



Skills for Business. Jobs for Youth.



2020-21 36th Annual Report

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AEN Chair Report

Welcome to the 2020-21 Annual Report of the Apprenticeship Employment Network (Group Training Association of Victoria).

Whilst I am acknowledging that the past 18 months has presented significant challenges for our industry and broader community, I have also witnessed the resilience of the Group Training Network in Victoria. The ability of our members to unite and operate as a collective has seen the AEN maintain and grow its relevance in political circles and increase its capability to influence positive outcomes for thousands of young Victorians in realising their first job and a formal qualification via the Group Training model.

"Never has there been a more important time for the intensive mentoring and support that is Group Training."

Over the last 18 months, the workplace has been a very different environment. For many apprentices and trainees commencing in their first ever job, it's a place only visited via Zoom, Teams, or Google Meet.



As I reflect on my own apprenticeship, albeit a long time ago, I recall a workplace full of skilled trades people. I recall forming relationships, having access to experience, knowledge, and a broader learning environment.

For many apprentices and trainees, consistent quality access to the workplace, colleagues and a real learning environment has robbed them of the support required to produce their best. Never has there been a more important time for the intensive mentoring and support that is Group Training. Every AEN member should be proud of the role they have played in supporting apprentices, trainees and host employers across Victoria. Despite the pandemic, I believe the Victorian network has again played a significant role in creating and sustaining thousands of jobs and qualifications over the last 12 months that would not otherwise exist.

I would also like to acknowledge the outstanding leadership and hard work of our Executive Director, Gary Workman, in what has been a trying environment. I'm sure that Gary must feel like he is in a constant state of crisis management at times, but always seems to find the energy to proactively support individual members and create opportunity for the network. Along with dedicated AEN staff, the Association has again played a critical role in further strengthening the Group Training industry in Victoria. I would like to acknowledge and thank my fellow AEN Directors, all of whom have made significant contributions to the Association during the year.

As the scale and pace of change in Australia continues to increase, it is important for members to maintain unity and collaboration. Despite the obvious challenges of COVID, it is this collective capability and capacity that has allowed your Association to further increase and highlight the relevance of the Group Training model.

Dean Luciani AEN Chair

AEN Statement of Purpose

To support the vocational training and employment network to achieve skilled and sustainable employment for the community

AEN Values

The people within our industry are passionate about providing meaningful training and employment outcomes for the community

A trusted partner with members, government and the wider VET industry

Teamwork and collaboration with our members, government and the community benefits us all

Integrity, honesty and reliability ensure that we will deliver what we promise.

AFN Priorities

- 1. Strengthen the capacity of members and the GTO network
 - Identify current and new member services
 - Facilitate professional development
 - Identify and encourage communication & marketing
- 2. Strengthen the profile of group training
 - Continue to develop group training policy and position with Governments
 - Develop new communication tools
 - Establish wider network groups
- 3. Strengthen the financial position and industry reporting
 - Identify and tender for new projects
 - Strengthen partnerships with government
 - Develop with government the group training industry standards

AEN Executive Director Report

The past 12 months has certainly been a challenging one with governments and host employers reacting to the COVID-19 pandemic, which initially saw a significant number of apprentices and trainees being handed back to the network. Thankfully, since October 2020 the network has been able to rebuild with strong new apprentice/trainee commencements.

I would like to congratulate the network during this testing period, as each GTO has had to manage a wide range of issues and new government initiatives to keep their businesses in a strong position.

It is pleasing to see both state and federal governments prioritising youth employment especially through apprenticeship programs. The Commonwealth's Boosting Apprenticeship Commencements program and the State government's Victorian Apprenticeship Recovery and Retrenched Apprentices and Trainees programs have allowed our network to rebuild their support and increase commencements at the start of 2021.

The AEN has worked hard with the Victorian Government to provide strong support for our members to engage with several new programs to improve apprenticeship participation that will lead to meaningful long-term employment.



Announcements over the past 12 months include:

- Victorian Retrenched Apprentices and Trainees program delivered by AEN
- The Victorian Apprenticeship Recovery Program through Jobs Victoria
- The Macklin Victorian VET review Skills for Victoria's Growing Economy
- The establishment of Apprenticeships Victoria within the Department of Education
- The announcement of a new Victorian Skills Authority commencing 2021/22.

At the Commonwealth level, work has also begun on a number of newly created initiatives through the VET Reform agenda including:

- The establishment of the National Skills Commission
- The establishment of the National Careers Institute
- A new federal government department structure, and Minister Department of Education, Skills and Employment. Hon. Stuart Robert.

Overall, 2020-21 has been a strong year for the Association with significant government project funding that will continue into 2021-22. The AEN will continue to work on a range of projects including:

- Victorian Retrenched Apprentices and Trainees program through Apprenticeships Victoria
- Victorian Apprenticeship Recovery Program through Jobs Victoria
- The establishment of a specific GTO Big Build apprenticeships program for major projects through Apprenticeships Victoria including GTO apprentice ambassadors
- A new MOU with the VRQA to support the Victorian GTO Standards and members
- A new long-term Victorian Government GTO funding agreement.

Gary Workman

AEN Executive Director

AEN Board Directors & Governance

During 2020-21, the AEN Board met on ten (10) occasions.

Name	Meetings Attended
Dean Luciani - Chair Westvic Staffing Solutions	10
Dean Arundell – <i>Director</i> <i>Ai Group</i>	9
Franklin O'Carroll - Independent Director	9
Paula Ryan — <i>Director</i> The Apprenticeship Factory	10
Darren Webster – <i>Director</i> Skillinvest	9
Robyn Goodwill - Independent Director	8
Phillip Green – <i>Director</i> NECA Education & Careers (Commenced 13 November 2020)	7
Gary Workman - Executive Director & Secretary Apprenticeship Employment Network	10

AEN Staff

Name	Position	Employment commencements 2020/21
Gary Workman	Executive Director	
Nik Mavrommatis	Operations Manager	
Abbey Exell	Project Manager	
Helen Hederics	Retrenched Apprentices and Trainees Program	
Anna Bejanoff	Administration & Events Coordinator	Commenced March 2021
Melissa Kalemis	Employment Facilitator – Local Jobs Program – Inner Melbourne	Commenced January 2020
Carmel Veenstra	Employment Facilitator – Local Jobs Program – Inner Melbourne	Commenced January 2020
Jo Dolby	Mandatory Work Placements Program	Commenced April 2021
Karen Clarke	Mandatory Work Placements Program	November – February 2021
Annie Ly	Mandatory Work Placements Program	February – April 2021
Debbie Reynolds	Mandatory Work Placements Program	January – April 2020
Nikki Green	Mandatory Work Placements Program	Casual
Emma Cross	Mandatory Work Placements Program	Casual
Le Trang	IT support	November – February 2021

Key Industry Events

Launch of Apprenticeships Victoria

On Tuesday 30 March 2021 at the Melbourne metro tunnel major project site in Kensington, Acting Premier James Merlino and Minister for Training and Skills, the Hon. Gayle Tierney officially launched Apprenticeships Victoria with 12 GTO apprentices that will become ambassadors for Apprenticeships Victoria and major project sites across the State.

Thousands of apprentices and trainees will be better connected with real learning and job opportunities through the Victorian Government's new Apprenticeships Victoria division within the Department of Education.

Apprenticeships Victoria will coordinate and oversee all aspects of the delivery of apprenticeships and form a key part of the Government's unprecedented investment in the training and skills sector.

It will provide a point of contact for Victorians as they complete their apprenticeship and provide support by removing barriers for students and workers looking to upskill, creating better pathways to the workforce, fostering connections for employers and industry, and overseeing programs like Big Build Apprenticeships.

James Merlino said, "This new body, and our unprecedented investment in major projects, will deliver a pipeline of opportunities for workers starting their career, or reskilling from another industry."

"A strong skills and training sector is vital to our economy and recovery from the coronavirus pandemic – that's why we're backing it with initiatives like this."





Through this approach, apprentices and trainees will be well supported on and off the job, and people who do not typically consider a career in the trades will be encouraged and supported to take up these roles.

The program will initially link apprentices and trainees onto the North East Link and the new Footscray Hospital projects, with an expansion onto other major projects over time.

Big Build Apprenticeships is a partnership between the Victorian Government, major project employers and the training system. TAFEs will be the preferred training provider for apprentices and trainees engaged through this initiative.

The Victorian Government will establish a new dedicated body to promote and connect apprentices and trainees with GTOs to manage their employment.



Victorian GTO Apprentice Ambassadors



The \$33 million Big Build Apprenticeships will provide 1,500 opportunities to Victorian apprentices and trainees each year for four years to kickstart their careers on some of the State's largest projects, including the new Footscray Hospital, North East Link and Warrnambool Learning and Library Hub.

At least 10 per cent of the construction hours on these projects will be completed by apprentices and trainees, strengthening pathways from the classroom to the workforce and supporting employers by increasing the pool of highly skilled workers in Victoria.

School leavers and young people are encouraged to get involved, with priority given to workers who were affected by the coronavirus pandemic, disadvantaged Victorians and those under-represented in the construction industry.

Minister Tierney said, "These projects are about giving Victorian apprentices and trainees real-life learning opportunities – so if you are interested in working in the construction industry, I encourage you to sign-up today."

A big thank you to all the apprentices and members that were able to attend.

For further information, please visit Premier of Victoria/New Apprenticeships Body Big Build.

Retrenched Apprentices and Trainees Program

The coronavirus (COVID-19) pandemic has seen a sharp reduction in apprenticeship and traineeship employment. The Retrenched Apprentices and Trainees Program has been created in response to this challenge. The program aims to assist apprentices and trainees who have lost their employment complete their training.

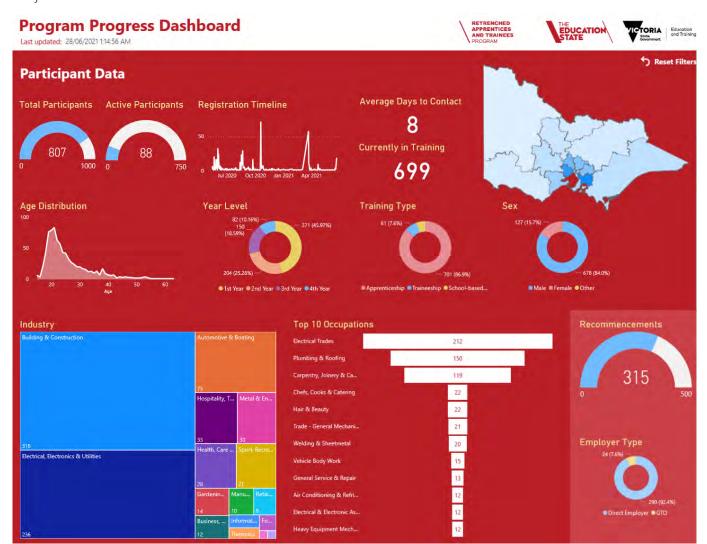
The Department of Education and Training has commissioned AEN Victoria, the peak body for group training employers, to develop and administer the program





Images: Online Launch, Friday 11 September 2020 – Hon. Gayle Tierney, Minster for Training and Skills.

Project results 30 June 2021



This project will continue in 2021-22.

Victorian Apprenticeship Recovery Program

The Victorian Government has provided \$500 million to the Working for Victoria initiative (<u>Find work or employees fast - Jobs Victoria</u>) to help our community and contribute to Victoria's ability to respond to the coronavirus (COVID-19) pandemic.

The Victorian Apprenticeship Recovery Package (VARP) is funded by the Victorian Government to a total of \$9 million and will follow

the criteria of the Youth Employment Scheme (YES) and offers young people paid work experience in the Victorian Public Service/agencies or local government.

The program provides 300 young people aged 15 to 24 with an opportunity to work for a minimum of 12 months while completing an accredited traineeship or apprenticeship. VARP aims to increase the participation of disadvantaged young people in the workforce, while assisting communities to meet future skill and employment needs.

This program will be available to all Victorian State and Local government departments and agencies, with the goal of having a wide spread of jobs available across all regions of Victoria.









300th Milestone, BGT Central Highlands Water

Project results include;

- 32% male, 67% female participation
- 8% of participants identify as indigenous
- 6% of participants identify having a disability
- 35% of participants in Metropolitan Melbourne and 65% in regional Victoria
- Apprentices/trainees come from 21 different cultural backgrounds
- 300+ apprentices/trainees cover 41 different qualifications
- VARP has supported over 200 different Victorian government agencies.



Image: 300th Milestone – The Hon. Jaala Pulford, Member for Ballarat, June 2021

Local Jobs Program – Inner Melbourne

The Local Jobs Program brings together expertise, resources and access to funding at the local level to support job seekers and their communities in each region. The program has a particular focus on reskilling, upskilling and employment pathways and is part of supporting Australia's economic recovery from the COVID-19 pandemic

Employment Facilitators support the delivery of the Local Jobs Program across 25 employment regions. Facilitators are contracted by the Department of Education, Skills and Employment in each region to bring together key stakeholders including employers, employment services providers, higher education and training organisations to work collaboratively to address the priorities identified in the Local Jobs Plan. They also chair Local Jobs and Skills Taskforces. AEN is delivering the program for the inner Melbourne region.



Image: AEN Employment Facilitators, Melissa Kalemis & Carmel Veenstra.

Mandatory Work Placement Program

The Apprenticeship Employment Network is working collaboratively with the Department of Education and Training, Victoria's TAFE network and Learn Local Registered Training Organisations (RTOs) to assist students who have faced difficulties accessing mandatory work placements due to COVID-19.

The AEN will work with Health and Community Service employers to identify 1000 new placement opportunities. AEN will then work with employers, local TAFEs and Learn Local RTOs to match students to the new placement opportunities.

The program is open to employers in the following disciplines:

- Aged Care
- Early Childhood Education and Care
- Disability Services
- Education Support
- Individual Support

- Nursing
- Mental Health
- Community Services
- Allied Health
- Pathology

AEN surveyed the members to see if any GTOs would be interested in supporting this program. AEN worked with two member GTOs Skillinvest and Westvic.

Government Advocacy

2020-21 was a busy year with plenty of State and Federal government reviews into the effects of COVID-19 and aspects of youth employment and vocational education and training systems. Below is a summary of committees and policy papers that the AEN responded to over the year. The AEN would also like to take this opportunity to thank members for their input and support in providing specific information that assists our advocacy:

- Commonwealth VET Reform agenda new National Careers Institute and National Skills Commission
- Victorian and Commonwealth governments' VET in schools' review
- Skills for Victora's Growing Economy Jenny Macklin VET Review
- Strategic review into the Victorian Group Training network
- Inquiry into sustainable employment for disadvantaged jobseekers
- Inquiry into secondary schools, John Firth review VET in schools' programs
- Specific issues and challenges with COVID-19.



Images: The Hon. Gayle Tierney MP, Minister for Education and Training

Executive Director Apprenticeships Victoria Cameron Baker

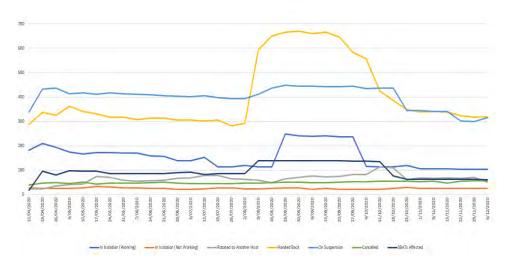
Major Sites:

Warrnambool Library Launch, March 2021 Metro Tunnel site Kensington, March 2021

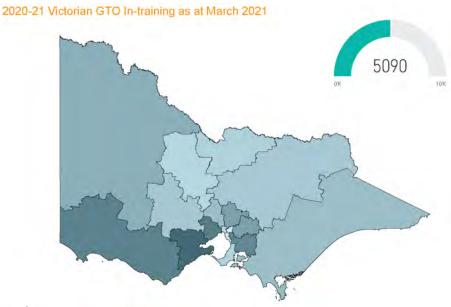


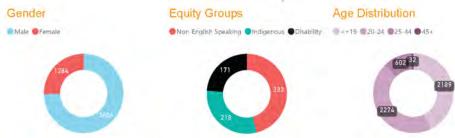
COVID-19 GTO Stats

Many GTOs, especially within the Metropolitan Melbourne region, were impacted by the Victorian Government's COVID restrictions put in place during 2020. At the peak of the restrictions in August to November, proximately 30% of apprentices and trainees were handed back to the GTO or placed on temporary suspension. The Commonwealth JobKeeper program and Victorian Apprenticeship Recovery Programs were welcomed initiatives that assisted the GTO network retain and create new apprenticeship positions.

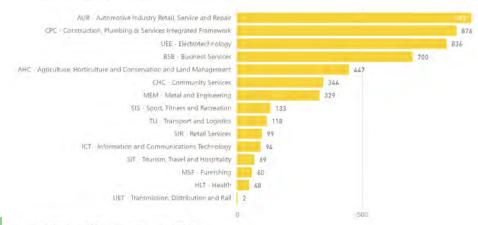


GTO Stats 2020-21





Total by Training Package



Source: NCVER VOCSTATS, extracted on 29/10/2021

AEN Awards

The 2020 AEN annual awards were held on 11 March 2021 at Melbourne Sheraton due to the earlier COVID restrictions. Approximately 130 guests and award finalists attended the event.

Apprentice and trainee award categories and winners for 2020:

ATOA Apprentice of the Year

John Hull, Certificate III in Parks & Gardens (Gforce Employment Solutions) - Geelong

International Apprentice Scholarship

Katharine Knapman, Certificate III in Arboriculture (WPC Group) - Metro Melbourne

Trainee of the Year

Katharine Knapman, Certificate III in Arboriculture (WPC Group)

Inspiration Award: Indigenous Student of the Year

Nathan Damjan, Certificate III & IV in Business (AGA Apprenticeships Plus)

Inspiration Award: Overcoming Adversity

Jack Meehan, Certificate III in Carpentry (Kestrel Apprentice Solutions) – Wodonga

Inspiration Award: Women in Trades

Katharine Knapman, Certificate III in Arboriculture (WPC Group)

School-based Apprentice/Trainee of the Year

Tyler Michalik, Certificate III in Electrotechnology (Victorian Group Training) – Colac/Geelong

STAR ('Stop Taking A Risk', OH&S) Award

Nathan Damjan, Certificate III & IV in Business (AGA Apprenticeships Plus)

Congratulations to all the finalists and award winners.



Image: Katharine Knapman



Image: Inspiration Award: Overcoming Adversity Finalists







Image: Inspiration Award: Women in Trades' Finalists

Member Service Awards

AEN and our members have a proud history of supporting apprentices, trainees and host employers. This support is provided by hundreds of dedicated staff. Every year, the AEN is proud to recognise the achievements of our members' staff through industry service awards. These awards are presented at 10, 15, 20, 25 and 30+ years of continuous service to the Group Training Industry.

As part of the 2020 awards dinner, AEN acknowledged the following network staff members' industry service contribution:

10 Year

Andrew McCarthy - Victorian Group Training

Brent Carlyle – AFL SportsReady

Brent Conway – MMTC Ltd

Chris Wren - MMTC Ltd

Jessica Thomson – AGA Apprenticeships Plus

Katelyn Jowers – AGA Apprenticeships Plus

15 Year

Con Gianniotis – AFL SportsReady

Jock Tripcony – MMTC Ltd

Peter Filandia – AFL SportsReady

Rayden Tallis – AFL SportsReady

Rob Leijer – Gforce Employment & Recruitment

20 Year

Kelly Crothers – WestVic Staffing Solutions

Vaughan Adams— CVGT

25 Year

Michelle Armstrong – MMTC Ltd

Rosie Marra - MMTC Ltd

Megan Bye - MMTC Ltd

Michael Caruso – AFL SportsReady

Paul Munro - MMTC Ltd

Ralph White - AFL SportsReady

Tim Rantall – WestVic Staffing Solutions



Image: Gary Workman presenting an Industry Service Award to Con Gianniotis, AFL SportsReady



Image: 2020 AEN Awards Dinner

Victorian Training Awards

The 2020 Victorian Training awards were held over two weeks through a virtual online series of announcements.

The network was well represented again. Winners in each category for the 2020 Victorian Training Awards are listed below.

Apprentice of the Year Shona McGuigan

Certificate III in Plumbing, South West TAFE

Trainee of the Year Nicole Barrow

Certificate IV in Veterinary Nursing, Box Hill Institute

Vocational Student of the Year Simon Watts

Diploma of Community Services, Wodonga Institute of TAFE

School-based Apprentice or Trainee of

the Year

Van Sui Thawng

Certificate III in Electrotechnology Electrician, Box Hill Institute

Koorie Student of the Year Matthew Atkinson

Certificate IV in Community Services, Victorian Aboriginal

Community Services Association (VACSAL)

Teacher/Trainer of the Year Kevin Nunn, TAFE Gippsland

People's Choice Award Nellie Bake (Apprentice of the Year Finalist)

Certificate III in Electrotechnology Electrician, NECA Education and

Careers

Large Training Provider of the Year South West Institute of TAFE

Small Training Provider of the Year Builders Academy Australia

Community Training Provider of the Year The Centre for Continuing Education

Inclusive Training Provider of the Year GOTAFE

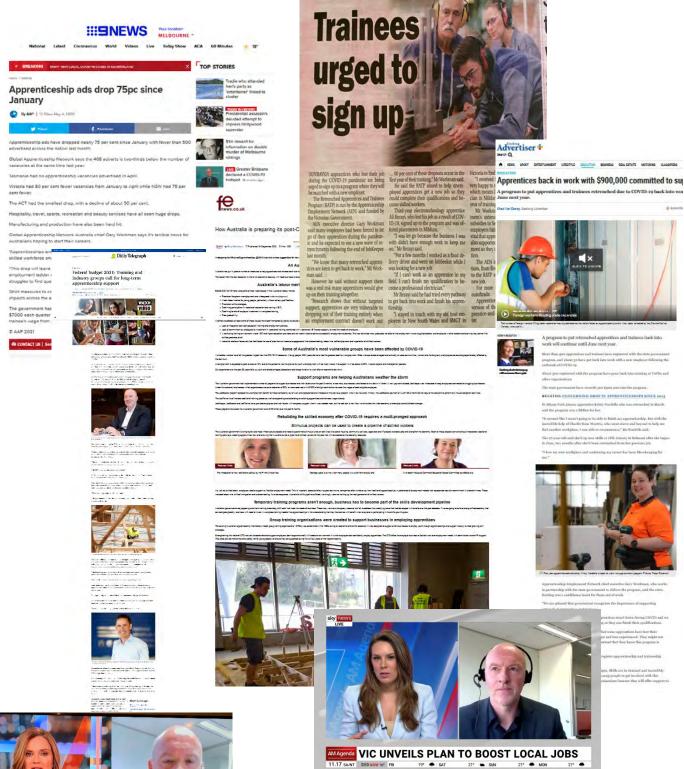
Industry Collaboration Award SuniTAFE Aged Care Leadership Development Collaboration

Large Employer of the Year Swan Plumbing Supplies

Medium Employer of the Year Mambourin Enterprises

Congratulations to all the finalists and award winners.

AEN in the Media







"Across the country we have things called Group Training
Organisations that were designed 30 years ago to provide support for
both the young person - mentoring, supervision - and also support for
the small business to make sure that the workplace, the experiences
that they have and the types of training that they're doing while on
the job are suitable for the qualification."

GTO National Standards – 2020 Self-Assessment Results



GTO self-assessments are completed each year between February – April.

The 2020 results represent 28 organisations including VRQA recognised GTOs.

Standard 3.6. The GTO adheres to the <u>principles of access and equity</u> in all operations including marketing, recruitment, monitoring, support, governance and administration.



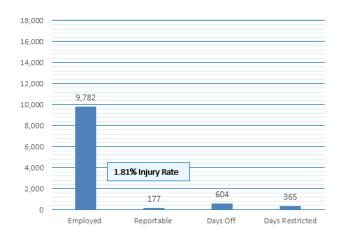
GTO OH&S 2020 Benchmarking Results

GTOs that participated in the quarterly surveys were asked for quarterly data on the following criteria:

- Total apprentice/trainees, reportable injuries, days off work and days on restricted duties
- Apprentice numbers per industry
- Accidents per apprenticeship level
- Reportable injuries against total workers in each group
- Reportable injuries against each industry
- Average days off, average days on restricted duties (per injury)
- Days off and days on restricted duties per injury per industry average (highest injuries to lowest)
- Injury body locations
- Injuries per age level
- Accidents per apprenticeship year
- Frequencies of type of injury
- Injury locations
- Injury types against injury
- Specific accidents per apprenticeship year
- Accidents per apprenticeship level per quarter
- Accidents per apprenticeship level in each age group.

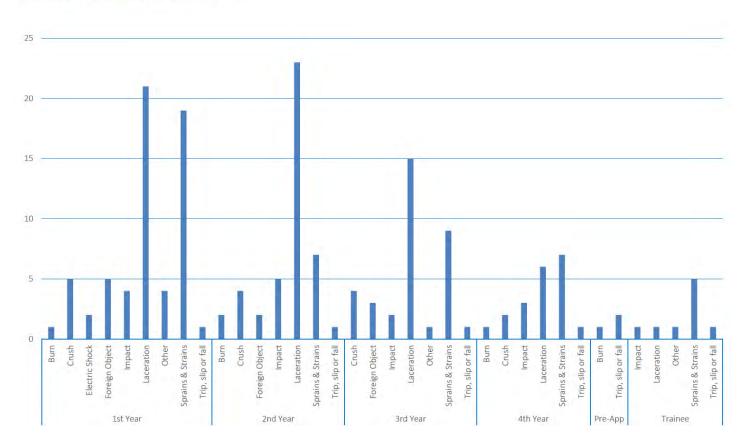


Total apprentice/trainees, reportable injuries, days off work and days on restricted duties



Graph: Total data collected in 2020

Summary of Injury Type by Apprenticeship Level



GAN Australia

GAN AUSTRALIA | Skills for Business

The Global Apprenticeship Network (GAN) is a global network of private sector organisations and industry associations who come together to:

- Advocate for work-readiness programs
- Share best practices
- Facilitate multi-stakeholder dialogue

Commit to action around youth employability and skills development.

GAN Australia is a GAN National Network (GNN), whose purpose is to embed the GAN concept in a national context. Our essential role is to raise awareness on apprenticeship programs and encourage companies to offer more opportunities to youth as well as to root the GAN concepts within the national context – catering to the distinct economic, cultural and institutional needs present at the national and local level.



BUSINESS OECD

Digital Skills Report Australia (similar reports were also developed for New Zealand and Columbia)

In an increasingly globalized and digitalized world, information and communication technologies (ICTs) play a key role as societal development enablers. The 2020 ongoing COVID-19 pandemic has been underlining – as nothing else before – the vital importance of meaningful connectivity and showing the great potential of technologies in allowing people to continue with their work, education, and social participation despite of movement restrictions in place.

Yet a huge part of our population is still not using the internet. One of the main barriers to greater uptake is the lack of skills required to use digital devices, services, and content efficiently, in particular among the most underserved groups.

Our reliance on digital tools during the current crisis emphasises the need of rapidly improving access to digital skills training that allow a wider and more inclusive access.

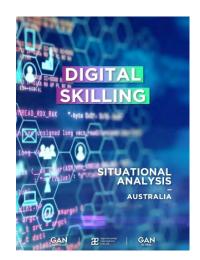
In July 2020, Microsoft launched a global skills initiative to bring digital skills to a total of 25 million people worldwide. GAN Australia, in collaboration with the Global Apprenticeship Network (GAN Global) and with the financial support of Microsoft Philanthropies, will help the big multinational in meeting this target, and will specifically focus on promoting the MS free training offer across Australia for a target population of at least 960 individuals in socio-economic vulnerable contexts.

An Australian definition of digital skills is outlined in (Gekara et al. 2017 p. 6) working paper as:

A combination of a digital mindset, knowledge, competence and attitude.

This means that possessing digital skills is much more than just having an ability to use digital technologies. Digital skills result from combining an ability to use digital technologies with an understanding of how they create change and add value.

While there are many positive aspects to Australia's digital skills landscape, there is also significant room for improvement. There are a number of disadvantaged groups in Australia who are excluded from digital access and who lack digital skills. A clear focus on these groups by governments and other stakeholders is required to remove this divide.



Digital infrastructure, digital literacy skills, and access to low-cost digital technology are all key barriers facing individuals within Australia. Most digital skilling occurs online, creating a further barrier for those without basic access or skills.

Our report recommends that attention be paid to issues relating to the digital divide that may remain difficult to address with only a greater emphasis on digital employment, and the skills and training related to this.

To access the full reports, please visit GAN Global, Inclusive Digital Skills Training - What will it take?

Member of the ILO – Apprenticeship Development for universal lifelong learning and training

With the ultimate goal of promoting lifelong learning and skills acquisition for all women and men in the changing world of work, the <u>ILO SKILLS Branch</u> of the <u>ILO Employment Policy Department</u> has launched a project - Apprenticeships Development for Universal Lifelong Learning and Training (ADULT) - with the support of the Government of Flanders.

This project aims to generate new ideas and policy options to modernize apprenticeships to meet the needs of all segments of the population in existing and new economic sectors, including the digital and green economy for countries at various stages of development. It will also explore how apprenticeship systems can equip both youth and adults with the skills relevant to the future of work, thereby facilitating their access to and transitions in the labour market.

The two main outputs of the project are:

- Global policy research; and
- Country-level research reports.

AEN, through our Global Apprenticeship Network – Australia, have been invited to participate in this project and provide Australian context, case studies and best practices.

- 1. Global policy research on innovative strategies to modernise apprenticeships based on the following themes:
 - Adapting apprenticeships for reskilling and upskilling of adults and older workers;
 - Promoting apprenticeships to meet skills needs of the digital and knowledge economy;
 - Using technology to strengthen the effectiveness and efficiency of implementing apprenticeships;
 - Enhancing the participation of enterprises, specifically SMEs, in offering apprenticeship opportunities;
 - Improving the attractiveness and social perception of apprenticeships including promoting pathways to higher education;
 - Introducing or strengthening dual training through traineeships, internships and any other work-based learning program in addition to apprenticeships with the school-based VET; and
 - Upgrading the quality and credibility of apprenticeships in the informal economy.
- 3. Country-level research reports on innovative strategies to modernise apprenticeships in four countries (one each from Americas, Asia, Africa and Europe):
 - Dominican Republic;
 - Finland;

- India; and
- South Africa.

To ensure the quality of outputs of the research project, the ILO has set up a high-level advisory committee to provide inputs, resources and advice for the research project. The advisory committee is further divided into seven sub-committees on each of the global research thematic area.

For further details, please visit Project: Apprenticeships Development for Universal Lifelong Learning and Training (ADULT) (ilo.org).

GAN- New Zealand joined in April 2021

GAN New Zealand was established through the Skills International group in NZ. GAN NZ has been established to:

- Strengthen companies' and organisations' engagement in apprenticeships
- Share the best practices in the areas of apprenticeships, mentoring and on-the-job training
- Encourage effective knowledge sharing programs and partnerships from GAN's network of committed local and global companies and organisations.

We look forward to working closely with the team in New Zealand to learn more about their VET and GTO system.

For further details, please visit **GAN New Zealand**.

AEN Investment - 83 Hobsons Road Kensington

As outlined to member CEOs in August 2021, the AEN has been negotiating the purchase of a potential office premises. The work to find a new office commenced in March 2021 and was settled on 26 August 2021.

To further support the development of the Association, and to enhance the strength of the AEN membership, the Board approved the purchase of new premises to secure the operations of the AEN into the future. The future home of the AEN will be 83 Hobsons Road, Kensington.

In making the decision to invest a large percentage of existing reserves into new premises, the Board considered the following:

- The significant financial position of the AEN, and other current investment options.
- The strengthening of the AEN's profile with a clear message re stakeholder confidence.
- Financial modelling that favors purchasing over long-term rental.
- The favorable timing of purchasing commercial property close to Melbourne's CBD.
- Ability to self-fund (no borrowings) the full cost of purchase and fit out, estimated at \$1,250,000.

While acknowledging that the past 18 months has presented significant challenges for our industry, we have also witnessed resilience and growth in the Victorian network. Your continued support and contribution to the work of the Association has been a critical component in its continued success, and we look forward to continuing the important work of the AEN from its new location moving forward.

On behalf of the AEN Board and staff, we look forward to inviting you to an official opening in the new calendar year.



Members

As at 30 June 2021



AFL SportsReady GPO Box 4337 Melbourne VIC 3001



Apprenticeships Group Australia Level 1 192-198 High Street Northcote VIC 3070



Australian Industry Group Training Services

PO Box 7622 Melbourne VIC 8004



The Apprenticeship Factory PO Box 6092 Shepparton VIC 3632



Apprentice Trainee Employment Partners (ATEP)

Suite 2 / 12 Jamieson St Cheltenham VIC 3192



BGT Employment PO Box 308 Ballarat VIC 3353



Brotherhood of St Laurence

288 Brunswick St Fitzroy VIC 3065



CVGT Australia PO Box 473 Bendigo VIC 3550



G-Force Employment & Recruitment

PO Box 1987 Geelong VIC 3220



Housing Industry Association 70 Jolimont Street

East Melbourne VIC 3002



Kestrel Recruitment

15 High Street Wodonga, Vic, 3690



MEGT Australia

29 Ringwood Street Ringwood VIC 3134



MIGAS

PO Box 334 Batman VIC 3058



Murray Mallee Training Company

PO Box 254 Swan Hill VIC 3585



NECA Education and Careers

PO Box 187 Carlton VIC 3053



NextGen Jobs

9/651 Victoria Street Abbotsford VIC 3067



Plumbing Apprenticeships Victoria

Unit 15, 306 Albert Street Brunswick VIC 3056



Programmed

Level 15, 380 St Kilda Road Melbourne VIC 3004



Skillinvest PO Box 93 Horsham VIC 3402



Sunraysia Murray Group Training 146a Eighth Street Mildura VIC 3500



Victorian Group Training Company 111-113 Bromfield Street

Colac VIC 3250



Westvic Staffing Solutions PO Box 933 Warrnambool VIC 3280



WPC Group 30-32 Courtney St, North Melbourne VIC 3051

Affiliate Members



Apprenticeships R Us 148 Epsom Road Ascot Vale VIC 3032



Victorian Chamber of Commerce and Industry 150 Collins Street Melbourne Victoria 3000



Kangan Institute Private Bag 299 Somerton, Victoria 3062



RMIT University Swanston & La Trobe Streets Melbourne VIC 3000

Corporate Partners

We would like to acknowledge and thank our corporate partners for their support throughout the year. We could not provide the level of service we do to members without their generous support

























2020-21 Financial Report

Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 June 2021

	Note	2021 \$	2020 \$
Revenue	2	7,361,250	2,254,630
Cost of member sales	3	(60,215)	(110,002)
Employee expenses		(922,904)	(187,174)
Project expenses		(5,130,875)	(850,399)
Other expenses		(189,532)	(165,520)
Occupancy expenses		(38,701)	(29,892)
Depreciation expenses	8/9	(47,352)	(68,716)
Audit fees		(9,840)	(9,550)
Interest expenses		(4,096)	(7,634)
Motor vehicle costs		(16,638)	(15,768)
Profit for the year		941,097	809,976
Other comprehensive income			
Other		-	-
Total comprehensive income for the year attributable to members of the entity		941,097	809,976
·			•

The accompanying notes form part of these financial statements.

Statement of Financial Position

AS AT 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	5,234,395	2,376,811
Trade and other receivables	6	2,318	311,430
Other current assets	7	3,164	12,123
TOTAL CURRENT ASSETS		5,239,877	2,700,364
NON-CURRENT ASSETS			
Right-of-use assets	8	22,425	67,275
Property, plant and equipment	9	62,609	61,021
TOTAL NON-CURRENT ASSETS		85,034	128,296
TOTAL ASSETS		5,324,911	2,828,660
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	696,883	106,699
Provision for employee entitlements	11(a)	120,550	73,937
Other current liabilities	12	1,865,174	896,467
Lease liabilities	13	24,824	44,073
TOTAL CURRENT LIABILITIES		2,707,431	1,121,176
NON-CURRENT LIABILITIES			
Provision for employee entitlements	11(b)	863	5,140
Lease liabilities	13	_	26,824
TOTAL NON-CURRENT LIABILITIES		863	31,964
TOTAL LIABILITIES		2,708,294	1,153,140
NET ASSETS		2,616,617	1,675,520
EQUITY	45	655.063	CEE 202
Reserves	15	655,388	655,388
Retained earnings TOTAL EQUITY	14	1,961,229 2,616,617	1,020,132 1,675,520
		2,010,017	1,0,0,020

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

FOR THE YEAR ENDED 30 June 2021

	Retained Earnings \$	Association Reserve \$	Total \$
Balance at 1 July 2019	865,544	-	865,544
Retained earnings transferred to reserve	(655,388)	655,388	-
Profit attributable to members	809,976	-	809,976
Balance at 30 June 2020	1,020,132	655,388	1,675,520
Balance at 1 July 2020	1,020,132	655,388	1,675,520
Profit attributable to members	941,097	-	941,097
Balance at 30 June 2021	1,961,229	655,388	2,616,617

Statement of Cash Flows

FOR THE YEAR ENDED 30 June 2021

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		8,998,337	1,063,848
Operating grants receipts		110,000	110,000
Government stimulus subsidies		76,713	78,355
Receipts from project funding		265,071	74,052
Interest received		10,570	30,003
Payments to suppliers and employees		(6,599,018)	(1,499,273)
Net cash from operating activities	19	2,861,674	(143,015)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(4,090)	(5,997)
Net cash from investing activities		(4,090)	(5,997)
Net increase/(decrease) in cash held		2,857,584	(149,012)
Cash and cash equivalents at beginning of financial year		2,376,811	2,525,823
Cash and cash equivalents at end of financial year	19	5,234,395	2,376,811

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 June 2021

The financial statements cover Group Training Association of Victoria Inc as an individual entity. Group Training Association of Victoria Inc is an association incorporated in Victoria under the Associations Incorporation Reform Act 2012.

NOTE 1: Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the *Associations Incorporation Reform Act 2012.*

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements were authorised for issue on 9th September 2021 by the members of the Association.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Income Tax

The Association is an eligible Group Apprenticeship scheme and is exempt from income tax under Section 23g (III) of the Income Tax Assessment Act.

b. Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Motor Vehicles	25%
Office equipment	25-100%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

c. Leases

Policy applicable after 1 July 2019

The Association has applied AASB16 Leases using a modified retrospective approach with the cumulative effect of initial application recognised at date of initial application (1 July 2019). The right-of-use asset is initially recognised at the present value of the lease liability adjusted by the value of any accrued or prepaid lease payments. Comparative information in the Association's financial statements is not restated and there is \$nil impact on retained surpluses. The Association applied the approach consistently to all leases in which it is a lessee.

On transition to AASB16 Leases, The Association elected to apply the practical expedient to 'grandfather' the assessment of which transactions are leases. The Association has applied this practical expedient to all of its contracts and therefore applied AASB16 Leases only to contracts that were previously identified as leases.

For any new contracts entered into on or after 1 July 2019, the Association considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Association assesses whether the contract meets three key evaluations which are whether:

- (i) The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Association;
- (ii) The Association has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- (iii) The Association has the right to direct the use of the identified asset throughout the period of use. The Association assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Association recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Association, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Association depreciates the right-of-use assets on a straight-line basis from the lease 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 Association also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Association measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Association's incremental borrowing rate.

The Association has elected not to apply the recognition and measurement criteria above to:

- (i) Short-term leases where the lease term does not exceed 12 months;
- (ii) Leases of low value assets leases for which the underlying asset has a fair value below \$10,000.

Lease payments for leases that have been designated as *short-term leases* or *leases of low value assets* are expensed on either a straight-line basis over the lease term or another systematic basis.

d. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (i) the amount at which the financial asset or financial liability is measured at initial recognition;
- (ii) less principal repayments;
- (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Fair value

Fair Value Measurement

AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13.

The incorporated Association has applied AASB 13 and its consequential amendments from 1 July 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach is used to measure non-financial assets whereas liabilities are based on transfer value. The standard requires increased disclosures where fair value is used. There were no fair values used at 30 June 2021.

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Impairment

At the end of each reporting period, the Association assesses whether there is objective evidence that a financial instrument has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence that impairment as a result of one or more events (a 'loss event') has occurred, which has an impact on the estimated future cash flow of the financial asset(s).

In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to constitute a loss event. Impairment losses are recognised in the statement of comprehensive income immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

e. Impairment of Assets

At the end of each reporting period, the Association assesses whether there is objective evidence that a financial instrument may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

f. Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the net present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the entity to employee superannuation funds and are charged as expenses when incurred. Annual leave that is not expected to be wholly settled within 12 months is discounted allowing for expected salary levels in the future period when the leave is expected to be taken.

g. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

h. Revenue Recognition

Revenue arises mainly from:

- (i) Membership revenue;
- (ii) Rendering of services to members;
- (iii) Government grant funding;
- (iv) Interest received.

To determine whether and when to recognise revenue, the Association follows a 5-step process:

- (i) Identifying the contract with a customer;
- (ii) Identifying the performance obligations;
- (iii) Determining the transaction price;
- (iv) Allocating the transaction price to the performance obligations; and
- (v) Recognising revenue when/as the performance obligation(s) are satisfied.

Revenue is measured at the fair value of the consideration received or receivable after taking in to account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably. If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied. When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the provision of membership subscriptions is recognised on a straight-line basis over the financial year.

All revenue is stated net of the amount of goods and services tax (GST).

i. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO are presented as operating cash flows included in the receipts from customers or payments to suppliers.

j. Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Association during the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

k. Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

I. Key Judgments

Provision for impairment of receivables

There are no noted issues with the collectability of receivables, therefore no provision for impairment has been made.

m. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTE 2: REVENUE AND OTHER INCOME

		2021 \$	2020 \$
Rev	enue:		
_	Project income	6,887,800	1,687,529
_	Member sales	63,453	130,344
_	Member fees	233,727	225,091
_	Operating grants	100,000	100,000
_	Government subsidies	67,713	87,355
_	Interest received	8,556	24,311
Tota	al revenue	7,361,250	2,254,630

NOTE 3: EXPENSES

	2021 \$	2020 \$
 Meetings/conferences costs 	60,215	110,002
Total member expenses	60,215	110,002

NOTE 4: KEY MANAGEMENT PERSONNEL COMPENSATION

The totals of remuneration paid to key management personnel (KMP) of the Association during the year are as follows:

	2021 \$	2020 \$
Key management personnel compensation	413,175	352,656

Other KMP transactions

There were no other transactions with Key Management Personnel.

NOTE 5: CASH AND CASH EQUIVALENTS

	2021	2020
	\$	\$
Cash at bank and on hand	5,234,395	917,978
Short-term bank deposits	-	1,458,833
Total cash and cash equivalents	5,234,395	2,376,811

The effective interest rate on short-term bank deposits was 0.45% (2020: 1.42%); these deposits have an average maturity of 74 days (2020: 91 days).

NOTE 6: TRADE AND OTHER RECEIVABLES

	2021 \$	2020 \$
Trade debtors	2,318	309,416
Interest receivable	-	2,014
Total current trade and other receivables	2,318	311,430

NOTE 7: OTHE CURRENT ASSETS

	2021 \$	2020 \$
Prepayments	3,164	12,123
Total other current assets	3,164	12,123

NOTE 8: RIGHT-OF-USE ASSETS

	2021 \$	2020 \$
Property:		
At fair value	112,125	112,125
Less accumulated depreciation	(89,700)	(44,850)
Total property	22,425	67,275
Total right-of-use assets	22,425	67,275

Movements in carrying amounts

Movement in the carrying amounts for each class of right-of-use assets between the beginning and the end of the current financial year:

2020/21	Property \$	Total \$
Balance at 1 July 2020	67,275	67,275
Additions	-	-
Disposals	-	-
Depreciation expense	(44,850)	(44,850)
Carrying amount at 30 June 2021	22,425	22,425

2019/20	Property \$	Total \$
Balance at 1 July 2019	-	-
Additions	112,125	112,125
Disposals	-	-
Depreciation expense	(44,850)	(44,850)
Carrying amount at 30 June 2020	67,275	67,275

NOTE 9: PROPERTY, PLANT AND EQUIPMENT

	2021 \$	2020 \$
Motor vehicles:		
At cost	76,654	76.654
Less accumulated depreciation	(24,565)	(22,938)
Total motor vehicles	52,089	53,716
Plant and equipment:		
At cost	17,088	12,997
Less accumulated depreciation	(6,567)	(5,692)
Total plant and equipment	10,520	7,305
Total property, plant and equipment	62,609	61,021

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

2020/21	Office Equipment \$	Motor Vehicles \$	Total \$
Balance at 1 July 2020	7,305	53,716	61,021
Additions	4,090	-	4,090
Disposals	-	-	-
Depreciation expense	(875)	(1,627)	(2,502)
Carrying amount at 30 June 2021	10,520	52,089	62,609

2019/20	Office Equipment \$	Motor Vehicles \$	Total \$
Balance at 1 July 2019	6,010	72,880	78,890
Additions	5,997	-	5,997
Disposals	-	-	-
Depreciation expense	(4,702)	(19,164)	(23,866)
Carrying amount at 30 June 2020	7,305	53,716	61,021

NOTE 10: TRADE AND OTHER PAYABLES

	2021 \$	2020 \$
Trade creditors and accruals	451,807	18,783
Amounts owing to the ATO	237,088	84,626
Superannuation payable	7,988	3,290
Total trade and other payables	696,883	106,699

NOTE 11: PROVISION FOR EMPLOYEE ENTITLEMENTS

	2021 \$	2020 \$
CURRENT		
Provision for employee entitlements (annual leave)	63,438	41,108
Provision for employee entitlements (long service leave)	57,112	32,829
(a) Total current provision for employee entitlements	120,550	73,937
NON-CURRENT		
Provision for employee entitlements (long service leave)	863	5,140
(b) Total non-current provision for employee entitlements	863	5,140
Number of employees at year end	9	3

NOTE 12: OTHER CURRENT LIABILITIES

	2021 \$	2020 \$
UNEARNED PROJECT INCOME		
Mandatory work placement	532,291	-
Out of trade	243,587	787,133
Safety first	-	55,607
Victorian apprenticeship recovery package	1,003,615	-
Total unearned project income	1,779,493	842,740
Advances - member services	85,681	53,726
Total other liabilities	1,865,174	896,467

NOTE 13: LEASE LIABILITIES

		2021 \$	2020 \$
CURRENT			
Property	(a)	24,824	44,073
NON-CURRENT			
Property	(a)	-	26,824
Total lease liabilities		24,824	70,897

The Association has leases for:

- (a) Office premises at Level 3, 478 Albert Street, East Melbourne, Victoria. The lease terms for the property are as follows:
 - (i) The property lease is a sub-lease agreement including rent, services and utilities expiring 5 January 2022;
 - (ii) There is no formal option for extension of the lease however an offer is anticipated and reasonably certain to be exercised;
 - (iii) The incremental borrowing rate that has been applied to calculate the present value of lease liabilities is 8.15%.

Maturity analysis of lease liabilities

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities at the end of the financial year are as follows:

	2021 \$	2020 \$
Payable – minimum lease payments		
-not later than one year	25,417	50,169
-later than one year and not later than five years	-	25,417
Minimum lease payments	25,417	75,586
Less future finance charges	(593)	(4,689)
Present value of minimum lease payments	24,824	70,897

NOTE 14: RETAINED EARNINGS

	2021 \$	2020 \$
Retained earnings		
Opening balance at the beginning of the financial year	1,020,132	865,544
Transfers to reserves	-	(655,388)
Profit for the year attributable to members	941,097	809,976
Closing balance at the end of financial year	1,961,229	1,020,132

NOTE 15: RESERVES

	2021 \$	2020 \$
Project reserve		
Opening balance at the beginning of the financial year	655,388	-
Transfer from retained earnings	-	655,388
Closing balance at the end of financial year	655,388	655,388

NOTE 16: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities or contingent assets as at 30/06/2021 (2020: nil).

NOTE 17: EVENTS AFTER THE REPORTING PERIOD

The AEN board approved the purchase of 83 Hobsons Road Kensington Victoria, which settled on 26 August 2021. After fit-out costs are added the total cost of the new property is estimated to be \$1,250,000.00 plus GST. The property is planned to be the new office location for AEN commencing mid-December 2021.

NOTE 18: RELATED PARTY TRANSACTIONS

There were no related party transactions.

NOTE 19: CASH INFORMATION

		2021 \$	2020 \$
(a)	Reconciliation of cash		
	Cash at bank	5,234,395	917,978
	Cash on deposit	-	1,458,833
		5,234,395	2,376,811
(b)	Reconciliation of net cash provided by operating		
	activities to profit for year		
	Profit for year	941,097	809,976
	Non-cash flows in profit:		
	Depreciation	47,352	68,716
	Other	(46,073)	(41,228)
	Changes in assets and liabilities		
	(Increase)/decrease in receivables	309,112	(282,322)
	(Increase)/decrease in prepayments	8,959	(2,232)
	Increase/(decrease) in payables	590,185	35,255
	Increase/(decrease) in other liabilities	968,707	(736,785)
	Increase/(decrease) in employee entitlements	42,335	5,605
		2,861,674	(143,015)

NOTE 20: FINANCIAL RISK MANAGEMENT

The Association's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2021 \$	2020 \$
Financial assets			
Cash and cash equivalents	5	5,234,395	2,376,811
Trade and other receivables	6	2,318	311,430
Total financial assets		5,236,713	2,688,241
Financial liabilities			
Financial liabilities at amortised cost:			
 trade and other payables 	10	696,883	106,699
Total financial liabilities		696,883	106,699

NOTE 21: ASSOCIATION INFORMATION

The registered office of the Association is Level 3, 478 Albert Street, East Melbourne Victoria 3002

ABN 79 996 874 017

The principal place of business is Level 3, 478 Albert Street, East Melbourne Victoria 3002

Directors' Declaration

In accordance with a resolution of the directors of Group Training Association of Victoria Inc, the directors of the entity declare that:

- 1. The financial statements and notes, as set on pages 2 to 16, are in accordance with the Associations Incorporation Reform Act 2012 and:
 - a. Comply with Australian Accounting Standards Reduced Disclosure Requirements; and
 - b. Give a true and fair view of the financial position of Group Training Association of Victoria Inc as at 30 June 2021 and of its performance for the year ended on that date.
- 2. In the directors' opinion there are reasonable grounds to believe that Group Training Association of Victoria Inc. will be able to pay its debts as and when they become due and payable.

Chairperson Dean Luciani

Audit Committee Chair

Darren Webster

GTAV Secretary
Executive Director

Dated this ninth day of September 2021

Independent Auditors' Report



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Independent Auditor's Report to the Members of Group Training Association of Victoria Inc.

Opinion

We have audited the financial report of Group Training Association of Victoria Inc. (the Association), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the members of the committee.

In our opinion, the accompanying financial report of the Association has been prepared in accordance with the Associations Incorporation Reform Act 2012, including:

- giving a true and fair view of the Association's financial position as at 30 June 2021 and of its financial performance and cash flows for the year then ended; and
- complying with Australian Accounting Standards Reduced Disclosure Requirements and the Associations Incorporation Reform Act 2012.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Members of the Committee for the Financial Report

The members of the committee of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Associations Incorporation Reform Act 2012 and for such internal control as the members of the determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the members of the committee are responsible for assessing the ability of the Association to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members of the committee either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The members of the committee are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, the auditor exercises professional judgement and maintains professional scepticism throughout the audit. The auditor also:

- Identifies and assesses the risks of material misstatement of the financial report, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's 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.
- Obtains 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 entity's internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Concludes on the appropriateness of those charged with governance'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 entity's ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the auditor's opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluates 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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CROWE VIC

GORDON ROBERTSON

Partner

Signed at Pakenham this 16th day of September 2021





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