeterias to connect with students and promote the services, resources and support on offer through the Library and Learning Centres. Additionally, self-service and hybrid models of service were successfully trialled at our Cranbourne and Mornington Peninsula Library and Learning Centres, allowing students daily access to library services.

Student Ambassador program

Our Student Ambassador program provides students with the opportunity to engage with paid work on campus, offering training and experience to increase students' employability. Student Ambassadors work across a range of areas, including provision of peer-to-peer support to students and running social clubs to improve social connectedness. In 2023, 12 new ambassadors were inducted into the program, with 11 completing their six-month contracts, two having their contracts extended and one gaining full-time employment within Chisholm.

Caroline Chisholm Education Foundation

The mission of the Caroline Chisholm Education Foundation (CCEF) is to help students in financial hardship to access a high-quality vocational educational qualification at Chisholm.

Established in 2007, the CCEF is a registered independent charity with the Australian Charities and Not-for-profits Commission. Gifts are tax deductible. Chisholm covers the Foundation’s administration, so 100 per cent of donations are allocated directly to students.

The CCEF has granted over 3,000 scholarships at a cost of more than \$2.5 million since its inception. These scholarships allow students to make positive changes and achieve rewarding outcomes that improve their future education or employment opportunities. With increased self-esteem and self-worth, they become better role models for family and community.

In 2023 we received support from Rotary Clubs, local government, business and private donations. Grants were received from Mornington Peninsula Shire, Peninsula Kingswood Community Foundation and a new donor – Violence Free Families. In 2023, the Foundation provided 367 scholarships and \$340,653 in scholarship funding to students. More than 60 per cent of scholarships were granted to women.

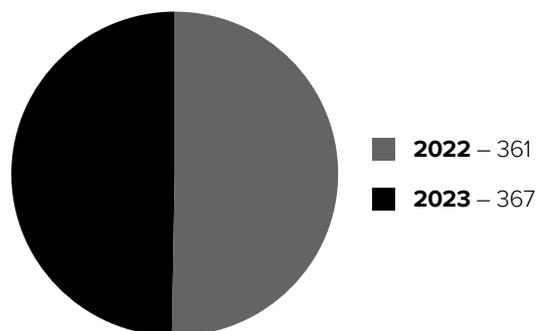
Governance

Our Board of Trustees are all volunteers. Many hold, or held, senior management, CEO or Board level positions in companies. In 2023, members included:

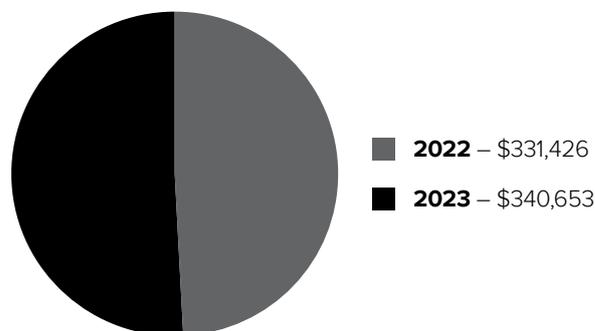
- > David Willersdorf (Chair)
- > David Mann AM (Chisholm Board)
- > Aleksandar Vasiljevic OAM
- > Robert Hill APM
- > Ian Predl AM
- > Lisa Ping
- > Shaun Fox
- > Fiona McQueen
- > Stephen Varty (CEO of Chisholm)
- > Jane McLennan
- > Kirsty Schade
- > Erin Douglas.

Achievements for 2023

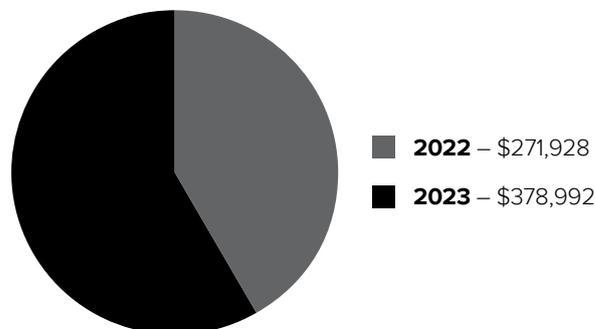
Number of scholarships awarded



Funding provided to scholarship recipients



Donations and fundraising



2023 fundraising and awareness events

The CCEF Annual Charity Golf Day was held at the Peninsula Kingswood Country Golf Club in April. The event attracted 96 players and 120 people for the charity auction/dinner. Funds raised will support approximately 60 students with a CCEF scholarship.

Over 40 guests attended our Christmas in July function, which raised more than \$5,500. The event included a two-course meal and three inspirational student guest speakers. Each student spoke about the impact of the scholarships and provided stories of how their lives had been changed.

In August, the CCEF team and a team of volunteers had a successful day selling sausages at Bunnings in Cranbourne. The event raised \$2,406.

In October, Chisholm students completing the Certificate II in Hospitality prepared a delicious high tea for 25 guests, raising \$480 to support CCEF scholarships.

In July, the CCEF team and volunteers attended Snowfest, a community event hosted by the City of Greater Dandenong. Held in Springvale, the event attracted over 25,000 attendees and helped us to raise awareness of CCEF.

Big Thank You events

In November, the CCEF Annual Big Thank you events were held at Rosebud and Dandenong to thank donors, sponsors and volunteers for their support throughout the year. The events were catered by Chisholm hospitality students.

Play for Purpose

In 2023, the CCEF continued to team up with online charity raffle, Play for Purpose. Run by the 50-50 Foundation, people buy a \$10 Play for Purpose raffle ticket and enter a draw to win over 200 prizes, including a car worth up to \$250,000. The raffle is entirely not-for-profit, with all funds raised going towards CCEF scholarships. In 2023 we raised over \$3,000, with more than 50 Chisholm employees donating.



Ana's story

After 28 years of working in the food industry, Ana was keen to pursue her passion and return to study so that she could work with vulnerable people in the community. But being the sole income earner in a family of four, her dream seemed impossible.

Today, Ana is studying for a Certificate IV in Mental Health thanks to a CCEF scholarship.

"This opportunity is life changing," said Ana. "It has allowed me to grow, learn new skills and translate my current skills into those required for a career in mental health care. I'm very grateful for the help I've received from the Foundation."

Skills and Jobs Centre

The Chisholm Skills and Jobs Centre had a successful year, assisting over 4,000 students and community members and moving to a new space that better facilitates student and community engagement with our services.

Operating as part of the Victorian Skills Authority, the Skills and Jobs Centre is the official entry point for job seekers, career transition explorers and prospective students who need up-to-date information on Victorian Government priority employment areas.

We continued to offer a range of services during the year, including career counselling, training advice, job ready skills and employment opportunities.

New shopfront premises

In November, we moved our operations to a shopfront in Lonsdale Street Dandenong. This central location with broad street frontage offers a relaxing and welcoming space for our clients, with 10 job search computers, a training room and meeting rooms where people can speak with our counsellors in a private, supportive place.

Recruitment

More than 510 job seekers were presented to employers for consideration across 2023 and 77 were placed into ongoing employment.

Operations

During the year:

- > 1271 clients attended our workshops
- > 562 Chisholm students attended our classroom briefings
- > our team attended 24 career expos
- > we delivered 250 individual career counselling sessions for our students
- > we delivered 930 individual career counselling sessions for local community members.

Partnerships

In July we received additional funding from the Victorian Skills Authority, which supported two careers counsellor positions. This meant we could extend our reach to support more of the community and include new partnerships:

- > City of Frankston: pop-up careers counselling and employment and training pathways services at Monterey Secondary College and Asuria Employment Services (Frankston and Rosebud sites)
- > City of Casey: pop-up careers counselling and employment and training pathways services at Asuria Employment Services (Narre Warren and Cranbourne sites) and Doveton College.

Our existing partnerships continued to operate successfully, including with:

- > AMES settlement services, supporting refugees from Afghanistan with job ready education and access to local employment opportunities
- > AMEP classes, providing a pop-up service for English language students
- > Wise Employment, assisting job seekers with employability skills workshops to give them experience and confidence in the job searching process
- > SELLEN transition program, providing their Young Parents Education Program with training and employment support
- > Our Place, providing career counselling to their students' family members
- > Groomed to Go, supporting students with career development and study transition from secondary school.

Community engagement

In 2023, our team also worked with:

- > AMES Continuous Improvement Group
- > Boosting the Local Care Workforce
- > Brotherhood of St Laurence
- > Casey Skills and Jobs Network
- > CIRE Community School
- > City of Greater Dandenong Pasifika Network
- > Dandenong High School
- > Dandenong Skills and Jobs Network
- > David Scott School
- > Department of Justice
- > Foundation Learning Centre
- > Frankston Skills and Jobs Network
- > Jobs Victoria Engineering Project
- > McClelland Secondary College
- > Pakenham Learn Local
- > SELLEN
- > SEMMA
- > Southern Migrant Resource Centre
- > Westernport Secondary College.

Social responsibility

Family Violence Conference

In October, our Family Violence Training Hub hosted a Family Violence: Resources, Reforms and Recommendations Conference. The conference brought together representatives from across the sector to discuss resources, reforms and impacts of the rollout of the Royal Commission into Family Violence recommendations.

Our organisation is a leader in delivering family violence education and delivering on primary prevention initiatives across the south east, working with industry partners to represent their needs in our educational offerings.

Minister for the Prevention of Family Violence, the Hon. Vicki Ward MP, spoke about the importance of TAFE in developing the workforce and providing training around early identification and intervention in family violence. Other speakers included Geraldine Bilston and Liana Papoutsis, as well as representatives from Family Safety Victoria; Department of Families, Fairness and Housing; Our Watch; and Safe and Equal.

Campus Services and Infrastructure

Frankston Redevelopment Project

Stage 2 of our Frankston Redevelopment Project is a \$67.6 million three-storey state-of-the-art learning facility and a centralised Student Hub.

Replacing some of our oldest buildings, it will deliver 9,600 square metres of contemporary learning space. The latest learning technologies will be deployed in bespoke areas dedicated to community and social services, IT and cyber security, senior secondary programs, Foundation College, and art and design. This project will transform our Frankston campus into a world-class training precinct, helping thousands of locals get the skills they need for the jobs they want.

Teaching commenced on the new building in January 2024.

New Plumbing Examination Centre

The construction of the new Plumbing Examination Centre locates the facility within the Dandenong Trade Centre precinct and offers new state-of-the-art examination facilities for plumbing apprentices. Testing facilities include gas and water stations, roof flashing/irrigation workstations, a sandpit, suspended drainage workstations and gas appliances. The building was opened for use by students in April 2023.

Relocation of the Skills and Jobs Centre

The Skills and Jobs Centre was relocated following the completion of the lease at 311 Lonsdale Street, Dandenong. The new Skills and Jobs Centre is located more prominently at 228 Lonsdale Street in Dandenong, promoting better awareness of the services provided, including job seeker support and workshops.

Sustainability Plan

During the year we developed the Chisholm Sustainability Plan, including proposed targets and recommendations such as the establishment of a cross-functional Sustainability Committee. The committee will be formed in 2024 and will identify priority targets and objectives.



Partnerships and sponsorships

Partnerships are integral to Chisholm's success as a high-quality education provider to students, industry and the community. During 2023, these partnerships operated across a range of areas.

Allied health

In April, we partnered with Dental Health Services Victoria, who designated Chisholm as one of the preferred training providers for the Certificate III in Dental Assisting.

Automotive

We partnered with PACCAR and IVECO to deliver various training courses. These companies are also renting our automotive training space for internal manufacturer training.

Business and leadership

We successfully piloted our Certificate IV in Leadership and Management traineeship across mixed industry cohorts and will offer this course in 2024.

Engineering

We developed a relationship with Monash Motorsport to increase access to Monash University engineering students. The program expanded to include industry partners such as Planet Innovation. Relationships were developed in the manufacturing sector, including with large employers such as Hilton Manufacturing, Nelson Global and Alstom.

Hospitality

Partnering with The Continental Sorrento, Sorrento Lodge and Alpine Resorts Victoria, we commenced planning to offer a Certificate III in Hospitality that will provide students a broad on-the-job experience across key tourism locations in Victoria. This Surf to Snow program is a collaboration between Chisholm, AGA Group Training, MAS National and industry.

Recreation

We worked with South East Leisure to deliver qualifications including aquatics and recreation. We delivered training in swimming, water safety, first aid, cardiopulmonary resuscitation and pool lifeguard skill sets that attracted approximately 50 students. We also undertook various marketing activities to promote these courses to the community.

Retirement/aged care

Signing of a Memorandum of Understanding with The Village Glen retirement community in December meant that we became the preferred training provider for the Certificate III in Individual Support and Certificate III in Commercial Cookery.

Utilities

July saw the signing of a Memorandum of Understanding between Chisholm and South East Water, which covered delivery of several trades qualifications as well as a Certificate IV in Work Health and Safety, and a suite of short courses applicable to the industry.

Workplace safety

We successfully piloted our Certificate IV in Work Health and Safety traineeship across mixed industry cohorts.

Global engagement

International student recruitment and admissions

The diversification of student sources and markets was our priority in 2023. We developed successful connections across regions such as Africa and South East Asia, which led to a 40 per cent increase in applications from these countries.

Our team members travelled within South Asia and South East Asia to re-establish our brand across agent networks, and to participate in student recruitment activities and events.

We collaborated with Global Victoria to welcome and host a delegation of agents from South East and North Asia. The groups were part of an inbound agent familiarisation trip, where we showcased our courses and facilities offered at our Dandenong campus, along with selected delivery areas.

During the year, we monitored the welfare and wellbeing of our international student cohorts through regular check-ins. A welcome party was arranged as part of orientation to commencing international students at our Dandenong and Berwick campuses.

A highlight of the year was our positive recognition in Quality Indicators for Learning and Teaching government surveys. This indicated that 'Chisholm Institute has one of the highest rates of full-time employment for international undergraduate students among TAFEs in Australia, as reported in the 2022 GOS (Graduate Outcomes Survey) International Report'.

Business growth

Strategies to manage risks

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

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

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

Management undertakes to:

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

Performance measures and targets

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

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

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

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

Board and Committees

2023 Board members

Full name	Category	Term
Prue Digby	Ministerial Appointed Director; Elected Board Chair	Elected Board Chair from 1 March 2023; Ministerial Appointed Director for full year
Stephen Marks	Ministerial Appointed Director, Elected Board Chair	To 28 February 2023
Stephen Varty	Director and Chief Executive Officer	Full year
Dr Anne Jones	Ministerial Appointed Director	Full year
Nyadol Nyuon	Ministerial Appointed Director	Full year
John Bennie	Ministerial Appointed Director	To 31 August 2023
Dr Gillian Miles	Ministerial Appointed Director	From 9 October 2023
George Lekakis	Ministerial Appointed Director	From 9 October 2023
Lisa Norman	Board Co-opted Director	Full year
David Mann	Board Co-opted Director	Full year
Geoff Harry	Board Co-opted Director	From 1 August 2023
Geoff Cullen	Board Co-opted Director	To 31 July 2023
Sue Wyatt	Staff Elected Director	Full year



Prue Digby

Ministerial Appointed Director; Elected Board Chair from 1 March 2023; Elected Board Deputy Chair to 28 February 2023

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



Stephen G. Marks OAM

Ministerial Appointed Director; Elected Board Chair to 28 February 2023

Stephen is a Fellow of the Institute of Chartered Accountants in Australia with over 40 years' experience. He was formerly National Chairman of Sothertons Chartered Accountants. He has also acted as a probity auditor and advisor to various state and federal governments. Stephen is now a professional director, having been a director of numerous companies and organisations throughout his career. He is currently a director of the Blue Ribbon Foundation. Stephen received the Order of Australia Medal in the King's birthday honours in June 2023.



Stephen Varty MAICD

Director and Chief Executive Officer

Stephen Varty has been Chisholm's CEO since November 2019. Stephen has over 20 years' experience in vocational and higher education, having held several senior leadership positions across the vocational and higher education sectors, both in the UK and Australia. Stephen is known for his strategic outlook, approachability and integrity. He is passionate about education, leading the implementation of innovative practices and creative training solutions, and is committed to coaching and leadership execution. Stephen holds a Bachelor of Education – VET, a Graduate Certificate in Educational Leadership and a Master of Education, and is a member of the Australian Institute of Company Directors.



Dr Anne Jones

Ministerial Appointed Director

Anne is a researcher and consultant in VET and higher education policy and practice. She is an Emeritus Professor at Victoria University. Her work has included 16 years in senior executive roles: Deputy Vice-Chancellor (Academic and Students), Deputy Vice-Chancellor and Director TAFE at Victoria University; and Executive Director, Learning and Academic Affairs at Box Hill Institute. Anne has also worked at Flagstaff College of TAFE, the former Bendigo College of Advanced Education, RMIT and the University of Adelaide.





John Bennie PSM

Ministerial Appointed Director to 31 August 2023

From 2006 until the end of November 2022, John was CEO of Greater Dandenong City Council. He was previously CEO of Manningham City Council. John is a former director of the South East Melbourne Manufacturers' Alliance; non-executive director of MAV Insurance; past Chair of Southern Melbourne Regional Development Australia Committee; past President of LGPro; and past National President of Local Government Managers Australia. He is Chair of MannaCare Inc. and President of the Rotary Club of Templestowe.



Dr Gillian Miles

Ministerial Appointed Director from 9 October 2023

Gillian has extensive experience in the public sector, having advised Australian governments and led organisations in national, state and local governments. Gillian's prior roles include CEO of the National Transport Commission, CEO of the City of Greater Geelong and Head of Transport Victoria, and she has also occupied deputy secretary roles in transport and community development. Gillian has a Bachelor of Education, a Master of Letters in Cultural Theory and a Doctor of Business Administration. Gillian comes to Chisholm Institute from Gordon TAFE, where she served as a board member for three years.



Lisa Norman

Board Co-opted Director

Lisa is General Manager of St John of God South East Melbourne Hospitals. This includes St John of God Berwick Hospital, Frankston Rehabilitation Hospital and Langmore Centre in Berwick. Lisa has worked in the health industry for over 30 years and in executive leadership roles for 20 years. Initially qualifying as a registered nurse, she went on to gain qualifications in critical care nursing, specialising in emergency and trauma nursing. Lisa holds a Graduate Certificate in Catholic Leadership and Culture and is a board member of The Bays Healthcare Group.



David Mann AM KSJ FAICD

Board Co-opted Director

David is Chairman of Entertainment Assist, the Victoria Police Blue Ribbon Foundation, the Victoria Police Blue Ribbon Day Community Council and the Mount Macedon Memorial Cross Committee of Management. David is also the Ambassador for Fire Rescue Victoria. David is Managing Director, Mann Promotions Pty Ltd, a company focused on promotions, marketing, public relations and crisis management.



Geoffrey Cullen

Board Co-opted Director to 31 July 2023

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



Sue Wyatt
Staff Elected Director

Sue is an early childhood teacher with many years of experience in the TAFE sectors of both New South Wales and Victoria. She commenced her VET career as a teacher with TAFE NSW in 2008 after 20 years in the early childhood and community services industry. On relocating to Victoria, Sue worked in both regional and metropolitan TAFE institutes, moving her way through the roles of teacher, senior educator, partner lecturer, manager and acting associate director. Sue has managed a variety of areas including business, hospitality, higher education, horticulture, hairdressing, community services, massage, professional writing, short courses and trades. She has managed Chisholm's Early Childhood Education Department for the last seven years, including education support and now training and assessment delivery. Since her appointment to the Board she has completed foundations of directorship and company directors courses.



Nyadol Nyuon OAM
Ministerial Appointed Director

Nyadol became Director of Victoria University's Sir Zelman Cowen Centre in January 2022, after more than a decade in community development and advocacy. Her work focuses on legal reform, social justice, human rights and multiculturalism. A refugee to Australia, Nyadol went on to complete a Bachelor of Arts at Victoria University and a Juris Doctor at the University of Melbourne, before spending six years in commercial law at Arnold Bloch Liebler. She is a regular media commentator, having appeared on the ABC's *The Drum* and *Q&A*; and has written for publications like *The Age*, *Guardian Australia* and *The Saturday Paper*. Nyadol has won several prestigious awards, including the 2019 Victorian Premier's Award for Community Harmony and the 2019 Diversity and Inclusion Award in the *Financial Review's* 100 Women of Influence Awards. In June 2022, Nyadol received a Medal of the Order of Australia (OAM) for service to human rights and refugee women.



Geoff Harry
Board Co-opted Director from 1 August 2023

Geoff retired from full-time executive roles in 2014 and has extensive skills and experience in financial reporting, assurance, governance, risk management and control frameworks, and compliance management at both state and local government levels, as well as in the corporate sector. Geoff holds both board and audit and risk committee appointments, many of which he chairs. Geoff has a Bachelor of Commerce and is a Fellow of the Institute of Chartered Accountants in Australia and New Zealand; a Fellow of CPA Australia; and a Graduate Member of the Australian Institute of Company Directors.



George Lekakis AO
Ministerial Appointed Director from 9 October 2023

George has worked in the not-for-profit community services sector and government and is the President of VicScreen, having been appointed in November 2022. George was Chair of the Victorian Multicultural Commission (2001 to 2011); Chair of the Board of the Victorian Interpreting and Translation Service, and Multicultural Arts Victoria; Executive Director, International Student Experience, at the Victorian Department of Business and Innovation; and Director, South Central Region Migrant Resource Centre. George was CEO of the New Hope Foundation and Fronditha Care and has also been a member of many other government and non-government boards and committees in executive roles.

Board Committees membership

Audit and Risk Management Committee

Prue Digby

Board Director; Committee Chair (to 28 February 2023)

Geoff Cullen

Board Director (to 31 July 2023); Committee Chair (Interim) (1 March 2023 to 31 July 2023); Co-opted Independent Member (from 1 August 2023)

Geoff Harry

Board Director and Committee Chair (from 1 August 2023); Co-opted Independent Member (to 31 July 2023)

Dr Anne Jones

Board Director

Robert Comelli

Co-opted Independent Member (to 31 July 2023)

David Challis

Co-opted Independent Member (from 1 August 2023)

George Lekakis

Board Director (from 9 October 2023); Committee Member (from 25 October 2023)

Education Committee

Dr Anne Jones

Board Director and Committee Chair

Prof Bas Baskaran

Co-opted Member and Higher Education Academic Board Chair

Sue Wyatt

Board Director

Stephen Varty

Board Director and CEO

Andrew Simmons

Co-opted Member

Margaret Fixter

Vocational Education Training Academic Board Chair (to 29 March 2023)

Membership Committee

Stephen Marks Board Chair and Committee Chair (to 28 February 2023)

Prue Digby

Board Deputy Chair (to 28 February 2023); Board Chair and Committee Chair from 1 March 2023)

Dr Anne Jones

Board Director

David Mann

Board Director

Stephen Varty

Board Director and CEO

Infrastructure, Systems and Planning Committee

Lisa Norman

Board Director and Committee Chair (to 28 February 2023)

John Bennie

Board Director (to 31 August 2023)

Dr Gillian Miles

Board Director (from 9 October 2023) and Committee Member (from 25 October 2023)

Robert Johnson

Co-opted Member

John Papatheohari

Co-opted Member

Remuneration Committee

Stephen Marks

Board Chair and Committee Chair (to 28 February 2023)

Prue Digby

Board Deputy Chair (to 28 February 2023); Board Chair and Committee Chair (from 1 March 2023)

John Bennie

Board Director (to 31 August 2023)

Dr Anne Jones

Board Director

Lisa Norman

Board Director and Committee Member (from 29 November 2023)

Controlled entities

Directors of TAFE Online Pty Ltd (Chisholm Online)

After Chisholm Institute Board endorsement, TAFE Online Pty Ltd ceased trading on 30 June 2023 and on 3 January 2024 TAFE Online Pty Ltd was deregistered under section 601AA(4) of the *Corporations Act 2001*.

Stephen Marks

Chisholm Online Chair to 28 February 2023

Prue Digby

Chisholm Online Chair from 1 March 2023

Geoffrey Cullen

Director to 31 July 2023

Stephen Varty

Managing Director

Trustees of Caroline Chisholm Education Foundation

David Willersdorf

Chair

David Mann AM

Chisholm Board Member

Stephen Varty

Chisholm Institute CEO

Aleksandar Vasiljevic OAM

Community Member

Robert Hill APM

Community Member

Fiona McQueen

Community Member

Shaun Fox

Community Member to 10 August 2023

Lisa Ping

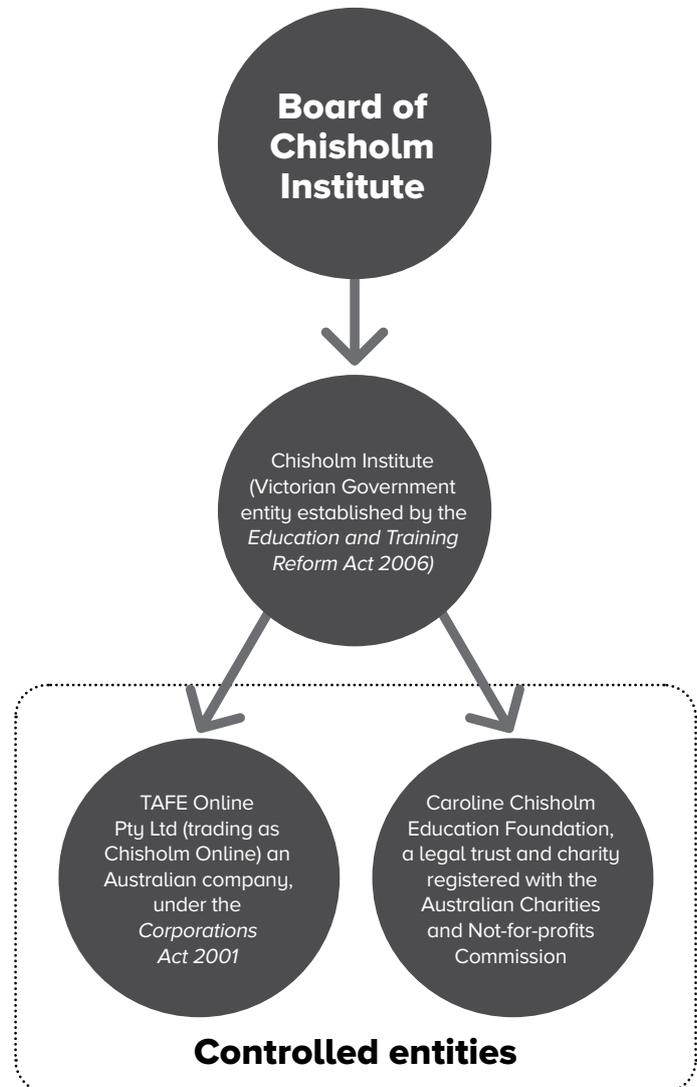
Community Member to 1 November 2023

Ian Predl AM

Community Member to 1 December 2023

Jane McLennan

Chisholm Institute Staff Member



Kirsty Schade

Chisholm Institute Staff Member to 16 June 2023

Erin Douglas

Chisholm Institute Staff Member from 5 July 2023

Carmel Cammarano

Nominated Member from 29 November 2023

Corporate governance

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

Chisholm is governed by a Board that represents the Victorian Government, industry and community. The Board's structure includes five committees that support the execution of its governance responsibilities:

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

The Board is ultimately responsible to the Victorian Government for the governance and management of Chisholm and its controlled entity Chisholm Online (TAFE Online Pty Ltd, which ceased trading on 30 June 2023 and will be deregistered on 3 January 2024) and is accountable to the Minister for Skills and TAFE.

Objectives, functions, powers and duties

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

- > perform its functions for the public benefit by operating its businesses, delivering educational services and using assets, that it manages on the state's behalf, as efficiently as possible – ensuring it is sustainable in the medium to long term
- > ensure its procedures, policies and practices are consistent with prudent commercial practice and endeavour to maximise its contribution to the economy and wellbeing of the communities and industries served by the organisation and the state as a whole
- > facilitate student learning, knowledge acquisition, skills for employment and vocational education and training through the excellent teaching, innovation and educational leadership that delivers quality outcomes
- > collaborate as part of a strong public training provider network which is mutually and commercially beneficial to enable the organisation to offer or provide educational services that meet the needs of industry partners and communities, including persons and groups that have particular education needs
- > facilitate higher education through excellent teaching, innovation and educational leadership that delivers quality outcomes

- > facilitate increasing opportunities for apprenticeships and traineeships across relevant Australian industry sectors.

The functions of Chisholm are:

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

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

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

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

Audit and Risk Management Committee

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

Executive Directors Group

Chief Executive Officer

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

1 January 2023 – 31 December 2023: Stephen Varty

Chief Financial Officer

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

1 January 2023 – 2 April 2023: Toniann Stitz
3 April 2023 – 2 October 2023: Ben Hellier (Interim)
3 October 2023 – 31 December 2023: Ben Hellier

Chief People Officer

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

1 January 2023 – 31 December 2023: Delia McIver

Chief of Education

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

1 January 2023 – 31 December 2023: Conor Mullan

Chief of Staff

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

1 January 2023 – 30 June 2023: Jessica Corbett
1 July 2023: Refer to Chief of Strategy and Risk

Chief of Strategy and Risk

The Chief of Strategy and Risk supports the Board and CEO with the corporate governance and strategic direction of Chisholm. The position oversees strategic projects, strategic communications, governance, assurance, and audit and risk management frameworks.

1 July 2023 – 31 December 2023: Jessica Corbett

Chief of Academic Excellence and Innovation

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

1 January 2023 – 31 December 2023: Margaret Fixter

Chief Commercial Officer

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

1 January 2023 – 31 December 2023: Damien Van Eyk

Chief of Student Success and Support

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

1 January 2023 – 31 December 2023: Jane McLennan

People, Culture and Safety

Our People Culture and Safety team is focused on delivering the outcomes of our 2021–2024 People Plan.

Designed to capture the hearts and minds of our people, the plan sets out our shared journey to developing our people and nurturing our culture.

There are seven pillars of our plan: Attract and Welcome, Develop and Grow, Recognise and Retain, Lead and Perform, Value and Communicate, Safe and Well, and Positive and Diverse.

The People Matter Survey for 2023 showed that our People Plan is contributing to engagement. We had a high participation rate (77 per cent) and Staff Engagement, a key measure, was 68, higher than the TAFE average of 66. We improved our score in 13 areas from consecutive years and were higher than the other TAFEs and public sector employers. Key areas where Chisholm scored very highly compared to the public sector and other TAFEs were Inclusion, Organisational Integrity, Safety Climate, Safe to Speak Up, Job Enrichment, and Learning and Development.

2023 saw a range of key outcomes recognised.

Attract and Welcome

Under the theme of Attract and Welcome, we supported the transition to teacher and scholarship programs, which aim to attract industry experts into becoming TAFE teachers. We supported a program to attract women in trades and provided support to ensure our new Navy employees were seamlessly onboarded.

Through the streamlining of recruitment and onboarding policies and processes and the implementation of new systems, X ref and Citec, we improved the employee and manager experience. A review of probation procedures, the upskilling of our managers in recruitment processes and the creation of a new welcome afternoon ensure that our employees get the best start possible.

An Additional Payment Framework was endorsed to assist with attracting both teachers and professional staff to our workforce, and we continue to provide our workforce with flexible working options to support inclusion and wellbeing.

Recognise and Retain

Our Payroll team, which includes our People Metrics Analyst and Senior Recruitment Specialist coordinated our annual review for senior roles including Executive, Chisholm Leadership Group and specialist technical employees. This ensures we continue to attract new people to our organisation and maintain a competitive salary for our current employees.

Oversight of recruitment and employment matters for Executive and Chisholm Leadership Group members ensures that our employees have opportunities for succession planning and growth while also ensuring we have the best possible candidates for key positions and compliance with governance frameworks.

Our monthly reporting of people metrics and the development and maintenance of business intelligence tools for use throughout Chisholm ensures that our managers can understand their portfolio and make workforce decisions to best support our employees.

Throughout 2023 we worked across the organisation to realign and review our workforce to provide ongoing employment opportunities.

Develop and Grow

2023 saw the introduction of new online learning programs for employees and a focused customer service program aimed at ensuring a consistent approach to interactions across Chisholm.

The annual staff conference with the theme Positive and Diverse was held on 21 May with over 1,000 staff attending the student-free day. This conference provides an opportunity for our staff to attend a full day of development aligned to the People Plan themes.

Employees attended their pre-selected workshops (24 options). A total of 90 per cent of those who attended the workshops believed that facilitators were engaging, and they gained new learnings that they can incorporate into their daily work life.

Lead and Perform

During the year, we showed sector-leading engagement at 81 per cent survey participation, with a high level of employee engagement in the People Matter Survey. The results also highlighted consistent improvement in many areas of employee experience, including engagement and reduction in instances of negative behaviours.

Based on feedback from the People Matter Survey we implemented a People Culture and Safety Refresh Program aimed at keeping our people leaders up to date with current legislation and providing the practical skills to ensure that our employees are supported, engaged and accountable.

Value and Communicate

Our *People Talk* newsletters for employees provide a valuable opportunity to communicate. *People Talk* is Chisholm's main internal communication platform and is made up of an all-employee fortnightly version and a monthly communication to people leaders, plus occasional special editions. In 2023 changes were made to increase the readership of the publication. These changes included a survey to gather feedback, development of a contributor guide, shorter articles (with links to further information) and a strict focus on articles relevant to employees. Back-end changes included auditing the distribution list and using internal analytics to gauge what was interesting to employees. By year end readership moved from about 500 employees fortnightly to 1,100, indicating a readership of about 80 per cent.

Through our Workforce Development team, we recognise and reward our employees for their hard work, commitment and valuable contributions. One way of celebrating outstanding people is through the Chisholm Stars and Service Milestones programs and events.

Chisholm Stars is a formal corporate recognition program that empowers employees to nominate their colleagues for a job well done and show their appreciation for role modelling and championing values-driven behaviours. Employees who are nominated by their peers and supervisors are celebrated twice a year in a dedicated event.

In 2023, we had a total of 220 nominations, 33 Shining Stars and one CEO award recipient.

Service Milestones is another Chisholm initiative that celebrates the longevity and commitment of our employees. Employees who reach milestones in their service with Chisholm are recognised for their dedication and hard work and are presented with a special award to commemorate their achievement. In 2023 there were 141 recipients receiving milestone recognition.

Our reward and recognition programs have a significant impact on employee morale, motivation and retention. The programs help to foster a positive and supportive work environment and encourage employees to strive for

excellence in their work. They are designed to be inclusive and to recognise the contributions of all employees, regardless of their role or seniority.

Safe and Well

Under the People Plan theme of Safe and Well, our Occupational Health and Safety team focused on delivering initiatives to support workplace health, safety and wellbeing:

- > A Risk Register Program, focusing on high-risk trade areas, was developed and implemented.
- > Our internal Health, Safety and Wellbeing Audit Program was enhanced to better represent business area risk appetite, including high-risk trade areas and low-risk office environments.
- > All OHS policies and procedures were adapted into awareness training modules.
- > A triage contact group was set up to support business managers with psychosocial injury management.
- > Designated Work Group modelling was developed, with roadshow presentations available to all employees. Consultation and finalisation will continue in early 2024.
- > OHS incident investigation training was developed and implemented for all business leaders, providing clarification on incident investigation obligations, responsibilities and liabilities.
- > As part of 'living with COVID' and the removal of vaccination mandates:
 - > the Chisholm COVID-19 Vaccination Requirements Policy was withdrawn
 - > vaccination details in employee and student databases were deleted, except for those required for specific placements.

The Wellbeing team focused on implementing a proactive approach to injury management and wellbeing across Chisholm. This was achieved by providing training through people leaders and improving on our current practices and support networks:

- > Our mental health first aid network continued to grow in 2023, with over 20 members across Chisholm from different business areas. This gave us a clear indication of the different challenges within business areas and allows us to ensure that we are focusing our attention where it is needed the most.
- > The Wellbeing team completed over 80 ergonomic assessments across all campuses to ensure that we are reducing the impact of musculoskeletal injuries Chisholm-wide.
- > The employee assistance program was an area of focus for 2023, increasing the use of these services when an incident happened and ensuring staff are aware of services. We saw our usage rate increase substantially, which meant more people were comfortable to reach out for assistance.

- > The partnership with the Springday Community Hub continued for 2023. We saw a steady use of this online platform, which offers a range of wellbeing initiatives including exercise programs and sessions, nutrition tips, meditation and relaxation guides. Employees can access different interactive wellbeing sessions, hosted by experts.
- > Fitness Passport, the corporate fitness program, increased signups over 2023. This program offers subsidised gym memberships for employees and their immediate families.

With the new Child Safe Standards coming into effect, we reaffirmed our commitment to providing a Child Safe environment and to continuously improve our processes. We refreshed our intranet and extranet to make information related to child safety accessible. All employees were trained on Child Safety and Reportable Conduct and we improved visibility and access to our Child Safety Reporting Officers. We also established a governance framework with the implementation of a Child Safe Committee.

Positive and Diverse

Our Social Justice Charter, approved by the Board in May, provides the principles that guide our actions as an organisation. The Charter aligns to our People Plan pillars and strategy, puts people at the centre of everything we do and is fundamental to how we engage with all our stakeholders.

The Charter helps promote equality and diversity with the five focus areas for 2023–2024 being aligned to the United Nations Sustainable Development Goals: good health and wellbeing; quality education; gender equality; decent work and economic growth; and sustainable cities and communities.

Gender Equality Act 2020

The *Gender Equality Act 2020* requires our organisation to complete five key tasks to meet our obligations under the Act:

- > promote gender equality
- > conduct gender impact assessments
- > undertake a workplace gender audit
- > create a Gender Equality Action Plan
- > report on progress.

During 2023, we promoted gender equality through:

- > rollout of our Gender Equality Action Plan 2021–2025
- > our Gender Equality Committee
- > establishment of a Belonging and Inclusion Committee in May
- > adoption of a Chisholm Social Justice Charter
- > a range of mechanisms and events for students and employees

- > continued professional development for employees at all levels on respectful workplace behaviour training
- > development of a draft Prevention of Sexual Harassment Plan and commencing consultation.

A total of 23 Gender Impact Assessments were conducted on 21 policies and three projects from 1 July 2021 to 30 June 2023. As the Gender Impact Assessments on policies were conducted during development or review, most recommendations were implemented. Nine were completed and implemented in 2023.

We undertook a Workplace Gender Audit of employee data from 1 July 2022 to 1 July 2023. The audit provides a view on changes to results of workplace gender equality indicators from the audit in 2021. The results indicated that our gender pay gap is impacted by societal issues such as carer responsibilities, part time work and commencing salaries. A guideline on managing increments for new starters is being developed and we are undertaking a plan in 2024 to support career growth and development for women at lower pay levels.

Strategies and activities under our Gender Equality Action Plan continued to be delivered during 2023. There were three key priorities, 17 strategies and 101 actions in the plan. Of the 101 actions, 87 are complete and 14 in progress; these are planned to be actioned by December 2024 ahead of the 2025 Gender Equality Action Plan deadline.

In 2023, actions to boost women's participation included several Women in Leadership seminars and showcasing women's advancement in male dominated areas. In addition:

- > we held training for employees in speaking up awareness, respectful workplace behaviours and unconscious bias
- > of the 41 acting, interim or short-term roles at Chisholm Leadership Group level available from January to September, 33 were taken by women
- > we developed an Additional Payments Framework to ensure equity
- > responses to our Flexible Working Policy found that 71 per cent of men and 78 per cent of women reported favourably in terms of flexible working
- > we conducted Gender Impact Assessments as business-as-usual practice.

The first Progress Report to the Commission for Gender Equality will be submitted in February 2024.

Belonging and Inclusion

Belonging and Inclusion underpins all our seven pillars, as our organisation strives to promote a self-regulating culture that enhances the experiences of our employees, students and communities.

We recognise the importance of diversity in achieving successful organisational outcomes and attracting, retaining and motivating the best people. In April, we engaged Get Skilled Access (founder Dylan Alcott OAM) to undertake a review of our end-to-end recruitment process. We also partnered with The Field Jobs, a specialist disability recruitment platform, to source potential candidates.

The Belonging and Inclusion Committee takes into consideration disability initiatives. Assistance is available for employees with policy interpretation and for candidates applying for roles.

Hazards, incidents and WorkCover

	2023	2022	2021	2020
Total hazard and incident reports*	256	165	175	124
Total 'lost time' standard WorkCover claims	6	7	6	10
Total cost of all 'lost time WorkCover claims**	\$1,390,648	\$145,247	\$1,809,476	\$1,433,030
Number of hazard and incident reports***	24.90	16.06	15.53	11.28
Number of 'lost time' standard WorkCover claims****	0.58	0.63	0.53	0.91
Accepted WorkCover claims	10	5	7	12
Accepted and rejected WorkCover claims	13	8	8	13
Total cost of WorkCover claims*****	\$1,585,885	\$20,645	\$2,003,884	\$2,179,272
Average costs per WorkCover claim	\$121,991	\$5,958	\$18,788	\$68,102

Notes:

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

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

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

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

*****All premium sensitive claims

2023

Number of new claims for WorkCover	13
Accepted claims	11
Rejected claims	2
Pending WorkCover decisions	0
Conciliation after the rejection of claims	1

WorkCover/return to work

Of the 10 accepted claims in 2023, three were submitted in November and December. Of the remaining seven claims, five have returned to work. Chisholm's WorkCover employer performance rating is 2.1730 per cent, which is lower than the industry rate.

In 2023, WorkSafe increased their premium rate, which lead to our premium rate increasing from 0.99 per cent to 1.74 per cent, consistent with the scheme's premium increase. This means that, while performing better than previous years, we are paying more per claim.

During the year, training and support was provided to the Chisholm Leadership Group and Education Managers to upskill and ensure a proactive approach to injury management at Chisholm.

Workforce data

Performance and Accountability Framework full time equivalent (FTE)

Dec 2023	Full time		Part time		Casual		Total
	Ongoing	Fixed term	Ongoing	Fixed term	Teacher	Other	
PACCT staff	236.4	140.2	42.8	32.5	-	2.6	454.5
Executive	-	9.4	-	-	-	-	9.4
Other	-	-	-	-	-	-	0.0
Teacher	242.2	130.7	76.2	37.8	77.2	-	564.1
Total	478.6	280.3	119.0	70.3	77.2	2.6	1028.0

Dec 2022

PACCT staff	219.2	149.6	43.7	29.0	-	6.3	447.8
Executive	-	8.2	-	-	-	-	8.2
Other	-	-	-	-	-	-	0.0
Teacher	241.1	112.6	72.5	36.3	101.2	-	563.7
Total	460.3	270.4	116.2	65.3	101.2	6.3	1019.7

Workforce disclosures

Dec 2023	All employees		Ongoing			Fixed term and casual	
	Number (headcount)	FTE	Full time (headcount)	Part time (headcount)	FTE	Number (headcount)	FTE
Gender							
Women executives	6	5.7	0	0	0	6	5.7
Women (total staff)	977	605.4	277	157	323.6	543	281.8
Men executives	3	3.7	0	0	0	3	3.7
Men (total staff)	664	421.0	324	40	273.8	300	147.2
Self-described	2	1.6	0	0	0.2	2	1.4
Age							
15–24	35	15.6	10	1	8.1	24	7.5
25–34	216	126.9	94	23	77.9	99	49.0
35–44	403	244.2	129	50	131.0	224	113.2
45–54	463	300.4	173	48	171.7	242	128.7
55–64	397	266.2	148	54	157.1	195	109.1
Over 64	129	74.7	47	21	51.8	61	22.9
Total employees	1643	1028.0	601	197	597.6	845	430.4

Workforce disclosures (continued)

Dec 2022	All employees		Ongoing			Fixed term and casual	
	Number (headcount)	FTE	Full time (headcount)	Part time (headcount)	FTE	Number (headcount)	FTE
Gender							
Women executives	5	5.0	0	0	0	5	5.0
Women (total staff)	960	595.2	226	173	313.6	561	281.6
Men executives	3	3.0	0	0	0	3	3.0
Men (total staff)	612	422.5	254	45	262.6	313	159.9
Self-described	3	2.0	0	1	0.3	2	1.7
Age							
15–24	37	17.0	9	5	6.2	23	10.9
25–34	197	120.7	67	23	65.6	107	55.1
35–44	384	244.5	107	54	125.7	223	118.8
45–54	466	306.9	145	63	177.7	258	129.2
55–64	366	259.7	112	56	151.0	198	108.6
Over 64	125	70.9	40	18	50.3	67	20.6
Total employees	1575	1019.7	480	219	576.5	876	443.2

Financial performance summary

Chisholm Group, comprising Chisholm Institute, Caroline Chisholm Education Foundation and TAFE Online Pty Ltd (trading as Chisholm Online) recorded a **Comprehensive result** of \$27.2 million surplus (2022: \$46.2 million surplus). This includes the impact of formal land revaluations conducted in 2022, with a minor adjustment in 2023.

A **Net Result** of \$27.9 million surplus was delivered in 2023, which was an increase of \$17.4 million on the prior year (2022: \$10.5 million surplus). A key contributor to the increase was the receipt of \$8.0 million in one-off grant funding for a new Student Management System, which was required to be fully recognised in 2023. This will adversely impact Chisholm over the next two years when the majority of expenses are incurred.

Training Revenues (excluding once-off Operating Grants) of \$129.2 million were up \$1.7 million on prior year (2022: 127.5 million) with gains being made in Fee for Service delivery.

Throughout 2023 Chisholm Group continued to focus on its strategic priorities of quality training and education, its people and student experience, while continuing to improve efficiency and productivity, and investment in capital initiatives where viable.

	2023	2022	2021	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated					
Summary of financial results					
Total revenue and income from transactions	220,990	183,969	171,216	175,726	174,449
Total expenses from transactions	192,874	173,809	171,457	166,369	173,607
Net result from transactions (net operating balance)	28,116	10,160	(241)	9,356	842
Other economic flows included in net result	(193)	323	(2,608)	101	58
Net result	27,923	10,483	(2,849)	9,457	900
Other economic flows – other comprehensive income	(705)	35,667	8,870	-	-
Comprehensive result	27,218	46,150	6,021	9,457	900

Consolidated					
Summary of financial position					
Total assets	543,920	543,890	494,973	455,183	443,268
Total liabilities	54,061	81,249	78,482	44,713	42,255
Net assets	489,859	462,641	416,491	410,470	401,013

Attestation

I, Prue Digby, on behalf of the Responsible Body, certify that for the period 1 January 2023 to 31 December 2023, Chisholm Institute has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



PRUE DIGBY
Board Chair

Date: 28 February 2024
Place: Dandenong, Victoria

Consolidated financial statements

For the year ending 31 December 2023

Independent Auditor's Report

To the Board of Chisholm Institute

<p>Opinion</p>	<p>I have audited the consolidated financial report of Chisholm Institute (the institute) and its controlled entities (together the consolidated entity) which comprises the:</p> <ul style="list-style-type: none"> consolidated entity and institute balance sheet as at 31 December 2023 consolidated entity and institute comprehensive operating statement for the year then ended consolidated entity and institute statement of changes in equity for the year then ended consolidated entity and institute cash flow statement for the year then ended notes to the financial statements, including significant accounting policies declaration by the Chair of the Board, Chief Executive Officer and Chief Finance Officer. <p>In my opinion the financial report is in accordance with Part 7 of the <i>Financial Management Act 1994</i> and Division 60 of the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, including:</p> <ul style="list-style-type: none"> presenting fairly, in all material respects, the financial position of the consolidated entity and institute as at 31 December 2023 and of its financial performance and its cash flows for the year then ended complying with Australian Accounting Standards and Division 60 of the <i>Australian Charities and Not-for-profits Commission Regulations 2022</i>.
<p>Basis for Opinion</p>	<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 institute and the consolidated entity 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>
<p>Board's responsibilities for the financial report</p>	<p>The Board of the institute is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <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 institute and the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

<p>Auditor's responsibilities for the audit of the financial report</p>	<p>As required by the <i>Audit Act 1994</i>, 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.</p> <p>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:</p> <ul style="list-style-type: none"> • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the institute and the consolidated entity's internal control. • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board. • conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the institute and the consolidated entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the institute and the consolidated entity to cease to continue as a going concern. • evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. • obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the institute and consolidated entity to express an opinion on the financial report. I remain responsible for the direction, supervision and performance of the audit of the institute and the consolidated entity. I remain solely responsible for my audit opinion. <p>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.</p>
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Charlotte Jeffries

as delegate for the Auditor-General of Victoria

MELBOURNE
19 March 2024

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

The attached financial statements for Chisholm Institute and its consolidated entities have been prepared in accordance with Standing Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 31 December 2023 and financial position of Chisholm Institute and its consolidated entities as at 31 December 2023.

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

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



PRUE DIGBY
Board Chair

Date: 28 February 2024
Place: Dandenong, Victoria



STEPHEN VARTY
Chief Executive Officer

Date: 28 February 2024
Place: Dandenong, Victoria



BEN HELLIER
Chief Finance Officer

Date: 28 February 2024
Place: Dandenong, Victoria

Comprehensive operating statement

For the year ended 31 December 2023

	Notes	Consolidated		Chisholm	
		2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
Continuing operations					
Revenue and income from transactions					
Government grants	2.1				
Operating grants – revenue	2.1.1	67,697	74,344	66,713	64,194
Operating grants – income	2.1.1	45,837	40,825	45,821	40,767
Capital grants – income	2.1.2	40,381	12,353	40,381	12,353
Revenue from fees, charges and sales	2.2	61,779	53,256	61,691	52,569
Other income	2.3	5,296	3,191	4,974	6,357
Total revenue and income from transactions		220,990	183,969	219,580	176,240
Expenses from transactions					
Employee benefits	3.1.1	121,800	112,130	119,917	106,327
Depreciation and amortisation	3.6	20,597	12,631	20,545	12,298
Supplies and services	3.3	37,053	36,466	37,033	36,240
Finance costs	3.5	13	29	13	29
Other operating expenses	3.4	13,411	12,553	14,056	11,791
Total expenses from transactions		192,874	173,809	191,564	166,685
Net result from transactions		28,116	10,160	28,016	9,555
Other economic flows included in net result					
Net gain / (loss) on non-financial assets	4.1.3	(288)	231	(288)	231
Net gain / (loss) on financial instruments	9.1(a)	95	92	(672)	92
Total other economic flows included in net result		(193)	323	(960)	323
Net result		27,923	10,483	27,056	9,878
Other economic flows – other comprehensive income					
Items that will not be reclassified to net result					
Gain / (loss) on revaluation of physical assets	9.1(b)	(705)	35,667	(705)	35,667
Comprehensive result		27,218	46,150	26,351	45,545

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

Balance sheet

As at 31 December 2023

	Notes	Consolidated		Chisholm	
		2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and cash equivalents	6.1	72,674	109,719	71,092	102,670
Receivables	5.1	6,637	5,664	6,643	5,772
Investments and other financial assets	4.4	-	-	-	6,000
Total financial assets		79,311	115,383	77,735	114,442
Non-financial assets					
Property, plant and equipment	4.1	437,492	408,371	437,492	408,371
Contract assets	5.2	14,054	7,189	14,054	7,397
Right of use assets	6.4	680	223	680	223
Intangible assets	4.2	7,806	9,118	7,806	8,878
Other non-financial assets	5.3	4,577	3,606	4,578	3,566
Total non-financial assets		464,609	428,507	464,610	428,435
Total assets		543,920	543,890	542,345	542,877
Liabilities					
Employee provisions	5.6	18,627	16,467	18,627	16,296
Payables	5.4	9,182	7,559	9,181	7,454
Borrowings	6.2	347	683	347	683
Lease liabilities	6.4	644	241	644	241
Contract and other liabilities	5.5	25,261	56,299	25,261	56,269
Total liabilities		54,061	81,249	54,060	80,943
Net assets		489,859	462,641	488,285	461,934
Equity					
Accumulated surplus		281,802	253,879	280,228	253,172
Contributed capital	6.3	85,387	85,387	85,387	85,387
Reserves	9.2	122,670	123,375	122,670	123,375
Net worth		489,859	462,641	488,285	461,934

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

Statement of changes in equity

For the year ended 31 December 2023

		Physical assets revaluation surplus	Accumulated surplus	Contributions by owners	Total equity
	Notes	\$'000	\$'000	\$'000	\$'000
Consolidated					
At 1 January 2022		87,708	243,396	85,387	416,491
Net result for the year		-	10,483	-	10,483
Other economic flows – other comprehensive income		35,667	-	-	35,667
Year ended 31 December 2022		123,375	253,879	85,387	462,641
Net result for the year		-	27,923	-	27,923
Other economic flows – other comprehensive income		(705)	-	-	(705)
Year ended 31 December 2023	6.3, 9.2	122,670	281,802	85,387	489,859
Chisholm					
At 1 January 2022		87,708	243,294	85,387	416,389
Net result for the year		-	9,878	-	9,878
Other economic flows – other comprehensive income		35,667	-	-	35,667
Year ended 31 December 2022		123,375	253,172	85,387	461,934
Net result for the year		-	27,056	-	27,056
Other economic flows – other comprehensive income		(705)	-	-	(705)
Year ended 31 December 2023	6.3, 9.2	122,670	280,228	85,387	488,285

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

Cash flow statement

For the year ended 31 December 2023

	Notes	Consolidated		Chisholm	
		2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Receipts					
Government contributions – operating		124,406	120,535	123,540	108,407
Government contributions – capital		7,761	29,954	7,761	29,954
Receipts from customers – fees, charges and sales		56,030	50,846	55,998	50,746
Goods and services tax recovered from the ATO		503	562	503	617
Interest received		4,020	1,340	3,863	1,266
Other receipts		1,391	1,749	429	5,006
Total receipts from operating activities		194,111	204,986	192,094	195,996
Payments					
Payments to employees		(119,641)	(113,197)	(117,587)	(107,358)
Payments to suppliers		(61,543)	(64,418)	(60,196)	(63,194)
Interest paid – lease liability		(13)	(29)	(13)	(29)
Total payments from operating activities		(181,197)	(177,644)	(177,796)	(170,581)
Net cash flows from / (used in) operating activities	6.1.1	12,914	27,342	14,298	25,415
Cash flows from investing activities					
Redemptions of / (payments for) investments		-	526	-	-
Payments for property, plant and equipment		(47,961)	(14,201)	(47,961)	(14,201)
Payments for intangible assets		(1,442)	(1,940)	(1,476)	(1,409)
Proceeds from sales of non-financial assets		92	987	92	987
Net cash flows from / (used in) investing activities		(49,311)	(14,628)	(49,345)	(14,623)
Cash flows from financing activities					
Repayment of borrowings		(351)	(351)	(351)	(351)
Payment of lease liabilities		(297)	(741)	(297)	(741)
Return of capital contributions ^(a)		-	-	4,117	-
Net cash flows from / (used in) financing activities		(648)	(1,092)	3,469	(1,092)
Net increase / (decrease) in cash and cash equivalents		(37,045)	11,622	(31,578)	9,700
Cash and cash equivalents at beginning of financial year		109,719	98,097	102,670	92,970
Cash and cash equivalents at end of financial year	6.1	72,674	109,719	71,092	102,670

(a) Capital contributions were returned to Chisholm Institute from TAFE Online Pty Ltd, which ceased trading effective 30 June 2023.

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

Contents of the notes to the consolidated financial statements

Chisholm Institute and its controlled entities (Chisholm Group) has presented its audited general purpose financial statements for the financial year ended 31 December 2023 in the following structure to provide users with the information about Chisholm Group's stewardship of resources entrusted to it.

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1. About this report

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

Chisholm is a Technical and Further Education (TAFE) provider, based predominantly in the South East of Victoria. Quality education and training services are provided on campus, online, through the workplace, and internationally. Chisholm has campuses in the following locations:

- > Bass Coast (Wonthaggi)
- > Berwick
- > Cranbourne
- > Dandenong
- > Frankston
- > Mornington Peninsula (Rosebud)
- > Springvale

Its registered office and principal address is:

Chisholm Institute
121 Stud Road
Dandenong VIC 3175
Australia

1.1 Basis of preparation

These financial statements are presented in Australian dollars, the functional and presentation currency of Chisholm Institute (the “Institute”) and its controlled entities, TAFE Online Pty Ltd (until 30 June 2023) and the Caroline Chisholm Education Foundation (“Chisholm Group”). These financial statements have been prepared in accordance with the historical cost convention, unless a different measurement basis is specifically disclosed in the notes associated with the item measured on a different basis. Amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise stated.

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

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

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

- > determining whether government contributions received should be recognised as revenue under AASB 15 or income under AASB 1058, depending on whether the performance obligations within the contract are assessed as sufficiently specific and measuring Chisholm Group’s satisfaction of a performance obligation (refer to Note 2.2);
 - > AASB 16 *Leases* and the requirements to determine the lease term to the extent that extension options are certain (refer to Note 6.4); and
 - > whether Chisholm Institute has control over TAFE Online Pty Ltd and the Caroline Chisholm Education Foundation (refer to Note 9.4).
- Estimates and assumptions made by management in the application of AAS that have significant effects on the financial statements relate to:
- > actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 5.6);
 - > the loss rate used in calculating the allowance for expected credit losses (refer to Note 7.1.2);
 - > the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 7.3); and
 - > the fair value of assets measured at current replacement cost as a result of rising costs of construction and inflation.

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

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

1. About this report (continued)

1.1 Basis of preparation (continued)

Goods and Services Tax (GST)

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

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

Basis of consolidation

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

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

TAFE Online Pty Ltd was deregistered on 3 January 2024 and ceased to be a controlled entity from this date.

Funding risk

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

Chisholm Group has substantial economic dependency on Government operating and capital contributions, in particular from the Department of Jobs, Skills, Industry and Regions (DJSIR).

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

Chisholm's forecast cash flow position reflects its ability to pay its debts as and when they fall due. On that basis, the financial statements have been prepared on a going concern basis.

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

1.2 Compliance information

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

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

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

1.3 Impact of COVID-19

In 2023, the impacts of the COVID-19 pandemic, including movement and density restrictions, were no longer significant to Chisholm Group's operations.

Between 2020 and 2022, various restrictions such as self-isolation and border entry rules were enforced and implemented by state and federal governments in Australia in order to contain the spread of the virus and to prioritise the health and safety of our communities. Chisholm Group conducted classes through remote learning where possible, held examinations online, placed restrictions on non-essential work, performed COVID-19 testing, and implemented work from home arrangements where possible. The Department of Jobs, Skills, Industry and Regions (DJSIR, formerly Department of Education or DET) also provided grants to assist Chisholm Group with its response to the pandemic in order to retain staff, assist with the transition to online and remote learning, and maintain government funding at pre-pandemic levels.

Following the easing of restrictions in 2022, learning returned to campus and no funding was provided by the Department in 2023 in relation to the pandemic (\$7.9 million was provided by the Department in 2022).

2. How we earned our funds

This section presents the sources and amounts of revenue raised by Chisholm Group.

2.1 Government grants

2.1.1 Revenue and income from government grants

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Grants and other transfers				
Government grants – operating revenue				
State government – contestable	67,697	74,344	66,713	64,194
Total government grants – operating revenue	67,697	74,344	66,713	64,194
Government grants – operating income				
State government – other grants	45,794	40,664	45,778	40,606
Commonwealth government grants	43	161	43	161
Total government grants – operating income	45,837	40,825	45,821	40,767
Total government grants – operating	113,534	115,169	112,534	104,961

Revenue and income from government grants

Chisholm Group is required to determine whether the government grants received should be accounted for as revenue per AASB 15 *Revenue from Contracts with Customers* or income per AASB 1058 *Income of Not-for-profit Entities*.

Significant judgement is applied to assess if a government grant or contract contains sufficiently specific performance obligations.

Revenue from government grants

Chisholm Group's revenue streams are predominantly for transactions relating to the delivery of courses to students and education services to clients. In all cases, the total transaction price for these services is allocated amongst the various performance obligations based on the consideration specified in the contract with the customer. The transaction price for a contract excludes any amounts collected on behalf of third parties. Revenue is recognised either at a point in time or over time as Chisholm Group satisfies the performance obligations by transferring the promised goods or services to its customers. Where government grants have been received for services to be delivered in the following year, these amounts are deferred as a contract liability (Note 5.5).

Revenue is measured at the amount of consideration to which Chisholm Group expects to be entitled in exchange for transferring promised goods or services to a customer.

Income from government grants

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

2. How we earned our funds (continued)

2.1 Government grants (continued)

Related amounts may take the form of:

- > contributions by owners, in accordance with AASB 1004 *Contributions*;
- > a lease liability, in accordance with AASB 16 *Leases*;
- > a financial instrument, in accordance with AASB 9 *Financial Instruments*;
- > a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Specific criteria in relation to determining whether government grants are accounted for as revenue per AASB 15 or income per AASB 1058 are set out in the following table.

Revenue Type	Nature	Performance obligation	Timing of satisfaction
State government – contestable	Refers to Victorian State Government funding for which Chisholm Group must compete with other registered training providers. Funding is allocated primarily through a competitive tendering process and a 'User Choice' system.	The funding agreement for these grants outlines the performance obligations to provide education services to eligible students and relevant terms and conditions. These grants are recognised as revenue from contracts with customers in line with the requirements of AASB 15.	Revenue is recognised over time, on the basis of the number of units of training delivered to eligible students over the life of the agreement.
State government – other grants	Refers to funding that is not recognised as contestable and includes specific-purpose grants.	In general, funding agreements for these grants do not contain sufficiently specific performance obligations and are therefore recognised as income under AASB 1058. Chisholm recognises income immediately in the comprehensive operating statement when control is achieved over the funds which occurs on execution of the relevant contract.	
		Where performance obligations are sufficiently specific in accordance with AASB 15.	Revenue is recognised over time in the comprehensive operating statement as the performance obligations are delivered.

Note: the above accounting policies shall be reassessed by Chisholm Group at the end of each reporting period to determine whether they remain appropriate and will be amended as needed. The examples listed above are not exhaustive.

Transaction price allocated to remaining performance obligations under AASB 15

Revenue is recognised upon completion of sufficiently specific performance obligations. The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially satisfied) at the reporting date. These future expected earnings are included in the balance sheet as part of contract and other liabilities.

	2024	2025	2026
	\$'000	\$'000	\$'000
Consolidated			
Revenue expected to be recognised	8,832	-	-
Chisholm			
Revenue expected to be recognised	8,832	-	-

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

2. How we earned our funds (continued)

2.1 Government grants (continued)

2.1.2 Capital grants income

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Government grants – capital				
State government – capital	40,381	12,353	40,381	12,353
Total government grants – capital	40,381	12,353	40,381	12,353

Revenue Type	Nature	Performance obligation	Timing of satisfaction
State government – capital	Where Chisholm Group receives a financial asset to construct or acquire a non-financial asset which is to be retained and used by Chisholm Group.	Whilst Chisholm Group has an obligation to acquire or construct a non-financial asset, such transactions are accounted for following specific guidance under AASB 1058.	When the asset is acquired; OR Over time, as the building or facility is constructed. Income is recognised to the extent of costs incurred to date because the costs of construction are the best measure of the stage of completion of the building.

2.2 Revenue from fees, charges and sales

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Student fees and charges	13,618	11,752	13,591	11,539
Fee for service – government	34,109	26,989	34,109	26,989
Fee for service – international operations – onshore	2,026	1,839	2,026	1,839
Fee for service – international operations – offshore	3,765	3,299	3,765	3,299
Fee for service – other	6,177	7,309	6,148	7,038
Other non-course fees and charges				
Sale of goods	285	235	285	235
Student amenities and services	1,799	1,833	1,767	1,630
Total revenue from fees, charges and sales	61,779	53,256	61,691	52,569

2. How we earned our funds (continued)

2.2 Revenue from fees, charges and sales (continued)

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

	Student fees and charges	Fee for service	Other non- course fees and charges	Total
	\$'000	\$'000	\$'000	\$'000
Consolidated 2023				
Bass Coast	17	-	-	17
Berwick	3,380	1,517	23	4,920
Cranbourne	269	313	8	590
Dandenong	3,765	17,002	35	20,802
Frankston	4,936	16,795	15	21,746
Mornington Peninsula	295	96	23	414
International Projects	-	3,765	-	3,765
Online Delivery	52	44	-	96
Off-site Delivery	716	1,772	-	2,488
Other	188	4,773	1,980	6,941
Total revenue from fees, charges and sales	13,618	46,077	2,084	61,779
Consolidated 2022				
Bass Coast	34	3	-	37
Berwick	2,328	3,567	-	5,895
Cranbourne	657	563	1	1,221
Dandenong	3,431	19,889	20	23,340
Frankston	4,147	6,736	14	10,897
Mornington Peninsula	265	227	16	508
International Projects	-	3,299	-	3,299
Online Delivery	213	270	-	483
Off-site Delivery	629	3,755	-	4,384
Other	48	1,127	2,017	3,192
Total revenue from fees, charges and sales	11,752	39,436	2,068	53,256

2. How we earned our funds (continued)

2.2 Revenue from fees, charges and sales (continued)

	Student fees and charges	Fee for service	Other non- course fees and charges	Total
	\$'000	\$'000	\$'000	\$'000
Chisholm 2023				
Bass Coast	17	-	-	17
Berwick	3,380	1,517	23	4,920
Cranbourne	269	313	8	590
Dandenong	3,765	17,002	35	20,802
Frankston	4,936	16,795	15	21,746
Mornington Peninsula	295	96	23	414
International Projects	-	3,765	-	3,765
Online Delivery	27	16	-	43
Off-site Delivery	716	1,772	-	2,488
Other	186	4,772	1,948	6,906
Total revenue from fees, charges and sales	13,591	46,048	2,052	61,691
Chisholm 2022				
Bass Coast	34	3	-	37
Berwick	2,328	3,567	-	5,895
Cranbourne	657	563	1	1,221
Dandenong	3,431	19,889	20	23,340
Frankston	4,147	6,736	14	10,897
Mornington Peninsula	265	227	16	508
International Projects	-	3,299	-	3,299
Online Delivery	-	-	-	-
Off-site Delivery	629	3,755	-	4,384
Other	48	1,126	1,814	2,988
Total revenue from fees, charges and sales	11,539	39,165	1,865	52,569

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

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

Other non-course fees and charges are recognised as the service is delivered to the student. For example, student amenities and services revenue is recognised as Chisholm Group provides the service to the student.

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

2. How we earned our funds (continued)

2.2 Revenue from fees, charges and sales (continued)

Revenue Type	Nature	Performance obligation	Timing of satisfaction
Student fees and charges	Chisholm Group provides educational services to eligible domestic students. Student fees and charges revenue includes student tuition fees and course materials received or to be received from eligible students for the provision of these services.	Provision of education services	Student fees and charges are recognised in accordance with the relevant enrolment terms and conditions and over the period that the education and training services are provided. Any fee waivers are recognised as a reduction in the amount of revenue recognised. Where revenue has been received for programs or services to be delivered in the following year, these amounts are deferred as a contract liability.
Fee for service – government	Relates to course fees funded by state government departments (excluding revenue / income recognised in Note 2.1.1).	Provision of services	Revenue is recognised over time by reference to the percentage completion of each contract, i.e. in the reporting period in which the services are rendered. Where fee for service revenue of a reciprocal nature has been clearly received in respect of programs or services to be delivered in the following year, such amounts are disclosed as a contract liability.
Fee for service – international onshore / offshore	Relates to international student course fees and other revenue for onshore and offshore training operations.		
Fee for service – other	Relates to revenue from training programs to domestic students (who are not eligible for a government-funded subsidy) and private organisations (industry).		
Revenue from sale of goods		Delivery of goods (e.g. course materials)	Revenue is recognised at a point in time when the goods are delivered and have been accepted by customers. Sales are recognised based on the contractual price, net of any discounts (if applicable). Payment of transaction price is due immediately.

Revenue recognised in relation to contract liabilities

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

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Revenue recognised that was included in the contract liability balance at the beginning of the period				
Student fees and charges	3,416	3,844	3,401	3,628
Fee for service	1,138	1,222	1,126	1,210
Government contributions – other contributions	7,623	8,794	7,585	8,756
Other	2,419	1,249	2,419	1,249
Total	14,596	15,109	14,531	14,843

2. How we earned our funds (continued)

2.2 Revenue from fees, charges and sales (continued)

Transaction price allocated to remaining performance obligations

Revenue is recognised on a quantitative basis using the time bands that are most appropriate for the duration of the remaining performance obligations.

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially satisfied) at the reporting date. These future expected earnings are included in the balance sheet as part of contract and other liabilities.

	2024	2025	2026
	\$'000	\$'000	\$'000
Consolidated			
Revenue expected to be recognised	16,429	-	-
Chisholm			
Revenue expected to be recognised	16,429	-	-

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

Payment terms

The payment terms for student fees are as follows:

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

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

2.3 Other revenue and income

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Interest income	4,019	1,640	3,875	1,547
Scholarships and sponsorships	72	189	1	15
Rental income	426	462	426	462
Donations and bequests	114	20	-	-
Overhead recovery	-	-	33	3,195
Other	665	880	639	1,138
Total other income	5,296	3,191	4,974	6,357
Total other revenue and income	5,296	3,191	4,974	6,357

2. How we earned our funds (continued)

2.3 Other revenue and income (continued)

Income Type	Nature	Timing of satisfaction
Interest income	Interest income includes interest received on bank term deposits and other investments and the unwinding over time of the discount on financial assets.	Recognised taking into account the effective interest rates applicable to the financial assets.
Rental income	Chisholm Group receives rental income for certain land and buildings leased out to the general public during the semester break period and when the buildings are excess to the current requirement. Chisholm Group also receives rental income from long term lease arrangements with third parties. Refer to Note 2.3.1 for Chisholm Group's lessor accounting policy.	Rental income is recognised on a time proportional basis and is brought to account when Chisholm Group's right to receive the rental is established.
Scholarships, donations and bequests	From time to time, generous benefactors may provide donations or gifts to further the objectives of Chisholm Group, or to cover the cost of tuition for disadvantaged students. Typically, donations and bequests do not contain performance obligations that are sufficiently specific.	Recognised on receipt when there are no sufficiently specific performance obligations, or it cannot be identified when the obligation is satisfied. Typically, the stated purpose of the gift is not specific enough for the requirements of the standard. In the rare circumstance where a gift has a sufficiently specific performance obligation revenue will be recognised when or as the obligation is satisfied.
Overhead recovery	Charged by Chisholm Institute to its subsidiary, TAFE Online Pty Ltd, to cover costs such as rent, utilities and corporate services (e.g. Finance, Human Resources).	Overhead is calculated as a percentage of Skills First revenue recognised by TAFE Online Pty Ltd, with revenue recognised by Chisholm Institute and the expense recognised by TAFE Online Pty Ltd at the time of Skills First revenue recognition.
Other	Income that does not fit into the above categories makes up a very small portion of Chisholm Group's overall revenue, and is grouped into "other income".	Other income is recognised when Chisholm Group's right to receive payment is established.

2.3.1 Leases receivable

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Receivable				
Within one year	165	149	165	149
Later than one year but not later than five years	209	267	209	267
Total leases receivable	374	416	374	416
GST payable on the above	(34)	(38)	(34)	(38)
Net operating leases receivable	340	378	340	378

When Chisholm Group is a lessor, a lease is classified as an operating lease when it does not transfer substantially all of the risks and rewards incidental to ownership of the underlying asset. Indicators such as whether the lease is for a major part of the economic life of the asset are considered as part of this assessment. Payments received under operating leases are recognised as income on a straight-line basis over the lease term.

3. How we expended our funds

3.1 Employee benefits

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

All assumptions are reviewed at each reporting date.

3.1.1 Employee benefits in the comprehensive operating statement

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Salaries, wages, overtime and allowances	98,593	93,448	96,914	88,678
Superannuation	10,405	9,347	10,236	8,872
Payroll tax	5,543	4,976	5,455	4,717
Mental health and wellbeing surcharge	590	506	574	448
Annual leave	2,283	1,817	2,338	1,590
Long service leave	2,956	980	2,986	1,006
Workers compensation	1,021	664	1,003	634
Termination benefits	201	334	201	334
Other	208	58	210	48
Total employee benefits	121,800	112,130	119,917	106,327

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

From 1 January 2022, a mental health and wellbeing (MHW) surcharge was implemented by the Victorian Government as a mechanism to provide a stable and dedicated form of additional funding for the mental health system. This surcharge is applied at a rate of 0.5% of Victorian taxable wages over \$10 million, and an additional 0.5% of Victorian taxable wages over \$100 million.

Effective 1 July 2023, the Victorian Government implemented a COVID-19 Debt Temporary Payroll Tax Surcharge in addition to the MHW surcharge. This new surcharge is applied in the same manner as the MHW surcharge, and it will apply until 30 June 2033. The surcharge is included in the payroll tax expense.

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

3. How we expended our funds (continued)

3.2 Superannuation

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

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

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

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

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Paid contribution for the year				
Defined benefit plans				
State Superannuation Fund – revised and new	137	187	137	187
Total defined benefit plans	137	187	137	187
Accumulation contribution plans				
VicSuper	4,343	3,693	4,285	3,466
Other	6,022	4,804	5,930	4,558
Total accumulation contribution plans	10,365	8,497	10,215	8,024
Total paid contribution for the year	10,502	8,684	10,352	8,211
Contribution outstanding at year end				
Accumulation contribution plans				
VicSuper	-	418	-	404
Other	-	406	-	385
Total accumulation contribution plans	-	824	-	789
Total contribution outstanding at year end	-	824	-	789

Note: All amounts relating to accumulation contribution plans for 2023 were paid prior to 31 December, resulting in nil outstanding at year end.

Accumulation contribution plans

Contributions are expensed when they become payable.

The bases for contributions are determined by the various schemes.

The above superannuation contributions were paid in the year ended 31 December 2023.

3. How we expended our funds (continued)

3.3 Supplies and services

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Building repairs and maintenance	5,029	7,654	5,029	7,654
Communication expenses	1,184	1,369	1,183	1,366
Cost of goods sold / distributed (ancillary trading)	31	21	31	21
General consultancy	5,115	4,769	5,106	4,613
Legal expenses	611	879	611	862
Other borrowing costs (other than interest)	70	62	70	59
Payments to contractors	15,092	12,824	15,084	12,798
Purchase of services non-public sector – third party training providers	-	20	-	20
Purchase of services from Victorian Government entities (outside DJSIR portfolio)	19	28	19	28
Purchase of supplies and consumables	9,902	8,840	9,900	8,819
Total supplies and services	37,053	36,466	37,033	36,240

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

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

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

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Payable				
Within one year	1,436	1,454	1,436	1,454
Later than one year but not later than five years	2,066	2,192	2,066	2,192
Total operating lease commitments	3,502	3,646	3,502	3,646
GST reclaimable on the above	(319)	(332)	(319)	(332)
Net operating lease commitments	3,183	3,314	3,183	3,314

3.3.2 Other expenditure commitments

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

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Payable				
Within one year	9,007	4,329	9,007	4,329
Later than one year but not later than five years	8,638	10,106	8,638	10,106
Total other expenditure commitments	17,645	14,435	17,645	14,435
GST reclaimable on the above	(1,604)	(1,312)	(1,604)	(1,312)
Net other expenditure commitments	16,041	13,123	16,041	13,123

3. How we expended our funds (continued)

3.4 Other operating expenses

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Audit fees and services	376	705	358	384
Bad debts from transactions	40	21	40	21
Doubtful debts	216	287	216	287
Equipment below capitalisation threshold	1,320	1,689	1,318	1,687
Impairment loss allowance	45	(29)	45	(29)
Impairment of intangibles	155	913	-	-
Marketing and promotional expenses	3,912	3,304	3,872	3,268
Operating lease rental expenses	2,541	1,813	2,541	1,799
Staff development	785	577	785	567
Travel and motor vehicle expenses	757	506	756	505
Utilities	1,590	1,583	1,590	1,583
Other	1,674	1,184	2,535	1,719
Total other operating expenses	13,411	12,553	14,056	11,791

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

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

3.5 Finance costs

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Interest on lease liabilities	13	29	13	29
Total finance costs	13	29	13	29

3.6 Depreciation and amortisation expense

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Buildings	13,833	6,852	13,833	6,852
Plant and equipment	3,644	2,521	3,644	2,521
Motor vehicles	62	79	62	79
Leasehold improvements	4	6	4	6
Land improvements	212	181	212	181
Right of use assets	242	840	242	840
Intangible assets	2,600	2,152	2,548	1,819
Total depreciation and amortisation expense	20,597	12,631	20,545	12,298

Depreciation of buildings increased significantly in 2023 due to the formal revaluation of buildings that occurred in the year ended 31 December 2022.

4. The assets we invested in

4.1 Property, plant and equipment

Fair value measurement

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

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

	Gross Carrying Amount		Accumulated Depreciation		Net Carrying Amount	
	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated						
Land	86,142	86,142	-	-	86,142	86,142
Buildings	296,509	291,981	(13,826)	-	282,683	291,981
Construction in progress	55,358	17,533	-	-	55,358	17,533
Plant and equipment	42,904	38,480	(33,941)	(30,321)	8,963	8,159
Motor vehicles	972	972	(903)	(841)	69	131
Leasehold improvements	3,062	3,062	(3,062)	(3,058)	-	4
Land improvements	4,489	4,422	(212)	(1)	4,277	4,421
Total	489,436	442,592	(51,944)	(34,221)	437,492	408,371
Chisholm						
Land	86,142	86,142	-	-	86,142	86,142
Buildings	296,509	291,981	(13,826)	-	282,683	291,981
Construction in progress	55,358	17,533	-	-	55,358	17,533
Plant and equipment	42,904	38,480	(33,941)	(30,321)	8,963	8,159
Motor vehicles	972	972	(903)	(841)	69	131
Leasehold improvements	3,062	3,062	(3,062)	(3,058)	-	4
Land improvements	4,489	4,422	(212)	(1)	4,277	4,421
Total	489,436	442,592	(51,944)	(34,221)	437,492	408,371

Refer to Note 4.1.1 for a reconciliation of movements in carrying amounts of property, plant and equipment.

Initial recognition

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

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

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

4. The assets we invested in (continued)

4.1 Property, plant and equipment (continued)

Subsequent measurement

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

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

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

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

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

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

A formal revaluation of land and building assets (including land improvements) was conducted for the year ended 31 December 2022. For the year ended 31 December 2023, an assessment was conducted using indices provided by the Office of the Victorian Valuer-General. As a result of this assessment, the value of property, plant and equipment was decreased by \$0.7 million; refer to Note 7.3(b) and Note 9.2 for further information.

Revaluations of non-financial physical assets

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

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

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

	Land	Buildings	Construction in progress	Plant and equipment	Motor vehicles	Leasehold improvements	Land improvements	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated 2023								
Opening net book amount	86,142	291,981	17,533	8,159	131	4	4,421	408,371
Additions	-	4,775	40,572	2,700	-	-	72	48,119
Revaluations	-	(705)	-	-	-	-	-	(705)
Disposals	-	(380)	(154)	-	-	-	(4)	(538)
Transfers	-	845	(2,593)	1,748	-	-	-	-
Depreciation	-	(13,833)	-	(3,644)	(62)	(4)	(212)	(17,755)
Closing balance	86,142	282,683	55,358	8,963	69	-	4,277	437,492
Consolidated 2022								
Opening net book amount	67,065	285,367	4,921	9,159	171	10	2,205	368,898
Additions	-	-	12,687	1,446	39	-	29	14,201
Revaluations	19,642	13,657	-	-	-	-	2,368	35,667
Disposals	(565)	(191)	-	-	-	-	-	(756)
Transfers	-	-	(75)	75	-	-	-	-
Depreciation	-	(6,852)	-	(2,521)	(79)	(6)	(181)	(9,639)
Closing balance	86,142	291,981	17,533	8,159	131	4	4,421	408,371

4. The assets we invested in (continued)

4.1 Property, plant and equipment (continued)

	Land	Buildings	Construction in progress	Plant and equipment	Motor vehicles	Leasehold improvements	Land improvements	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Chisholm 2023								
Opening net book amount	86,142	291,981	17,533	8,159	131	4	4,421	408,371
Additions	-	4,775	40,572	2,700	-	-	72	48,119
Revaluations	-	(705)	-	-	-	-	-	(705)
Disposals	-	(380)	(154)	-	-	-	(4)	(538)
Transfers	-	845	(2,593)	1,748	-	-	-	-
Depreciation	-	(13,833)	-	(3,644)	(62)	(4)	(212)	(17,755)
Closing balance	86,142	282,683	55,358	8,963	69	-	4,277	437,492
Chisholm 2022								
Opening net book amount	67,065	285,367	4,921	9,159	171	10	2,205	368,898
Additions	-	-	12,687	1,446	39	-	29	14,201
Revaluations	19,642	13,657	-	-	-	-	2,368	35,667
Disposals	(565)	(191)	-	-	-	-	-	(756)
Transfers	-	-	(75)	75	-	-	-	-
Depreciation	-	(6,852)	-	(2,521)	(79)	(6)	(181)	(9,639)
Closing balance	86,142	291,981	17,533	8,159	131	4	4,421	408,371

4.1.2 Capital commitments

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

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Payable				
Within one year	5,839	51,221	5,839	51,221
Later than one year but not later than five years	544	93	544	93
Total capital expenditure commitments	6,383	51,314	6,383	51,314
GST reclaimable on the above	(580)	(4,665)	(580)	(4,665)
Net capital expenditure commitments	5,803	46,649	5,803	46,649

The higher capital commitments at the end of 2022 related to major building and refurbishment works which occurred as part of Stage 2 of the Frankston campus redevelopment. These major works will be completed in the first half of 2024.

4. The assets we invested in (continued)

4.1 Property, plant and equipment (continued)

4.1.3 Gain / loss on property, plant and equipment

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Net gain / (loss) on disposal of property, plant and equipment	(288)	231	(288)	231
Total	(288)	231	(288)	231

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

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

4.2 Intangible assets

Chisholm Institute has capitalised software development expenditure for the upgrade of its student management system (Strata) software and online learning modules. The carrying amount of the capitalised software development expenditure is \$7.8 million (2022: \$8.9 million). Its useful life is 3-4 years.

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Software				
Gross carrying amount				
Opening balance	22,163	20,224	18,196	16,788
Additions	1,503	1,939	1,480	1,408
Disposals	(3,972)	-	(4)	-
Closing balance	19,694	22,163	19,672	18,196
Accumulated amortisation and impairment				
Opening balance	(13,045)	(9,980)	(9,318)	(7,499)
Impairment	(155)	(913)	-	-
Amortisation charge	(2,600)	(2,152)	(2,548)	(1,819)
Disposals	3,912	-	-	-
Closing balance	(11,888)	(13,045)	(11,866)	(9,318)
Net carrying amount at end of the year	7,806	9,118	7,806	8,878

4. The assets we invested in (continued)

4.2 Intangible assets (continued)

Initial recognition

Internally-generated intangible assets

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

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

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

Configuration and customisation costs incurred related to a Software as a Service (SaaS) arrangement

SaaS arrangements are service contracts providing Chisholm Group with the right to access the software provider's application software over the contract period. Where costs incurred to configure or customise SaaS arrangements result in the creation of a resource which is identifiable, and where Chisholm has the power to obtain the future economic benefits flowing from the underlying resource and to restrict the access of others to those benefits, such costs are recognised as a separate intangible software asset.

Where costs incurred to configure or customise do not result in the recognition of an intangible software asset, then those costs that provide Chisholm with a distinct service (in addition to the SaaS access) are recognised as expenses when the supplier provides the services. When such costs incurred do not provide a distinct service, prepayments for services are recognised as expenses over the duration of the SaaS contract. Chisholm does not hold any SaaS products as intangible assets.

Judgement is required in determining whether:

- > costs incurred result in the creation of an intangible asset that meets the recognition criteria of AASB 138 *Intangible Assets*; and
- > the configuration and customisation costs provide a distinct service where such costs do not give rise to the recognition of an intangible asset.

Subsequent measurement

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

Impairment of intangible assets

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

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

4. The assets we invested in (continued)

4.3 Depreciation and amortisation

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

Depreciation and amortisation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Right of use assets and leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is shorter, using the straight-line method. The only exception is where Chisholm Group expects to obtain ownership of the leased asset at the end of the lease term, where in such instances the right of use assets and leasehold improvements will be depreciated over their expected useful lives.

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

Class of assets	Useful life	Method
Buildings	5 – 80 years (2022: 5 – 80 years)	Straight line
Plant and equipment	3 – 13 years (2022: 3 – 13 years)	Straight line
Motor vehicles	6 – 10 years (2022: 6 – 10 years)	Straight line
Leasehold improvements	3 – 6 years (2022: 3 – 6 years)	Straight line
Land improvements	10 – 40 years (2022: 10 – 40 years)	Straight line
Right of use assets	Lease term (2022: lease term)	Straight line
Software	3 – 4 years (2022: 3 – 4 years)	Straight line

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

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

4.4 Investments and other financial assets

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Non-current investments and other financial assets				
Unlisted shares in subsidiary – TAFE Online Pty Ltd	-	-	-	6,000
Total investments and other financial assets	-	-	-	6,000

TAFE Online Pty Ltd ceased trading as at 30 June 2023. The company was officially deregistered on 3 January 2024.

Chisholm does not have any term deposits greater than three months, therefore there are no current investments to report.

Ageing analysis of investments and other financial assets

	Carrying amount	Not past due and not impaired	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years
Chisholm 2023						
Investments in subsidiary	-	-	-	-	-	-
Total	-	-	-	-	-	-
Chisholm 2022						
Investments in subsidiary	6,000	6,000	-	-	-	-
Total	6,000	6,000	-	-	-	-

A term deposit held on behalf of the Caroline Chisholm Education Foundation (CCEF) was redeemed in 2022. In line with the *Banking and Financial Services State Purchase Contract*, the funds are now held in a transaction account with an approved banking services provider.

Investments in subsidiary are reported at the individual entity level and not at the consolidated group level. As a result, there are no investments or other financial assets to report for Chisholm Group for 2022 and 2023.

5. Balances from operations

5.1 Receivables

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current				
Contractual				
Trade receivables	2,475	2,772	2,466	2,772
Loss allowance on trade receivables	(80)	(35)	(80)	(35)
Other receivables	3,596	2,308	3,611	2,362
Total receivables from contracts with customers	5,991	5,045	5,997	5,099
Statutory				
GST input tax credit recoverable	504	562	504	616
FBT recoverable	142	57	142	57
Total current receivables	6,637	5,664	6,643	5,772

Receivables consist of:

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

Receivables other than sale of goods and services are stated exclusive of the amount of GST receivable. Receivables that are contractual are classified as financial instruments. Statutory receivables are recognised and measured similarly to contractual receivables, but are not classified as financial instruments, and are not included in the category of financial assets at amortised cost because they do not arise from a contract.

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

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

Due to the short-term nature of current receivables, their carrying amount approximates their fair value.

Impairment

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

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

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Balance at the beginning of the year	(35)	(64)	(35)	(64)
Net remeasurement of loss allowance	-	29	-	29
Increase in loss allowance recognised in net result	(45)	-	(45)	-
Balance at the end of the year	(80)	(35)	(80)	(35)

The balance of expected credit losses is broken down further in Note 7.1

5. Balances from operations (continued)

5.1 Receivables (continued)

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

Ageing analysis of contractual receivables

	Carrying amount	Not past due and not impaired	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated 2023						
Trade receivables	2,395	1,037	946	343	69	-
Other receivables	3,596	3,596	-	-	-	-
Total	5,991	4,633	946	343	69	-
Consolidated 2022						
Trade receivables	2,737	1,413	1,161	107	56	-
Other receivables	2,308	2,308	-	-	-	-
Total	5,045	3,721	1,161	107	56	-
Chisholm 2023						
Trade receivables	2,386	1,028	946	343	69	-
Other receivables	3,611	3,611	-	-	-	-
Total	5,997	4,639	946	343	69	-
Chisholm 2022						
Trade receivables	2,737	1,413	1,161	107	56	-
Other receivables	2,362	2,362	-	-	-	-
Total	5,099	3,775	1,161	107	56	-

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

The average credit period on sales of goods and services is 21.69 days.

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

5.2 Contract assets

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current				
Contract assets	14,054	7,189	14,054	7,397
Total contract assets	14,054	7,189	14,054	7,397

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

5. Balances from operations (continued)

5.3 Other non-financial assets

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current				
Prepayments	4,193	3,205	4,194	3,165
Inventories	371	377	371	377
Total other non-financial assets – current	4,564	3,582	4,565	3,542
Non-current				
Prepayments	13	24	13	24
Total other non-financial assets – non-current	13	24	13	24
Total other non-financial assets	4,577	3,606	4,578	3,566

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

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

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

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

5.4 Payables

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current				
Contractual				
Supplies and services	7,486	6,152	7,485	6,117
Total contractual payables	7,486	6,152	7,485	6,117
Statutory				
Other taxes payable	1,696	1,407	1,696	1,337
Total statutory payables	1,696	1,407	1,696	1,337
Total current payables	9,182	7,559	9,181	7,454

5. Balances from operations (continued)

5.4 Payables (continued)

Payables consist of:

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

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

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

Ageing analysis of contractual payables

The amounts disclosed in the following table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Carrying amount	Nominal amount	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated 2023						
Supplies and services	7,486	7,486	6,953	526	7	-
Total	7,486	7,486	6,953	526	7	-
Consolidated 2022						
Supplies and services	6,152	6,152	5,634	496	22	-
Total	6,152	6,152	5,634	496	22	-
Chisholm 2023						
Supplies and services	7,485	7,485	6,952	526	7	-
Total	7,485	7,485	6,952	526	7	-
Chisholm 2022						
Supplies and services	6,117	6,117	5,599	496	22	-
Total	6,117	6,117	5,599	496	22	-

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

The average credit period is 22.34 days. No interest is charged on other payables.

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

Due to their short-term nature, the carrying amounts of trade and other payables are not considered to be materially different to their fair values.

5. Balances from operations (continued)

5.5 Contract and other liabilities

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

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Contract liabilities				
Student fees	6,007	3,416	6,007	3,401
Fee for service	725	1,138	725	1,126
Government contributions – other contributions	175	450	175	448
Other	2,100	2,420	2,100	2,419
Total contract liabilities	9,007	7,424	9,007	7,394
Other liabilities				
Deferred capital grants	16,254	48,875	16,254	48,875
Total other liabilities	16,254	48,875	16,254	48,875
Total contract and other liabilities	25,261	56,299	25,261	56,269

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

Deferred capital grants

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

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Deferred capital grants at beginning of the year	48,875	31,274	48,875	31,274
Grant consideration for capital works received during the year	7,760	29,954	7,760	29,954
Grant consideration recognised as income under AASB 1058	(40,381)	(12,353)	(40,381)	(12,353)
Closing balance – deferred capital grants	16,254	48,875	16,254	48,875

5. Balances from operations (continued)

5.6 Employee benefits in the balance sheet

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current provisions				
Employee benefits				
Annual leave				
Unconditional and expected to settle within 12 months	4,710	4,481	4,710	4,388
Unconditional and expected to settle after 12 months	801	811	801	797
Long service leave				
Unconditional and expected to settle within 12 months	1,583	1,356	1,583	1,356
Unconditional and expected to settle after 12 months	5,687	5,163	5,687	5,153
Time off in lieu	305	76	305	66
On-costs				
Annual leave				
Unconditional and expected to settle within 12 months	853	782	853	765
Unconditional and expected to settle after 12 months	144	141	144	138
Long service leave				
Unconditional and expected to settle within 12 months	294	238	294	237
Unconditional and expected to settle after 12 months	1,058	904	1,058	903
Total current provisions	15,435	13,952	15,435	13,803
Non-current provisions				
Long service leave				
Conditional and expected to settle after 12 months	2,691	2,140	2,691	2,122
On-costs				
Conditional and expected to settle after 12 months	501	375	501	371
Total non-current provisions	3,192	2,515	3,192	2,493
Total employee provisions	18,627	16,467	18,627	16,296

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

The current portion of this liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service, and also for those employees that are entitled to pro rata payments in certain circumstances. The entire amount of the provision of \$15.4 million (2022: \$14.0 million) is presented as current, since Chisholm Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, Chisholm Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

6. How we financed our operations

6.1 Cash and cash equivalents

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	72,674	109,719	71,092	102,670
Total cash and cash equivalents	72,674	109,719	71,092	102,670

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

In 2022, a change to the State Purchase Contract for banking services allowed Chisholm Group to consolidate its operating account and deposits at call. As a result, all funds previously held "at call" are now deemed to be "cash at bank".

The 2023 year-end cash balance of \$72.7 million includes \$24.1 million for Government-funded grant projects, \$17.4 million for Chisholm-funded projects, and \$1.6 million for the operations of the Caroline Chisholm Education Foundation.

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

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Net result for the year	27,923	10,483	27,056	9,878

Non-cash movements

Depreciation and amortisation of non-financial assets	20,597	12,631	20,545	12,298
Impairment of non-financial assets	155	913	-	-
(Gain) / loss on disposal of property, plant and equipment	288	(231)	288	(231)
Greener Government loan discount	15	26	15	26
Net (gain) / loss on financial instruments	-	-	768	-
Net (gain) / loss on inter-entity balance	-	-	1,115	-

Movements in assets and liabilities

Decrease / (increase) in receivables	(972)	(1,948)	(871)	(1,275)
Decrease / (increase) in contract assets	(6,866)	2,172	(6,658)	1,011
Decrease / (increase) in prepayments	(977)	(470)	(1,017)	(465)
Decrease / (increase) in inventories	6	(162)	6	(163)
(Decrease) / increase in payables	1,624	(2,937)	1,728	(2,801)
(Decrease) / increase in provisions	2,159	(1,067)	2,331	(1,031)
(Decrease) / increase in contract liabilities	(31,038)	7,932	(31,008)	8,168
Net cash flows from / (used in) operating activities	12,914	27,342	14,298	25,415

Per cash flow statement	12,914	27,342	14,298	25,415
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Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is presented as an operating cash flow.

6. How we financed our operations (continued)

6.2 Borrowings

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current				
Advances from Government	347	351	347	351
Non-current				
Advances from Government	-	332	-	332
Total borrowings	347	683	347	683

Advances from Government

Advances from Government relate to the State Government Greener Government Buildings loan program.

Advances from Government are initially measured at fair value, being the cost of the interest-bearing liabilities and, where applicable, adjusted for transaction costs unless Chisholm Group designated a financial liability at fair value through profit and loss.

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

For advances at amortised cost, any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

For advances at fair value through profit and loss, any changes in its fair value and, if applicable, any interest-related charges are reported in profit and loss.

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

Changes in liabilities arising from financing activities

	Advances from Government	Lease Liabilities	Total
	\$'000	\$'000	\$'000
Consolidated			
Balance at 1 January 2022	1,008	1,078	2,086
Advances from Government – unwinding of interest	26	-	26
Net cash used in financing activities	(351)	(741)	(1,092)
Lease additions / remeasurements / modifications	-	(96)	(96)
Balance at 31 December 2022	683	241	924
Advances from Government – unwinding of interest	15	-	15
Net cash used in financing activities	(351)	(297)	(648)
Lease additions / remeasurements / modifications	-	700	700
Balance at 31 December 2023	347	644	991

6. How we financed our operations (continued)

6.2 Borrowings (continued)

	Advances from Government	Lease Liabilities	Total
	\$'000	\$'000	\$'000
Chisholm			
Balance at 1 January 2022	1,008	1,078	2,086
Advances from Government – unwinding of interest	26	-	26
Net cash used in financing activities	(351)	(741)	(1,092)
Lease additions / remeasurements / modifications	-	(96)	(96)
Balance at 31 December 2022	683	241	924
Advances from Government – unwinding of interest	15	-	15
Net cash used in financing activities	(351)	(297)	(648)
Lease additions / remeasurements / modifications	-	700	700
Balance at 31 December 2023	347	644	991

Maturity analysis of borrowings

	Carrying amount	Nominal amount	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated 2023						
Advances from Government	347	347	-	-	347	-
Total	347	347	-	-	347	-
Consolidated 2022						
Advances from Government	683	683	-	-	351	332
Total	683	683	-	-	351	332
Chisholm 2023						
Advances from Government	347	347	-	-	347	-
Total	347	347	-	-	347	-
Chisholm 2022						
Advances from Government	683	683	-	-	351	332
Total	683	683	-	-	351	332

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

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

6. How we financed our operations (continued)

6.3 Contributed capital

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Balance at 1 January	85,387	85,387	85,387	85,387
Balance at 31 December	85,387	85,387	85,387	85,387

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

6.4 Leases

Policy

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

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

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

As a lessee

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

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

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

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

6. How we financed our operations (continued)

6.4 Leases (continued)

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

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

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

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

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

Right of use assets

	Property	Vehicles	Total
	\$'000	\$'000	\$'000
Consolidated 2023			
Balance at 1 January	-	223	223
Additions	377	322	699
Remeasurements arising from reassessments	-	-	-
Amortisation	(23)	(219)	(242)
Balance at 31 December	354	326	680
Consolidated 2022			
Balance at 1 January	670	488	1,158
Additions	-	103	103
Remeasurements arising from reassessments	(198)	-	(198)
Amortisation	(472)	(368)	(840)
Balance at 31 December	-	223	223

6. How we financed our operations (continued)

6.4 Leases (continued)

	Property	Vehicles	Total
	\$'000	\$'000	\$'000
Chisholm 2023			
Balance at 1 January	-	223	223
Additions	377	322	699
Remeasurements arising from reassessments	-	-	-
Amortisation	(23)	(219)	(242)
Balance at 31 December	354	326	680

Chisholm 2022			
Balance at 1 January	670	488	1,158
Additions	-	103	103
Remeasurements arising from reassessments	(198)	-	(198)
Amortisation	(472)	(368)	(840)
Balance at 31 December	-	223	223

Lease liabilities

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Maturity analysis – contractual undiscounted cash flows				
Less than one year	202	169	202	169
One to five years	421	72	421	72
Later than five years	21	-	21	-
Total undiscounted lease liabilities as at 31 December	644	241	644	241
Future finance charges	(50)	(5)	(50)	(5)
Total discounted lease liabilities as at 31 December	594	236	594	236

Lease liabilities included in the Balance Sheet at 31 December

Current	202	169	202	169
Non-current	442	72	442	72
Total lease liabilities	644	241	644	241

Short-term and low value leases

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

7. Managing risks and uncertainties

7.1 Financial instruments

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

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Contractual financial assets				
Financial assets measured at amortised cost				
Cash and cash equivalents	72,674	109,719	71,092	102,670
Trade receivables	2,395	2,737	2,386	2,737
Other receivables	3,596	2,308	3,611	2,362
Total contractual financial assets	78,665	114,764	77,089	107,769
Contractual financial liabilities				
Loans and payables				
Supplies and services	7,486	6,152	7,485	6,117
At amortised cost				
Borrowings (Advances from Government)	347	683	347	683
Lease liabilities	644	241	644	241
Other liabilities	16,254	48,875	16,254	48,875
Total contractual financial liabilities	24,731	55,951	24,730	55,916

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

Categories of financial instruments

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

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

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

Chisholm Group recognises the following assets in this category:

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

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

- > payables (excluding statutory payables);
- > borrowings (including finance lease liabilities);
- > deferred government grants; and
- > advances from government.

7. Managing risks and uncertainties (continued)

7.1 Financial instruments (continued)

7.1.1 Financial risk management objectives and policies

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

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

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

7.1.2 Credit risk

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

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

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

The trade receivables balances at 31 December 2023 and 31 December 2022 are largely related to government agencies, secondary schools and student education sponsors (generally employers). These balances do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

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

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

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

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

7. Managing risks and uncertainties (continued)

7.1 Financial instruments (continued)

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

	Financial institutions (AA-rating)	Government agencies (AAA-rating)	Other counterparty	Total
	\$'000	\$'000	\$'000	\$'000
Consolidated 2023				
Cash and cash equivalents	72,674	-	-	72,674
Receivables	299	1,092	4,600	5,991
Total contractual financial assets	72,973	1,092	4,600	78,665
Consolidated 2022				
Cash and cash equivalents	109,719	-	-	109,719
Receivables	301	1,039	3,705	5,045
Total contractual financial assets	110,020	1,039	3,705	114,764
Chisholm 2023				
Cash and cash equivalents	71,092	-	-	71,092
Receivables	293	1,092	4,612	5,997
Total contractual financial assets	71,385	1,092	4,612	77,089
Chisholm 2022				
Cash and cash equivalents	102,670	-	-	102,670
Receivables	281	914	3,904	5,099
Total contractual financial assets	102,951	914	3,904	107,769

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

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

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

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

The expected loss rates are based on the payment profile for sales over the past 60 months before 31 December 2023 and the past 48 months before 31 December 2022, as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forward-looking macroeconomic factors affecting the customers' ability to settle the amount outstanding. Chisholm Group has identified gross domestic product (GDP) and unemployment rates of the countries in which the customers are domiciled to be the most relevant factors and accordingly adjusts historical loss rates for expected changes in these factors. However, given the short period exposed to credit risk, the impact of these macroeconomic factors has not been considered significant within the reporting period.

7. Managing risks and uncertainties (continued)

7.1 Financial instruments (continued)

The following table provides information about the estimated exposure to credit risk and ECLs for trade receivables as at 31 December 2023:

	Estimated gross carrying amount	Weighted average loss rate	Estimated loss allowance	Credit impaired
	\$'000	%	\$'000	(yes / no)
Consolidated				
31 December 2023				
Current (not past due)	1,982	2.6	52	No
31 – 60 days past due	329	1.7	6	No
61 – 90 days past due	15	6.8	1	No
More than 90 days past due	69	29.7	21	No
	2,395		80	
31 December 2022				
Current (not past due)	2,574	0.8	20	
31 – 60 days past due	71	1.4	1	
61 – 90 days past due	36	2.8	1	
More than 90 days past due	56	23.2	13	
	2,737		35	
Chisholm				
31 December 2023				
Current (not past due)	1,973	2.7	52	No
31 – 60 days past due	329	1.7	6	No
61 – 90 days past due	15	6.8	1	No
More than 90 days past due	69	29.7	21	No
	2,386		80	
31 December 2022				
Current (not past due)	2,574	0.8	20	
31 – 60 days past due	71	1.4	1	
61 – 90 days past due	36	2.8	1	
More than 90 days past due	56	23.2	13	
	2,737		35	

7. Managing risks and uncertainties (continued)

7.1 Financial instruments (continued)

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

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

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

Of the above impairment losses, less than \$0.1 million (2022: less than \$0.1 million) relate to receivables arising from contracts with customers.

7.1.3 Liquidity risk

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

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

For contracts of \$3 million and above, Chisholm Group operates under a payments policy of settling financial obligations within 30 days, and in the event of a dispute, making payments within 30 days from the date of resolution.

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

Chisholm Group manages liquidity risk by:

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

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

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

7.1.4 Market risk

In its daily operations, Chisholm Group is exposed to a number of market risks. Market risks relate to the risk that market rates and prices will change, and that this will have an adverse effect on the operating result and/or net worth of Chisholm Group.

The Board ensures that all market risk exposure is consistent with Chisholm Group's business strategy and within the risk tolerance of Chisholm Group. Regular risk reports are presented to the Board.

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

Foreign currency risk

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

Interest rate risk

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

The objective is to manage the interest rate risk to achieve stable and sustainable net interest earnings in the long term. This is managed through utilisation of the *Banking and Financial Services State Purchase Contract*. Management monitors movement in interest rates on a monthly basis.

7. Managing risks and uncertainties (continued)

7.1 Financial instruments (continued)

Interest rate risk (continued)

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

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

Interest rate exposure of financial instruments

	Weighted average interest rate	Carrying amount as at 31 December	Interest rate exposure		
			Floating interest rate	Fixed interest rate	Non-interest bearing
			\$'000	\$'000	\$'000
Consolidated 2023					
Financial assets					
Cash and cash equivalents	4.50%	72,674	72,673	-	1
Trade receivables		2,395	-	-	2,395
Other financial assets	4.50%	3,596	299	-	3,297
Total financial assets		78,665	72,972	-	5,693
Financial liabilities					
Trade and other payables	3.00%	24,731	-	644	24,087
Total financial liabilities		24,731	-	644	24,087
Consolidated 2022					
Financial assets					
Cash and cash equivalents	3.25%	109,719	109,716	-	3
Trade receivables		2,737	-	-	2,737
Other financial assets	3.25%	2,308	301	-	2,007
Total financial assets		114,764	110,017	-	4,747
Financial liabilities					
Trade and other payables	3.42%	55,951	-	241	55,710
Total financial liabilities		55,951	-	241	55,710

7. Managing risks and uncertainties (continued)

7.1 Financial instruments (continued)

	Weighted average interest rate	Carrying amount as at 31 December	Interest rate exposure		
			Floating interest rate	Fixed interest rate	Non-interest bearing
			\$'000	\$'000	\$'000
Chisholm 2023					
Financial assets					
Cash and cash equivalents	4.50%	71,092	71,091	-	1
Trade receivables		2,386	-	-	2,386
Other financial assets	4.50%	3,611	293	-	3,318
Total financial assets		77,089	71,384	-	5,705
Financial liabilities					
Trade and other payables	3.00%	24,730	-	644	24,086
Total financial liabilities		24,730	-	644	24,086
Chisholm 2022					
Financial assets					
Cash and cash equivalents	3.25%	102,670	102,667	-	3
Trade receivables		2,737	-	-	2,737
Other financial assets	3.25%	2,362	281	-	2,081
Total financial assets		107,769	102,948	-	4,821
Financial liabilities					
Trade and other payables	3.42%	55,916	-	241	55,675
Total financial liabilities		55,916	-	241	55,675

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

7. Managing risks and uncertainties (continued)

7.1 Financial instruments (continued)

Sensitivity analysis and assumptions

	Carrying amount as at 31 December	Interest rate risk			
		-1% (100 basis points)		+1% (100 basis points)	
		Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated 2023					
Financial assets					
Cash and cash equivalents	72,674	(727)	-	727	-
Total impact	72,674	(727)	-	727	-
Consolidated 2022					
Financial assets					
Cash and cash equivalents	109,719	(1,097)	-	1,097	-
Total impact	109,719	(1,097)	-	1,097	-
Chisholm 2023					
Financial assets					
Cash and cash equivalents	71,092	(711)	-	711	-
Total impact	71,092	(711)	-	711	-
Chisholm 2022					
Financial assets					
Cash and cash equivalents	102,670	(1,027)	-	1,027	-
Total impact	102,670	(1,027)	-	1,027	-

7.2 Contingent assets and contingent liabilities

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

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

There were no contingent assets or contingent liabilities as at 31 December 2023 (2022: nil) that may have a material effect on the financial operations of Chisholm Group.

7. Managing risks and uncertainties (continued)

7.3 Fair value determination

Significant judgement: fair value measurements of assets and liabilities

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

This section sets out information on how Chisholm Group determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Land, buildings, plant and equipment, vehicles and leasehold improvements are carried at fair value.

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

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

Fair value estimation

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

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

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

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

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

Fair value determination of financial assets and liabilities

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

There is no reportable difference between the carrying amount and fair value for the year ended 31 December 2023.

(a) Fair value determination of non-financial assets

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

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

7. Managing risks and uncertainties (continued)

7.3 Fair value determination (continued)

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

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

	Carrying amount at 31 December	Fair value hierarchy		
		Level 1 Quoted prices	Level 2 Observable price inputs	Level 3 Unobservable inputs
	\$'000	\$'000	\$'000	\$'000
Consolidated 2023				
Non-specialised land	34,610	-	34,610	-
Specialised land	51,532	-	-	51,532
Total land at fair value	86,142	-	34,610	51,532
Non-specialised buildings	3,129	-	-	3,129
Specialised buildings	279,554	-	-	279,554
Total buildings at fair value	282,683	-	-	282,683
Plant and equipment	8,963	-	-	8,963
Vehicles	69	-	-	69
Leasehold improvements	-	-	-	-
Land improvements	4,277	-	-	4,277
Right of use assets	680	-	-	680
Total other assets at fair value	13,989	-	-	13,989
Consolidated 2022				
Non-specialised land	34,610	-	34,610	-
Specialised land	51,532	-	-	51,532
Total land at fair value	86,142	-	34,610	51,532
Non-specialised buildings	3,400	-	-	3,400
Specialised buildings	288,581	-	-	288,581
Total buildings at fair value	291,981	-	-	291,981
Plant and equipment	8,159	-	-	8,159
Vehicles	131	-	-	131
Leasehold improvements	4	-	-	4
Land improvements	4,421	-	-	4,421
Right of use assets	223	-	-	223
Total other assets at fair value	12,938	-	-	12,938

7. Managing risks and uncertainties (continued)

7.3 Fair value determination (continued)

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

	Carrying amount at 31 December	Fair value hierarchy		
		Level 1	Level 2	Level 3
		Quoted prices	Observable price inputs	Unobservable inputs
	\$'000	\$'000	\$'000	\$'000
Chisholm 2023				
Non-specialised land	34,610	-	34,610	-
Specialised land	51,532	-	-	51,532
Total land at fair value	86,142	-	34,610	51,532
Non-specialised buildings	3,129	-	-	3,129
Specialised buildings	279,554	-	-	279,554
Total buildings at fair value	282,683	-	-	282,683
Plant and equipment	8,963	-	-	8,963
Vehicles	69	-	-	69
Leasehold improvements	-	-	-	-
Land improvements	4,277	-	-	4,277
Right of use assets	680	-	-	680
Total other assets at fair value	13,989	-	-	13,989
Chisholm 2022				
Non-specialised land	34,610	-	34,610	-
Specialised land	51,532	-	-	51,532
Total land at fair value	86,142	-	34,610	51,532
Non-specialised buildings	3,400	-	-	3,400
Specialised buildings	288,581	-	-	288,581
Total buildings at fair value	291,981	-	-	291,981
Plant and equipment	8,159	-	-	8,159
Vehicles	131	-	-	131
Leasehold improvements	4	-	-	4
Land improvements	4,421	-	-	4,421
Right of use assets	223	-	-	223
Total other assets at fair value	12,938	-	-	12,938

Impairment

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

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

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

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

7. Managing risks and uncertainties (continued)

7.3 Fair value determination (continued)

(b) Valuations of property, plant and equipment

Non-financial physical assets are measured at fair value on a cyclical basis, in accordance with Financial Reporting Direction (FRD) 103 *Non-financial Physical Assets* issued by the Assistant Treasurer. A full revaluation of education assets normally occurs every five years, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are generally used to conduct these scheduled revaluations with interim revaluations determined in accordance with the requirements of the FRD. Revaluation increases and decreases arise from differences between an asset's carrying value and the fair value. Consistent with all government education assets, an independent valuation of all land and buildings was performed by the Valuer-General Victoria with an effective date of 31 December 2022.

As part of the revaluation, the following inputs and assumptions were included:

- a. assumptions made about the future;
- b. source of estimation uncertainty;
- c. the nature or class of assets impacted;
- d. the carrying amount of the assets subject to the significant uncertainty;
- e. sensitivity of the carrying amounts to methods, assumptions and estimates including the reasons for their sensitivity; and
- f. expected resolution of the uncertainty and the range of reasonably possible outcomes within the next financial year in respect of the carrying amounts.

During the current year, the Reserve Bank of Australia (RBA) progressively increased the cash rate target from 3.1% at 1 January 2023 to 4.35% at 31 December 2023. The RBA has taken these measures in response to higher than target inflation rates currently being experienced in the Australian economy. Increases in the cash rate target have had a consequential impact on the risk-free and capitalisation rates used in determining the fair value of non-financial assets, and creates increased estimation uncertainty as the market continues to adjust.

Further, inflation and rising costs of construction create estimation uncertainty for assets measured at current replacement cost.

Non-specialised land and non-specialised buildings are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and non-specialised buildings, an independent valuation was performed by the Valuer-General Victoria with an effective date of 31 December 2022. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. From the sales analysed, an appropriate rate per square metre was applied to the subject asset.

To the extent that non-specialised land and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

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

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as a Level 3 asset.

For Chisholm Group's majority of specialised buildings, the depreciated replacement cost method is used. The replacement cost of specialised buildings is based on comparing the existing building with a modern equivalent, then adjusting for associated depreciation. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

An independent valuation of Chisholm Group's specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 31 December 2022.

7. Managing risks and uncertainties (continued)

7.3 Fair value determination (continued)

(b) Valuations of property, plant and equipment (continued)

Construction in progress assets are held at cost. Chisholm Group transfers the assets out of construction in progress and into the relevant asset category when they are ready for use.

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

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

Leasehold improvements are held at fair value being depreciated cost. As there is no evidence of a reliable market-based fair value (or other relevant fair value indicators) for leasehold improvements, depreciated cost is the fair value for these types of assets. The valuation of leasehold improvements is based on significant unobservable inputs and accordingly is classified as a Level 3 asset.

There were no changes in valuation techniques throughout the period to 31 December 2023.

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

	Specialised land	Buildings	Other assets
	\$'000	\$'000	\$'000
Consolidated 2023			
As at 1 January	51,532	291,981	12,938
Additions	-	4,775	3,471
Disposals	-	(380)	(4)
Depreciation / Amortisation	-	(13,833)	(4,164)
Transfers from Construction in Progress	-	140	1,748
Balance as at 31 December	51,532	282,683	13,989
Consolidated 2022			
As at 1 January	61,567	282,130	12,703
Additions	-	-	1,616
Disposals	(565)	(192)	-
Depreciation / Amortisation	-	(6,851)	(3,824)
Revaluation	12,095	13,657	2,368
Transfers from Construction in Progress	-	-	75
Transfers in / (out) of Level 3	(21,565)	3,237	-
Balance as at 31 December	51,532	291,981	12,938

7. Managing risks and uncertainties (continued)

7.3 Fair value determination (continued)

Reconciliation of Level 3 movements

	Specialised land	Buildings	Other assets
	\$'000	\$'000	\$'000
Chisholm 2023			
As at 1 January	51,532	291,981	12,938
Additions	-	4,775	3,471
Disposals	-	(380)	(4)
Depreciation / Amortisation	-	(13,833)	(4,164)
Transfers from Construction in Progress	-	140	1,748
Balance as at 31 December	51,532	282,683	13,989
Chisholm 2022			
As at 1 January	61,567	282,130	12,703
Additions	-	-	1,616
Disposals	(565)	(192)	-
Depreciation / Amortisation	-	(6,851)	(3,824)
Revaluation	12,095	13,657	2,368
Transfers from Construction in Progress	-	-	75
Transfers in / (out) of Level 3	(21,565)	3,237	-
Balance as at 31 December	51,532	291,981	12,938
2023 and 2022	Valuation technique	Significant unobservable inputs	Estimated sensitivity
Specialised land	Market approach	Community Service Obligation (CSO) adjustment	A significant increase or decrease in the CSO adjustment would result in a significantly higher or lower fair value
Specialised buildings	Depreciated replacement cost	Useful life of buildings and cost per square metre	A change in the useful life of the buildings and / or cost per square metre would result in a significantly higher or lower fair value
Motor vehicles	Depreciated replacement cost	Useful life of vehicles	A change in the useful life may have an impact on the fair value (higher / lower)
Plant and equipment	Depreciated replacement cost	Useful life of plant and equipment	A change in the useful life may have an impact on the fair value (higher / lower)
Leasehold improvements	Depreciated replacement cost	Useful life of lease	A change in the useful life may have an impact on the fair value (higher / lower)

There were no significant inter-relationships between unobservable inputs that materially affect fair values.

8. Governance and disclosures

8.1 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons and executive officers for the reporting period.

The persons who held the positions of Minister and Accountable Officer in Chisholm Group were as follows:

Position	Name	Relevant Period
Minister for Skills and TAFE	The Hon. Gayle Tierney MLC	1 January 2023 to 31 December 2023
Board Member and Chief Executive Officer (Accountable Officer)	Mr Stephen Varty MAICD	1 January 2023 to 31 December 2023
Board Member and Chair	Ms Prue Digby	1 January 2023 to 31 December 2023 (Chair from 1 March 2023)
Board Member and Chair	Mr Stephen G. Marks	1 January 2023 to 28 February 2023
Board Member	Mr John Bennie PSM	1 January 2023 to 31 August 2023
Board Member	Mr Geoffrey Cullen	1 January 2023 to 31 July 2023
Board Member	Mr Geoffrey Harry	1 August 2023 to 31 December 2023
Board Member	Dr Anne Jones	1 January 2023 to 31 December 2023
Board Member	Mr George Lekakis AO	9 October 2023 to 31 December 2023
Board Member	Mr David Mann AM KSJ FAICD	1 January 2023 to 31 December 2023
Board Member	Dr Gillian Miles	9 October 2023 to 31 December 2023
Board Member	Ms Lisa Norman	1 January 2023 to 31 December 2023
Board Member	Ms Nyadol Nyuon OAM	1 January 2023 to 31 December 2023
Board Member	Ms Sue Wyatt	1 January 2023 to 31 December 2023

Remuneration

Remuneration received or receivable by the Accountable Officers in connection with the management of Chisholm Group during the reporting period was in the range: \$440,000 – \$449,999 (2022: \$420,000 – \$429,999).

Remuneration received or receivable by the Responsible Persons, excluding the Accountable Officer, during the reporting period was in the following ranges:

Income range	2023	2022
Less than \$10,000	2	1
\$10,000 – \$19,999	2	2
\$20,000 – \$29,999	2	-
\$30,000 – \$39,999	3	4
\$40,000 – \$49,999	2	2
\$70,000 – \$79,999	1	1
Total number	12	10
Total remuneration (\$'000)	371	344

Remuneration of the Responsible Minister is included in the financial statements of the Department of Parliamentary Services.

8. Governance and disclosures (continued)

8.2 Remuneration of executives

The number of executive officers, other than the Accountable Officers, and their total remuneration during the reporting period is shown in the table below. Total annualised employee equivalent provides a measure of full time equivalent executive officers over the reporting period.

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

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

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

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

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

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Remuneration				
Short-term employee benefits	2,854	2,981	2,854	2,825
Post-employment benefits	312	302	312	287
Other long-term benefits	173	93	173	93
Termination benefits	66	78	66	-
Total remuneration	3,405	3,454	3,405	3,205
Total number of executives	15	16	15	15
Total annualised employee equivalent	13.6	14.0	13.6	13.1

Note: Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks for a reporting period.

8.3 Related parties

Related parties of Chisholm Institute and its consolidated group include:

- > all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over);
- > all entities that are controlled and consolidated into Chisholm's consolidated financial statements; and
- > all departments and public sector entities that are controlled and consolidated into the whole-of-state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

The following entities have been consolidated into Chisholm Group's financial statements in accordance with AASB 10:

- > TAFE Online Pty Ltd (ceased trading 30 June 2023); and
- > Caroline Chisholm Education Foundation.

8. Governance and disclosures (continued)

8.3 Related parties (continued)

Significant transactions with related entities

TAFE Online Pty Ltd ceased trading 30 June 2023. The company was officially deregistered on 3 January 2024. All online course delivery activity was subsequently absorbed into the parent entity (Chisholm Institute).

Chisholm Institute provided donations of \$193,753 (2022: \$127,581) and resources free of charge of \$192,387 (2022: \$167,471) to the Caroline Chisholm Education Foundation during 2023.

Significant transactions occurred between Chisholm Group and State Government-related entities. This is disclosed in Note 2 *How we earned our funds*, Note 5.5 *Contract and other liabilities* and Note 6.2 *Borrowings*.

All related party transactions were entered into on an arm's length basis.

Related party transactions

	Transaction values for year ended 31 December		Balances outstanding as at 31 December	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Related party transactions				
Debtor – TAFE Online Pty Ltd	-	-	-	146
Debtor – Caroline Chisholm Education Foundation (CCEF)	-	-	33	52
Donations provided to CCEF	194	128	-	-
Resources provided free of charge to CCEF	192	167	-	-
Revenue collected for TAFE Online Pty Ltd	36	2,587	-	-
Expenses paid for TAFE Online Pty Ltd	(110)	1,925	-	-
Total	312	4,807	33	198

Key management personnel of Chisholm include the members of the Chisholm Institute Board, the Chief Executive Officer, the Chief Finance Officer, and the Director, Campus Services, Infrastructure and Information Technology Services.

Compensation of key management personnel

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Remuneration				
Short-term employee benefits	1,328	1,237	1,328	1,237
Post-employment benefits	107	90	107	90
Other long-term benefits	101	36	101	36
Termination benefits	21	-	21	-
Total remuneration	1,557	1,363	1,557	1,363

Transactions and balances with key management personnel and other related parties

There were no transactions between Chisholm Group and related parties of Chisholm's key management personnel for the year ended 31 December 2023.

8. Governance and disclosures (continued)

8.4 Remuneration of auditors

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Remuneration of the Victorian Auditor-General's Office				
Audit of the financial statements	100	96	82	73
Total remuneration of the Victorian Auditor-General's Office	100	96	82	73
Remuneration of other auditors				
Internal audit services	276	609	276	311
Total remuneration of other auditors	276	609	276	311
Total	376	705	358	384

The Victorian Auditor-General's Office is not allowed to provide non-audit services.

Other audit services for Chisholm Group includes fees related to the review of learning and assessment resources for TAFE Online Pty Ltd.

9. Other disclosures

9.1 Other economic flows included in comprehensive result

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
(a) Net gain / (loss) on financial instruments				
Foreign currency exchange gain / (loss)	110	118	111	118
Greener Government Buildings loan discount	(15)	(26)	(15)	(26)
Net gain / (loss) on disposal of financial assets – TAFE Online Pty Ltd	-	-	(768)	-
Total net gain / (loss) on financial instruments	95	92	(672)	92
(b) Other gains / (losses) from other economic flows				
Net gain / (loss) on non-financial assets (including PPE and intangible assets)	(288)	231	(288)	231
Gain / (loss) on revaluation of non-financial assets through other comprehensive income	(705)	35,667	(705)	35,667
Total other gains / (losses) from other economic flows	(993)	35,898	(993)	35,898
Total other economic flows included in comprehensive result	(898)	35,990	(1,665)	35,990

Other economic flows' are changes arising from market remeasurements. They include:

- > gains and losses from disposals of non-financial assets (refer to Note 4.1);
- > revaluations and impairments of non-financial physical and intangible assets (refer to Note 4.1 and Note 4.2); and
- > fair value changes of financial instruments (refer to Note 7.3).

This classification is consistent with the whole of government reporting format and is allowed under AASB 101 *Presentation of Financial Statements*.

9.2 Other equity reserves

	Consolidated		Chisholm	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Physical asset revaluation surplus				
Balance at 1 January	123,375	87,708	123,375	87,708
Revaluation increment on non-current assets	(705)	35,667	(705)	35,667
Balance at 31 December	122,670	123,375	122,670	123,375

Note: The physical asset revaluation surplus arises on the revaluation of land and buildings. A formal revaluation of land and buildings was conducted by the Valuer-General Victoria for the year ended 31 December 2022.

9. Other disclosures (continued)

9.3 Ex gratia expenses

There were no ex gratia expenses in 2023 or 2022.

9.4 Controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities:

Controlled entities	Note	Country of Incorporation	Class of Shares	2023 %	2022 %
TAFE Online Pty Ltd	(a)	Australia	Ordinary	-	100
Caroline Chisholm Education Foundation	(b)	Unincorporated entity			

a. TAFE Online Pty Ltd ceased operations effective 30 June 2023.

b. Caroline Chisholm Education Foundation is a trust. Its principal purpose is to assist students in financial hardship receive a high quality vocational educational qualification from Chisholm.

TAFE Online Pty Ltd

TAFE Online Pty Ltd commenced operations in 2001 as a provider of nationally accredited vocational education courses online, and ceased operations effective 30 June 2023. The entity was deregistered on 3 January 2024.

Up to the date of the entity's closure, Chisholm Institute was deemed to have control over TAFE Online Pty Ltd as Chisholm held 100% of the share capital issued by TAFE Online Pty Ltd.

Caroline Chisholm Education Foundation (CCEF)

CCEF was established in 2007 as an independent charitable trust which aims to assist students in financial hardship receive a high quality vocational educational qualification from Chisholm.

Chisholm is deemed to have control over CCEF due to the following factors:

- > CCEF is administered by an independent Board of trustees including a Chisholm Board appointed trustee, the Chisholm CEO as well as two Chisholm staff trustees.
- > All non-Chisholm related trustees must be approved by the Chisholm Board.
- > The beneficiaries of the trust are Chisholm students.
- > Chisholm provides significant financial and administration support to CCEF.

All subsidiaries have the same year-end as Chisholm Institute.

9. Other disclosures (continued)

9.5 Events after reporting date

9.5.1 Deregistration of TAFE Online Pty Ltd

As previously stated in Note 9.4, TAFE Online Pty Ltd, a wholly-owned subsidiary of Chisholm Institute, ceased operations effective 30 June 2023.

The entity was officially deregistered by the Australian Securities and Investment Commission on 3 January 2024, and its Australian Business Number was cancelled on 10 January 2024.

9.5.2 Repayment of revenues previously recognised under the 2021 and 2022 TAFE VET funding contracts

In January 2024, Chisholm Institute was advised that under the 2021 and 2022 TAFE VET funding contracts, the Institute would be required to repay \$0.7 million. As this was not known at 31 December 2023, it was not included in the financial statements. The effect of this repayment is that revenue in 2024 will be reduced by \$0.7 million, with a corresponding increase in creditors.

9.6 Application of standards issued but not yet effective

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 31 December 2023 reporting period. The Department of Treasury and Finance assesses the impact of these new standards and advises Chisholm Group of their applicability and early adoption where applicable.

The following amendments are not expected to impact Chisholm Group. Chisholm Group will not adopt these standards early.

9.6.1 AASB 2021-7c Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

AASB 2021-7c is effective from 1 January 2022. However, this amendment is part of a series of amendments that defers the mandatory effective date (application date) of amendments to AASB 10 and AASB 128 that were originally made in AASB 2014-10 *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* to annual reporting periods beginning on or after 1 January 2025 instead of 1 January 2018.

9.6.2 AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback

AASB 2022-5 amends AASB 16 *Leases* to add subsequent requirements for sale and leaseback transactions that satisfy the requirements in AASB 15 *Revenue from Contracts with Customers* to be accounted for as a sale.

9.6.3 AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2022-6 Amendments to Accounting Standards – Non-current Liabilities with Covenants

In March 2020, the AASB issued AASB 2020-1, which makes amendments to 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.

In December 2022, the AASB issued AASB 2022-6, which amends AASB 101 to improve the information an entity provides in its financial statements about liabilities arising from loan arrangements for which the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with the conditions specified in the loan arrangement. It also amends an example in Practice Statement 2 regarding assessing whether information about covenants is material for disclosure.

9.6.4 AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurements of Non-financial Assets for Not-for-profit Public Sector Entities

AASB 2022-10 amends AASB 13 *Fair Value Measurement*, including adding authoritative implementation guidance and providing related 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.

9.6.5 AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements

AASB 2023-1 amends AASB 7 *Financial Instruments: Disclosures* and AASB 107 *Statement of Cash Flows* to require an entity to provide additional disclosures about its supplier finance arrangements.

9. Other disclosures (continued)

9.7 New or amended accounting standards and interpretations adopted

The following Australian Accounting Standards and interpretations are mandatory for the 31 December 2023 reporting period.

9.7.1 AASB 2021-2 – Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

AASB 2021-2 amends:

- > AASB 7 *Financial Instruments*;
- > AASB 101 *Presentation of Financial Statements*;
- > AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*; and
- > AASB 134 *Interim Financial Reporting*.

The Standard also makes amendments to AASB Practice Statement 2 *Making Materiality Judgements* (December 2017). These amendments arise from the issuance by the International Accounting Standards Board (IASB) in February 2022 of the following International Financial Reporting Standards:

- > *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)*; and
- > *Definition of Accounting Estimates (Amendments to IAS 8)*.

The amendment has not had a material impact on the consolidated entity's financial statements.

9.7.2 AASB 2022-3 – Amendments to Australian Accounting Standards – Illustrative Examples for NFPs

AASB 2022-3 amends the Australian illustrative examples for not-for-profit entities accompanying AASB 15 *Revenue from Contracts with Customers* to illustrate how AASB 15 applies to the recognition and measurement of upfront fees. The amendments do not change the requirements of AASB 15. The Basis for Conclusions also document the Board's decision to retain the accounting policy choice on an ongoing basis for NFP private sector lessees to elect to initially measure a class of right-of-use assets arising under concessionary leases at cost or at fair value.

The amendment did not have an impact on the consolidated entity's financial statements.

9.7.3 AASB 2022-7 – Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards

AASB 2022-7 makes editorial corrections to six Standards and to Practice Statement 2 *Making Materiality Judgements*. It also formally repeals superseded and redundant Australian Accounting Standards as set out in Schedules 1 and 2 of the Standard.

The amendment did not have an impact on the consolidated entity's financial statements.

Independent Auditor's Report

To the Board of Chisholm Institute

<p>Opinion</p>	<p>I have audited the accompanying performance statement of Chisholm Institute (the institute) which comprises the:</p> <ul style="list-style-type: none"> • performance statement for the year ended 31 December 2023 • declaration by Chair of the Board, Chief Executive Officer and Chief Finance Officer. <p>In my opinion, the performance statement of Chisholm Institute in respect of the year ended 31 December 2023 presents fairly, in all material respects, in line with the reporting requirements outlined by the Minister in the statement of priorities.</p>
<p>Basis for Opinion</p>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the institute in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<p>Board's responsibilities for the performance statement</p>	<p>The Board are responsible for the preparation and fair presentation of the performance statement and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of the performance statement that is free from material misstatement, whether due to fraud or error.</p>
<p>Auditor's responsibilities for the audit of the performance statement</p>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.</p>

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

- identify and assess the risks of material misstatement of performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the institute's internal control.
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

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

MELBOURNE
19 March 2024



Charlotte Jeffries
as delegate for the Auditor-General of Victoria

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

The attached financial statements for Chisholm Institute and its consolidated entities have been prepared in accordance with Standing Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 31 December 2023 and financial position of Chisholm Institute and its consolidated entities as at 31 December 2023.

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

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



PRUE DIGBY
Board Chair

Date: 28 February 2024
Place: Dandenong, Victoria



STEPHEN VARTY
Chief Executive Officer

Date: 28 February 2024
Place: Dandenong, Victoria



BEN HELLIER
Chief Finance Officer

Date: 28 February 2024
Place: Dandenong, Victoria

Performance statement

Chisholm consolidated – for the year ended 31 December 2023

Key Performance Indicators (KPI)	Description and methodology	Metric	2023 target	2023 actual	Explanation of variances	Note	Prior year result
Training revenue diversity	Government funded	Percentage	55.1%	52.4%	Not achieved	a	58.4%
	Fee for service (FFS)		31.1%	35.7%	Achieved	a	31.0%
	Student fees and charges		13.8%	11.9%	Not achieved	a	10.7%
Employment costs as a proportion of training revenue	Employment and third party training delivery costs as a proportion of training revenue (VTG and FFS)	Percentage	89.2%	93.7%	Not achieved	b	87.4%
Training revenue per teaching FTE	Training revenue (excl. revenue delivered by third parties)/teaching FTEs	Dollars \$	\$238,667	\$229,054	Not achieved	c	\$225,773
Operating margin percentage	EBIT (excl. capital contributions)/Total revenue (excl. capital contributions)	Percentage	(7.7%)	(6.8%)	Achieved	d	(1.3%)

Notes

- Government funded training revenue and student fees and charges were below target due to lower commencing enrolments in 2023, partly offset by higher fee for service revenue from government contracts.
- Higher than target due to reduced training revenue and employment cost pressures arising from enterprise bargaining agreements and compulsory increases for superannuation, WorkCover and payroll tax.
- Improved performance from 2022 but did not achieve the target due to lower training revenue and a higher proportion of staff on permanent contracts.
- Despite lower training revenue, the bottom line was managed through efficiency savings in operating expenditure.

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Additional compliance reports

Freedom of Information Act 1982

The *Freedom of Information Act 1982* allows the public a right of access to documents held by Chisholm. The purpose of the 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 Act. Information about the type of material produced by Chisholm is available on the Chisholm website under its Part II Information Statement.

The Act allows Chisholm to refuse access, either fully or in part, to certain documents or information. Under the Act, the Freedom of Information (FOI) processing time for requests received in 30 days. However, when external consultation is required under the Act, the processing time can be extended to 45 days. Processing time may also be extended in consultation with the applicant.

If an applicant is not satisfied with a decision made by Chisholm, under section 49A of the Act, they have the right to seek a review by the Office of the Victorian Information Commissioner within 28 days of a decision.

Making a request

FOI requests can be made in writing. An application fee of \$30.60 (from 1 July 2022) or \$31.80 (from 1 July 2023) generally applies. Access charges may also apply if the document pool is large and the search for material time consuming.

When making an FOI request, an applicant is required to make their request in writing and to clearly identify what information or documents are being sought. Chisholm has application forms available on its website to assist an applicant with making their request.

Requests for documents in the possession of Chisholm should be addressed to:

FOI Officer
Chisholm Institute
PO Box 684
Dandenong, VIC 3175
E: foi@chisholm.edu.au.

Enquiries can be made to Chisholm's FOI team via email at foi@chisholm.edu.au or by visiting our website at chisholm.edu.au/foi.

Freedom of Information statistics/timeliness

During 2023, Chisholm received nine applications. Chisholm made an FOI decision in five applications, three applications were withdrawn by the applicant and one application remained current and pending.

There were two decisions made within the statutory time periods. Of the decisions made outside time, three were made within a further 45 days.

No requests were subject to a complaint or review by the Office of the Victorian Information Commissioner or were further progressed to the Victorian Civil and Administrative Tribunal.

Further information

Further information regarding the operation and scope of FOI can be obtained from the Act, regulations made under the Act and at www.ovic.vic.gov.au or at chisholm.edu.au/foi.

Public sector employment and conduct principles

Our employment policies and processes align with Victorian Public Sector principles and are compliant with relevant awards, enterprise agreements, statutory requirements and best practice public sector approaches. At Chisholm, we are committed to an equal, fair, merit-based recruitment and selection process that observes the merit employment principle in the recruitment, selection and employment of its employees. All employees captured in the workforce data have been correctly classified under the relevant employment arrangements/agreements.

Throughout 2023 we reviewed workforce arrangements and models to ensure consistency with legislative changes that occurred in 2023.

Victorian Public Service Travel Policy

Chisholm has policies and procedures about domestic and international travel and accommodation to ensure compliance with the Victorian Public Service Travel Policy. In 2023 our policies were reviewed and refreshed so they are current and consider COVID-19 implications affecting travel globally.

Compliance with TAFE Institute Commercial Guidelines

In 2023, Chisholm Institute did not undertake any major commercial activity as defined in the TAFE Institute Commercial Guidelines, in accordance with Part 5.2 of the *Education and Training Reform Act 2006*.

Compliance with the TAFE Institute Strategic Planning Guidelines

In 2023, Chisholm Institute was compliant with its obligations as defined in the TAFE Institute Strategic Planning Guidelines in accordance with Part 5.2 of the *Education and Training Reform Act 2006*.

Compliance with the Public Interest Disclosures Act 2012

The *Public Interest Disclosures Act 2012* encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

Chisholm does not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

We take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure.

Reporting procedures

Chisholm strives to identify and address wrongdoing as soon as possible, and so encourages protected disclosures to be made internally (if possible) to the Whistleblower Protection Contact Officer in the first instance. There are some disclosures that Chisholm cannot receive as protected disclosures and which should be directed to the Independent Broad-based Anti-corruption Commission (IBAC):

Address:

Level 1, North Tower, 459 Collins Street,
Melbourne, VIC 3000

T: 1300 735 135

W: www.ibac.vic.gov.au

E: info@ibac.vic.gov.au

Further information

The Protected Disclosure (Whistleblowers) Policy, which sets out how Chisholm complies with the regimes for the protection of a person making a protected disclosure, is available on Chisholm's website at:

chisholm.edu.au/About-Us/Publications.

Disclosures under the Public Interest Disclosures Act

	2022	2023
The number of disclosures made by an individual to Chisholm and notified to IBAC	0	0

General statement on industrial relations

Key industrial changes in 2023 saw us updating policies throughout the year and reviewing our contractual obligations for employees on casual and fixed term contracts. Both our Enterprise Agreements reached the nominal expiry date and we worked with the Victorian TAFE Association as they commenced negotiations with the respective unions. To ensure managers were supported, we provided training about legislative changes through our People, Culture and Safety Refresher series.

A key focus in 2023 was the development and delivery of respectful workplace behaviour training that included sessions for all employees across Chisholm work sites. We also provided new and updated policies including the Respectful Workplace Behaviour Policy.

In August 2023, the Australian Education Union formally raised concerns that Chisholm has business areas potentially in breach of the application of the Victorian TAFE Teaching Staff Agreement 2018 in its application of the Bendigo Kangan Institute decision as an issue. Chisholm has, and continues to, work collaboratively with the Australian Education Union to address these concerns.

Local Jobs First Act 2003

The *Local Jobs First Act 2003* requires departments and public sector bodies to report on the implementation of the Local Jobs First – Victorian Industry Participation Policy (Local Jobs First – VIPP).

Departments and public sector bodies are required to apply the Local Jobs First – VIPP in all procurement activities valued at \$3 million or more in metropolitan Melbourne and for statewide projects of \$1 million or more for procurement activities in regional Victoria.

During 2023, Chisholm had one project that was Local Jobs First – VIPP applicable.

Local Jobs First Strategic Project

During 2023, Chisholm continued construction of one Local Jobs First Strategic Project, valued at \$67.6 million. The project was based in metropolitan Melbourne, representing 90 per cent of estimated local content. The Major Projects Skills Guarantee (MPSG) applied to this project.

The commitment for local content statewide is:

- > 92.01 per cent Building Minimum Local Content
- > 87.03 per cent Furniture, Fittings and Equipment Minimum Local Content.

The commitment for MPSG is for 14,985 hours to be completed by apprentices, trainees and cadets.

This commitment will be delivered via:

- > four created Victorian apprentices
- > two retained Victorian apprentices
- > one created Victorian trainee.

The outcomes reported from the implementation of the policy, where information was provided, were as follows:

- > MPSG applicable projects delivered a total of 25,876 hours to apprentices, trainees and cadets and engaged three new apprentices, trainees and cadets
- > 16 females contributed 7095 hours worked to end December 2023.

Disclosure of ICT expenditure

Throughout 2023, we made significant investments in employee and student hardware renewal, including desktop computing, teaching room audiovisual and network infrastructure. We also had a significant and ongoing focus on security and compliance. Utilising our employee development platform, we released training modules focusing on online behaviour, information security and phishing activity throughout the year.

System and cyber security

We established our Information Safety Program to support the ongoing implementation of the Victorian Protective Data Security Framework, the Chisholm Information Management Framework and the Australia Cyber Security Centre Essential 8.

This key program of works supported a significant increase in our security posture. It demonstrated ongoing maturity across our IT systems, as reflected in our Protective Data Security Plan attestation to the Office of the Victorian Information Commissioner.

	2023
Total entity ICT Business as Usual (BAU) expenditure for the full 12-month reporting period	\$20,294,097
Total entity ICT non-BAU expenditure for the full 12-month reporting period – operational expenditure	\$1,142,777
Total entity ICT non-BAU expenditure for the full 12-month reporting period – capital expenditure	\$255,488

Infringements Act 2006 and Requirements of Public Records Act 1972

Chisholm is prescribed by law as an 'enforcement agency'. Under the *Infringements Act 2006* and *Infringements Regulations 2016*, enforcement agencies are required to provide reports to the Attorney-General with the details in relation to each category of infringement offence. During the year ended 31 December 2023, Chisholm reported the following statistical data.

Official warnings for the reporting period:

- > infringement notices: 1515 infringement notices issued for the reporting period
- > elections to go to court: one for the reporting period (this was an agreed work plan with Chisholm on behalf of the appellant)
- > internal reviews: 19 for the reporting period
- > payment plans: 0 for the reporting period.

Engagement of consultants

For the year ended 31 December 2023 the Financial Reporting Directions and guidance FRD 22H define a consultant as a particular type of contractor that is engaged primarily to perform a discrete task for an entity that facilitates decision making through:

- > provision of expert analysis and advice
- > development of a written report or other intellectual output.

Details of consultancies (valued at \$10,000 or greater)

In 2023, there were 31 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2023 in relation to these consultancies is \$1,866,937 (excluding GST). Details of individual consultancies can be viewed at chisholm.edu.au/about-us/publications.

Details of consultancies under \$10,000

In 2023, there were 27 consultancies engaged during the year, where the total fees payable to the individual consultancies was less than \$10,000. The total expenditure incurred during 2023 in relation to these consultancies was \$115,270 (excluding GST).

Competition Policy

Chisholm monitors policies, guidelines and procedures to ensure best practice compliance with applicable National Competition Policy, as well as Victoria's Competitive Neutrality Policy and related legislation.

Carers Recognition Act 2012

Chisholm ensures that the rights and interests of carers, as outlined in the *Carers Recognition Act 2012*, are considered in our relationship with students, employees and others in a care relationship.

We are committed to ensuring all employees have an awareness and understanding of the principles of the Act and to informing them about practical measures they can take to help us meet our legal obligations to carers.

Disclosure of emergency procurement

In 2023, Chisholm Institute did not activate their Emergency Procurement Plan in accordance with Financial Reporting Direction 22 item 5.19, and therefore have nil to report.

Additional information available on request

In compliance with the requirements of the Standing Directions 2018 under the *Financial Management Act 1994*, details in respect of the items listed below have been retained by the Department and are available on request, subject to the provisions of the *Freedom of Information Act 1982*:

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

Enquiries regarding this information should be directed to:

Head of Marketing and Communications

E: marketing@chisholm.edu.au

Compliance with other legislation, subordinate instruments and policies

Chisholm complies with all relevant legislation and subordinate instruments, including but not limited to the following:

- > *Education and Training Reform Act 2006*
- > Directions of the Minister for Skills and TAFE (or predecessors)
- > *Financial Management Act 1994*
- > Standing Directions 2018
- > Australian Accounting Standards
- > TAFE Institution Constitution
- > TAFE Institute Commercial Guidelines
- > TAFE Institute Strategic Planning Guidelines
- > *Public Administrations Act 2004*
- > *Freedom of Information Act 1982*
- > *Building Act 1993*
- > *Public Interest Disclosures Act 2012*
- > *Carers Recognition Act 2012*
- > *Local Jobs First Act 2003*
- > *Gender Equality Act 2020*
- > *Disability Act 2006*
- > *Infringements Act 2006*
- > *Public Records Act 1973*
- > *Fair Work Act 2009*
- > *Safety Act 2004*
- > Occupational Health and Safety Regulations 2007.

Building Act 1993

General statement

Chisholm holds all plans and documentation for building extensions and new buildings lodged for issue of building approvals by certified building surveyors. On completion of construction, the organisation obtained Certificates of Occupancy and practical completion certificates from the relevant architects and surveyors.

Assurance programs

The architects provided completion certificates and necessary building compliance. Regulatory certificates were received for all projects completed.

Building maintenance programs

Chisholm has an ongoing maintenance program (using Institute employees and engagement of specialist external contractors) for works to the existing buildings controlled by Chisholm.

Compliance statement

> It is considered that all buildings on campus currently conform to the Building Regulations as existed at the time of construction of the respective buildings. All new buildings constructed since the promulgation of the *Building Act 1993* comply with those relevant standards. Chisholm has an ongoing program to ensure that any alterations or improvements to buildings meet the necessary standards to ensure that they are safe and fit for purpose.

	2023	2022	2021	2020	2019	2018	2017
Building works							
New buildings certified for approval	2	0	0	0	2	1	0
Works in progress subject to mandatory inspections	0	2	0	0	2	3	4
New occupancy permits issued	2	0	0	0	2	1	0
Maintenance							
Notices issued for substandard buildings requiring urgent attention	0	0	0	0	0	0	0
Other notices issued involving major expenditure and urgent attention	0	0	1	0	0	0	0
Conforming							
Number of owned buildings occupied by Chisholm (note the numbers are buildings in their entirety; floors and levels have not been considered)							
Frankston	17	18	18	21	21	19	17
Dandenong	24	25	26	26	26	25	26
Berwick	11	11	11	11	11	10	9
Cranbourne	5	5	5	5	5	5	5
Bass Coast	5	5	5	5	5	5	5
Mornington Peninsula	7	7	7	7	7	7	7
Total	69	71	72	75	75	71	69
Number of buildings conforming to the standards							
Number of non-confirming buildings vacated							
Number of buildings not conforming to standards							

Refer to Subdivision Statements

Leased buildings

- > 126 Springvale Road, Springvale, AMEP
- > 228 Lonsdale Street, Dandenong
- > for number of buildings not conforming to standards, refer to Subdivision Statement below.

Subdivision 1 of the Building Regulations relates to all new buildings or section of existing buildings altered after 1 July 1994. There are approximately eight buildings out of the 67 that are considered to be Subdivision 1 type buildings. All buildings are issued with an Annual Essential Safety Measures Report.

Subdivision 2 relates to all buildings constructed or altered prior to 1 July 1994. All Subdivision 2 buildings have been provided with a maintenance determination in accordance with Part 1215 of the Building Regulations, which require all buildings to be provided with this document and subsequent Annual Essential Safety Measures Reports prior to 13 June 2009.

Advertising 2023

Details of government advertising expenditure (campaigns with a media spend of \$100,000 or greater, GST exclusive).

Name of campaign	Campaign summary	Start/end date	Advertising (media) expenditure\$	Creative campaign and development expenditure\$	Research and evaluation expenditure\$	Print and collateral expenditure\$	Other campaign expenditure\$
Start 2023 acquisition campaign	Chase Your Calling recruitment campaign executed across television, out of home, radio and digital channels	Jan 23–Mar 23	609,284	107,980	19,000	36,994	0
Midyear acquisition campaign	Chase Your Calling recruitment campaign executed across digital channels	May 23–Jun 23	358,685	32,950	19,000	46,972	0
Start 2024 acquisition campaign	For the better recruitment campaign executed across out of home, radio and digital channels	Oct 23–Dec 23	317,151	474,914	0	12,276	0
Total			1,285,120	615,844	38,000	96,242	0

Please note: advertising (media) expenditure reduced year-on-year due to enforced caps for the 2023-2024 financial year.

Advertising (media) expenditure that did not trigger the \$100,000 disclosure threshold, and is therefore not included in the above table, totalled \$461,909 in 2023.

Sponsorship agreements 2023

Date offered	Offered by Chisholm rep.	Sponsorship description	Estimated or actual value (excl. GST) \$	Cumulative value of offers \$	Accepted by	Offer declined/ accepted	What the sponsorship was used for
7 Mar	CEO	Casey Demons Football Club education partner – VFL season 2023	50,000	50,000	Peter Maynard, GM, Casey Demons Football Club	Accepted	Promotion of Chisholm brand, course offering and Sports Academy to prospective students. Provision of student placement opportunities with industry partner.
3 July	CEO	AFL South East, Major partner and education partner – season 2023	30,000	30,000	Will Dakis, General Manager for South East Australian Football Commission	Accepted	Promotion of Chisholm brand, course offering and Sports Academy to prospective students. Provision of student placement opportunities with industry partner.
15 May	CEO	Casey Demons VNL education partner – VNL season 2023	5,000	5,000	Rebekah Bogos, President, Casey Netball Association	Accepted	Promotion of Chisholm brand, course offering and Sports Academy to prospective students.
14 Feb	CCO	2023 Business Awards for Greater Dandenong	3,800	3,800	Greater Dandenong Chamber of Commerce	Accepted	Promotion of Chisholm brand with the local Dandenong community.
5 May	CEO	MP Business Excellence Awards	3,000	3,000	Mornington Peninsula Shire	Accepted	Promotion of Chisholm brand with the local Mornington Peninsula community.
27 Apr	Manager, Defence Projects	Soldier On pathways program gold pledge	1,818	1,818	Soldier On	Accepted	Promotion of Chisholm brand in the veteran and Defence communities.

Disability Act 2006

The *Disability Act 2006* reaffirms and strengthens the rights of people with a disability and recognises that this requires support across the government sector and within the community.

Our organisation's culture of Belonging and Inclusion strives to promote a self-regulating culture that enhances the experiences of our employees, students and communities. We recognise the importance of diversity in achieving successful organisational outcomes and attracting, retaining and motivating the best people.

Chisholm has complied with its obligations under the Disability Act to prepare a Disability Actions Plan for the purpose of reducing barriers to access goods, services and facilities; reducing barriers to a person with a disability obtaining and maintaining employment; promoting inclusion and participation in the community; and achieving tangible changes in attitudes and practices that discriminate against people with a disability as outlined below.

Reducing barriers to accessing goods, services and facilities

In 2023, the Department of Jobs, Skills Industries and Regions announced funding for improving disability access in TAFEs. Audits were undertaken by the Department and Chisholm anticipates receiving the results of the audit and implementation of the funding agreements early in 2024.

Assistance is also available for Chisholm employees and for candidates applying for roles.

Reducing barriers to persons with a disability obtaining and maintaining employment

In April, we engaged Get Skilled Access (founder Dylan Alcott OAM) to undertake a review of our end-to-end recruitment process. We also partnered with The Field Jobs, a specialist disability recruitment platform, to source potential candidates.

Promoting inclusion and participation in the community

Through Chisholm's partnership with The Field Jobs, we have the opportunity to utilise their training hub resources, which include workshops for hiring managers.

Achieving tangible changes in attitudes and practices that discriminate against people with a disability

The Belonging and Inclusion Committee was established in May 2023 to oversee the Belonging and Inclusion Roadmap and the Social Justice Charter. This committee takes into consideration disability initiatives and is currently considering what days of significance will be celebrated in 2024.

As required by the Disability Act, Chisholm reports annually on the implementation of its Disability Action Plan in its annual report.

Statement on compulsory non-academic student fees

Chisholm has a range of non-academic fees and charges for programs and services. For 2023, the fees and charges included:

- > Students enrolling in courses that were on Chisholm's Funded Courses List (including students enrolling in Chisholm owned higher education courses) were required to pay a compulsory fee for their enrolment year that contributed to the cost of providing such services. These services included counselling, career counselling, welfare services, library services, tutoring, learning support, study support, internet, email and other IT infrastructure, and student life activities across all campuses. The Student Services Fee (SSF) for vocational education non-concession eligible students was charged up to a maximum of \$270 per 12 months. The SSF was charged at \$0.88 per hour with a minimum of \$75 charged for a student's first enrolment. If the student had already paid the maximum for which they were eligible they were not charged SSF for additional enrolments in the same 12-month period. SSF for vocational education concession-eligible students was charged up to a maximum of \$135 per 12 months (for enrolments in courses up to Certificate IV level for non-Aboriginal and Torres Strait Islander students). The SSF was charged at \$0.44 per hour with a minimum of \$75 charged for a student's first enrolment. If the student had already paid the maximum for which they were eligible they were not charged SSF for additional enrolments in the same 12-month period.
- > SSF for students studying higher education courses was charged at a rate of \$33.75 per unit of study.
- > Students based solely in the workplace were not required to pay a student services fee.
- > Programs and services provided to international students and industry-based students were costed on a commercial basis.
- > Other fees and charges were on a cost-recovery basis, for example, library and parking fines, photocopying and printing charges.



STEPHEN VARTY
Director and Chief Executive Officer

Date: 28 February 2024
Place: Dandenong, Victoria

Environmental performance

Environmental performance is a measure of the level of resource consumption and emissions across the organisation's various activities. This includes all emissions, ranging from fleet vehicles used for work activity to overseas air travel and electricity consumption.

We continue to place environmental considerations into all our operational activities, seeking to continuously improve our environmental practices throughout our operations, and developing and implementing robust systems and processes that protect the environment.

Sustainable principles are also included in the delivery of vocational education and training, where various departments have sustainability components embedded into the curriculum. This is the case particularly with workplace practices, including the appropriate disposal of waste, separation and recycling of reusable materials, and undertaking energy and waste audits.

Capital works

This year our organisation completed an extensive Capital Works Program joint funded by Chisholm and the Department of Education and Training. The program included completion and construction of the new Plumbing Industry Examination Centre at Dandenong and refurbishment of Dandenong building P hair and beauty facilities, both focused on reduction of poor building stock.

Our Frankston Redevelopment Project Stage 2 will incorporate the following sustainability initiatives:

- > a 'fossil fuel free' enabled building in operation, supported by all electric building service systems
- > a large scale solar photovoltaic system across all available roof area
- > metering and monitoring systems to capture energy use, identify potential inefficiencies and track improvements
- > sustainable procurement of construction materials and encouraged use of re-used products or products with recycled content

- > high percentage of demolition and construction waste diverted from landfill
- > rainwater collection and reuse
- > high efficiency building systems, services, fixtures and fittings
- > natural/mixed mode ventilation to the common and shared internal areas of the building
- > inclusive spaces, equal access and diverse wayfinding to ensure the building can be navigated and enjoyed by all
- > visual connections to nature and the outdoors in all teaching spaces through views, inclusion of indoor plants, good access to daylight and nature inspired designs
- > comfortable indoor environments with appropriate lighting levels and acoustic requirements
- > visible stairwells to encourage physical activity and reduce energy use
- > safe pedestrian network links to nearby public transport nodes
- > secure bicycle parking and associated end of trip facilities
- > landscaping and appropriate selection of building materials to reduce the urban heat island effect
- > selection of low pollution internal finishes.

With the support of the Victorian Government's Stronger TAFE Fund Asset Maintenance Program, we implemented a program of building works to refresh aged building stock and public spaces across our campuses. The program includes ongoing backlog maintenance works to building fabric and building services.

Carbon impact

With energy being the major component of our organisation's emissions, the impact on CO₂ emissions increased again as student attendance increased post pandemic.

Energy consumption

We continue to focus on energy efficiency through investing in the energy monitoring and reporting infrastructure to identify potential waste, and to quantitatively measure and track improvements.

Greenhouse gas emissions

We reported our greenhouse gas emissions broken down into emissions 'scopes' consistent with national and international reporting standards. Scope 1 emissions are from sources that our organisation owns or controls, such as burning fossil fuels in its vehicles or machinery. Scope 2 emissions are indirect emissions from our use of electricity from the grid, which still uses coal and gas-fired power generation. Scope 3 emissions are indirect emissions from sources we do not control but do influence. We report only scope 3 emissions from corporate air travel and waste disposal.

Our scope 1 greenhouse gas emissions reduced by 20 per cent from 2022 to 2023 and by 12 per cent from 2021 to 2023. These changes are driven by increased mileage post pandemic offset by increased use of hybrid vehicles.

Our scope 2 greenhouse gas emissions reduced by 35 per cent from 2022 and 2021 to 2023. These decreases were driven through closure of some poor efficiency building stock and replacement with upgraded buildings, and removal of gas fired technologies from use.

Our scope 3 greenhouse gas emissions from corporate air travel and waste disposal increased by 28 per cent from 2022 to 2023 and by 50 per cent from 2021 to 2022 as travel activities and office-based work resumed and our waste tracking processes improved. In addition we disposed of poor building stock, resulting in an additional waste load in 2023.

Our organisation is aiming to reduce its greenhouse gas emissions through several energy efficiency projects. These include the installation of efficient electric heating and cooling systems, LED lights, solar panels and waste reduction programs as building refurbishment works are undertaken.

2023 environmental data

Greenhouse gas admissions		Unit	2023	2022	% change	2021	% change
G1	Total scope one (direct) greenhouse gas emissions (vehicle use)	Tonnes CO ₂ -e	156.17	177	88%	161	97%
G2	Total scope two (indirect electricity) greenhouse gas emissions (utilities)	Tonnes CO ₂ -e	6,225	9,572	65%	9572	65%
G3	Total scope three (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal	Tonnes CO ₂ -e	911	1,162	78%	768	119%

Electricity production and consumption

The period from 2022 to 2023 saw a return to campus by students across all delivery areas. We continued to focus on energy efficiency through investing in the energy monitoring and reporting infrastructure to identify potential waste, and to quantitatively measure and track improvements.

We continue to implement a range of energy efficiency policies across our sites to reduce electricity use. These measures include:

- > installation of LED lighting across campuses
- > management and monitoring of temperatures on the Building Management System
- > installation of solar panels on new buildings.

Total electricity use will be monitored and reported to the Sustainability Committee, which will be established in 2024.

Greenhouse gas admissions		Unit	2023	2022	% change	2021	% change
EL1	Total electricity consumption segmented by source						
	Purchased electricity	MWh	6,418	5,373	119%	9572	67%
	On site electricity generated	MWh	0	0			
	On site installed generation	MWh	0	0			
	Total electricity offsets	MWh	0	0			
EL2	On site electricity generated segmented by usage and source	MWh	Nil	Nil			
EL3	On site installed generation capacity segmented by source	MWh	Nil	Nil			
EL4	Total electricity offsets segmented by offset type	MWh	Nil	Nil			

Stationary fuel use

Sources of emissions from stationary fuel include natural gas used in some buildings' heating systems and diesel back-up generators for critical facilities. We collected primarily through billing information from fuel suppliers.

Stationary fuel use decreased by 21 per cent from 2022 to 2013 and by 14 per cent from 2021 to 2023. Changes in fuel use were due to fluctuations in employees working on site and resultant heating demand, and the move to electrification of replacement buildings at one campus.

Total natural gas use will be monitored and reported to the Sustainability Committee, which will be established in 2024.

Greenhouse gas admissions		Unit	2023	2022	% change	2021	% change
F1	Total fuels used in buildings and machinery segmented by fuel type						
	Buildings – natural gas	MJ	12,745,916	16,097,839	79%	14,751,635	86%
	Buildings – machinery – diesel	MJ	Unknown				
F2	Greenhouse gas emissions from stationary fuel consumption segmented by fuel type						
	Buildings – natural gas	Tonnes CO ₂ -e	663	838	79%	768	86%

2023 Environmental data

Transportation

Our fleet comprised 61 vehicles essential to our operations and apprenticeship support. Of these vehicles, 79 per cent were internal combustion engine vehicles and 21 per cent were hybrid vehicles.

Energy used in transport fuels reduced by 13 per cent from 2022 to 2023, while greenhouse gas emissions from transport reduced by 12 per cent. These decreases were driven by heightened demand for hybrid vehicle use.

Commercial air travel use resumed for international operations post pandemic.

Greenhouse gas admissions		Unit	2023	2022	% change	2021	% change
T1	Total energy used in transportation within the entity segmented by fuel type and vehicle category						
	Unleaded	MJ	1,388,004	1,766,379	79%	1,192,575	116%
	Diesel	MJ	614,736	543,424	113%	245,550	250%
	LPG	MJ	0	5,014	0%	0	
	Total	MJ	2,002,740	2,314,817	87%	1,438,125	139%
T2	Number and proportion of vehicles in the organisational boundary segmented by engine/fuel type and vehicle category						
	Petrol		48				
	Hybrid		13				
	Total		61				
T3	Greenhouse gas emissions from vehicle fleet segmented by fuel type and vehicle category						
	Unleaded	Tonnes CO ₂ -e	108	129	84%	151	72%
	Diesel	Tonnes CO ₂ -e	48.17	48	100%	15	321%
	LPG	Tonnes CO ₂ -e	0	0		0	
	Total	Tonnes CO₂-e	156.17	177	88%	166	94%
T4	Total distance travelled by commercial air travel						
	Km		593,170				
	Greenhouse gas emissions associated with air travel		Tonnes CO ₂ -e	14.2			

Total energy use

Total energy used by our organisation reduced by 21 per cent from 2022 to 2023 driven by the use of hybrid vehicles, reduction in gas fuel consumption and implementation of energy saving initiatives.

With the implementation of solar panels on new buildings and increased electrification, we intend to further reduce total energy consumption in 2024.

Energy use		Unit	2023	2022	% change
E1	Total energy usage from fuels				
		MJ	12,745,916	16,097,839	79%
E2	Total energy usage from electricity				
		MJ	23,409,956	19,343,180	121%
E3	Total energy usage segmented into renewable and non-renewable sources				
	Renewable	MJ	0		
	Non-renewable	MJ	36,155,872	35,441,019	102%
E4	Units of energy used normalised by FTE				
		MJ/FTE	28,424	34,937	81%
E1	Total energy usage from fuels				
		MJ	12,745,916	16,097,839	79%

2023 Environmental data

Sustainable buildings and infrastructure

We have not yet established our sustainability building policy. This will be considered among other items by the Sustainability Committee, which is scheduled to commence in 2024.

Water consumption

Water use was static between 2022 and 2023. Water management activities included installation of rainwater tanks, water efficient taps and repair of leaking infrastructure.

Greenhouse gas admissions		Unit	2023	2022	% change	2021	% change
W1	Total units of metered water consumed by water source	kL	19,579	19,477	101%	16,521	119%
W2	Units of metered water consumed normalised by FTE	kL/FTE	13.8	19.2		14.7	

Waste and recycling

We improved our waste management and monitoring activities in 2023. This resulted in identification of additional waste streams. Waste incorporates a separate organics stream, and waste monitoring is provided on waste collection vehicles to record data more accurately.

We managed our poor quality building stock, including disposal of obsolete stored furniture and other waste.

Waste	Unit	2023	2022	% change	
WR1	Total units of waste disposed of by disposal method and material type/ waste stream	Kg	1,281,965	680,679	188%
	Landfill	Kg	1,144,547	591,033	194%
	Recycling/recovery (disposal)	Kg	14,587	89,646	16%
	Food and garden organics (FOGO)	Kg	10,991		
	Cardboard	Kg	111,840		
WR2	Dedicated collection services provided in offices for printer cartridges, batteries and soft plastics	Percentage of office sites	100%		
WR3	Total units of waste disposed normalised by FTE	Kg/FTE	1,008	671	
WR4	Recycling rate	%	11%	15%	4%
WR5	Greenhouse gas emissions associated with waste disposal	Tonnes CO ₂ -e	897	768	768

Acronyms

ADHD	Attention deficit hyperactivity disorder
AMEP	Adult Migrant English Program
AMTIL	Australian Manufacturing Technology Institute Limited
BAU	business as usual
CAANZ	Chartered Accountants Australia & New Zealand
CALD	culturally and linguistically diverse
CCEF	Caroline Chisholm Education Foundation
CNC	computer numerical control
EAL	English as an additional language
FFS	fee for service
FOI	Freedom of Information
FTE	full time equivalent
IBAC	Independent Broad-based Anti-corruption Commission
ICT	information and communications technology
IDAHOBIT	International Day Against Homophobia, Biphobia, Interphobia and Transphobia
LGBTQIA+	lesbian, gay, bisexual, transgender, queer, intersex and asexual
MPSG	Major Projects Skills Guarantee
OHS	occupational health and safety
PEC	Professional Educator College
RTO	registered training organisation
SCE	Statistical Case Estimate
SELLEN	South East Local Learning and Employment Network
SEMMA	South East Melbourne Manufacturers Alliance
SSF	Student Services Fee
STEAM	science, technology, engineering, arts and mathematics
STEM	science, technology, engineering and mathematics
VCE	Victorian Certificate of Education
VCE-VM	Victorian Certificate of Education – Vocational Major
VET	vocational education and training
VETDSS	VET delivered to secondary students
VTG	Victorian Training Guarantee

Chisholm