



20 / 21

ANNUAL REPORT

Breaking Down Language Barriers



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Message from the Chair

It gives me great pleasure to present my fourth annual report as the Chair of the NAATI Board.

The devastating impacts of the COVID-19 pandemic and its challenges have continued throughout the year. In this context, translators and interpreters are playing a critical role in people's access to information and services and participation in the community. That is why 'breaking down language barriers' is our theme for this year.

Auslan interpreters have been in the spotlight and in high demand throughout the pandemic. NAATI finalised its development of certification specialist testing in the health, legal and conference interpreting fields for Auslan candidates, providing them access to the full certification pathway.

NAATI also reached the milestone of 50 languages available in Certified Provisional Interpreter testing, including 13 Aboriginal and Torres Strait Islander languages, Deaf interpreting and Auslan. Development work continued for Certified Interpreter testing, with tests offered in 16 languages.

NAATI's support for the translating and interpreting profession during the pandemic continued with the 50% reduction in recertification fees accessed by over 3,500 practitioners. The NAATI Board approved funding of over \$125,000 under its Research and Industry Development Funds for projects in the health and legal fields and for scholarships and training to address shortages of interpreters in areas of critical need.

The Commonwealth Government has committed to continue financial commitment to NAATI's Indigenous Interpreting Project. The National Indigenous Australians Agency confirmed funding for a further two years until 30 June 2023 to increase the number of certified Aboriginal and Torres Strait Islander language interpreters and the range of languages for which there are certified practitioners.

NAATI's certification framework is unique globally as it is the only universal, national system to certify practitioners in so many languages across various fields. This has been recognised by the announcement that, from 1 July 2021, New Zealand will transition to NAATI certification for interpreters working for the New Zealand Government – this is a significant achievement in recognition of the quality of NAATI's Certification System.

On behalf of the Board, I express our gratitude to our Member Governments, the Technical Reference Advisory Committee and the National Indigenous Languages Interpreting Advisory Committee for their continued support. We also thank NAATI's CEO, Mark Painting, for his tireless efforts and commitment and NAATI staff for their outstanding contributions

I also take the opportunity to thank and recognise the considerable contribution made by outgoing Directors, John Williams, Mary Gurgone and Dr Michael Cooke, whose tenures expired during the year.

In closing, I welcome the new Directors who have joined the NAATI Board, Dr Adolfo Gentile, Nirmal Hansra, Jovanka Naumoska, Mark Avery and Josephine Buontempo, and look forward to working with them, NAATI's CEO and staff to deliver NAATI's vision of a connected community without language barriers.

Voula Messimeri

Chair

NAATI Board of Directors



Message from the CEO

With the challenges in delivering face-to-face certification testing, innovation remained a hallmark of 2020-2021. NAATI has continued to innovate and develop online test delivery alternatives. Work is also underway to investigate options for a secure online platform to conduct interpreter testing into the future.

It was a busy year with more than 1,800 certification tests delivered either face-to face or online, close to 990 credentials issued and over 3,500 applications for recertification. We received over 30,000 queries, with nearly 99% of them responded to within two days. There are now more than 13,000 certified practitioners across 185 languages.

A quality assurance review of the Certification System has commenced, recognising that we are now in the third year of its implementation. The Continuous Improvement Program will provide an in-depth analysis of the performance of the system to ensure that NAATI continues to drive innovation and quality in certification, the first strategic pillar under NAATI's Strategic Plan 2019-2021. It is a critical piece of work which will involve extensive stakeholder consultation and continue into next year.

NAATI has continued its efforts to engage with key stakeholders on translating and interpreting industry matters. It has also focused on increased community engagement, with NAATI staff participating in or presenting at career expos, "Ask NAATI" podcasts, student information sessions, industry conferences and forums.

A key priority has been to strengthen workplace culture, learning and development and employee wellbeing, underpinned by NAATI's values of respect, integrity and professionalism. NAATI has a strong culture of diversity and inclusion with over 75% of staff speaking at least one language other than English, and more than 50% speaking more than one (across 46 languages including two signed languages and five Indigenous languages). NAATI's staff engagement survey delivered very positive results, showing a high level of engagement and satisfaction among staff.

NAATI formed two important committees during the year – a Staff Consultative Committee to provide regular consultation on workplace issues and a Reconciliation Action Plan (RAP) Working Group to develop NAATI's first RAP. The RAP is nearing completion and I look forward to its launch.

I take the opportunity to thank our Member Governments, key industry stakeholders and professional associations, education institutions and Examiners. Their ongoing support, combined with our dedicated staff, has provided NAATI with the ability to remain agile and forward-thinking in ensuring NAATI delivers its strategic priorities.

I wish to thank the Chair and Board of Directors for their leadership and support as well as the management team and staff for their hard work and commitment during another challenging year.

Mark Painting
CEO



NAATI Board of Directors and CEO.



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About NAATI

Who We Are

NAATI is the national standards and certifying authority for the translating and interpreting profession in Australia.

NAATI is a not-for-profit company that is jointly owned by the Commonwealth, state and territory governments. The company is governed by a Board of Directors, who are appointed by the owners.

NAATI was formed in 1977, several years after Commonwealth and state ministers responsible for immigration sought advice from the Committee on Overseas Professional Qualifications on standards for the translating and interpreting services available to the public. NAATI's first significant tasks were to determine standards for levels of accreditation for translators and interpreters, and to conduct a survey of the industry to gain insights into how it functioned and to understand its challenges. NAATI became an incorporated company in 1984.

NAATI's vision is of a connected community without language barriers. As Australia's only standards and certifying authority for translators and interpreters, NAATI occupies a unique position, locally and globally. NAATI's aim is to be a respected and recognised world leader in the provision of certification services for translators and interpreters, to provide quality services, and to be responsive to the community and organisations that benefit from translating and interpreting services.

What We Do

NAATI's mission is to set and maintain high national standards for the translating and interpreting sector to ensure a supply of appropriately certified professionals to meet the changing needs of Australia's culturally and linguistically diverse society.

This is achieved by:

- Ensuring high national standards for the profession through a robust national Certification System.
- Strengthening access and equity for individuals from culturally and linguistically diverse communities, the Deaf community and Aboriginal and Torres Strait Islander people.

NAATI's Certification System provides quality assurance and confidence to people who rely on translators and interpreters to participate effectively in Australian society.

Strategic Pillars

Underpinning NAATI's vision and mission are the strategic priorities, which are part of the current three-year Strategic Plan 2019-2021.

Strategic Pillars

There are five strategic pillars under the strategic plan

1

Driving innovation & quality in certification

Embedding the Certification System, continuous improvement of processes and technology to enhance quality and integrity.

2

Promoting brand awareness & engagement

Promoting products and services so that NAATI remains a trusted brand and recognised as an integral part of the community.

3

Ensuring financial sustainability

Identifying alternative revenue streams by diversifying services offered by NAATI, supporting its viability into the future to ensure NAATI continues to enable a linguistically connected community.

4

Building organisational capability

Strengthening capacity by streamlining core business and information technology processes and developing policy and people capability.

5

Supporting the development & sustainability of the profession

Partnering with key stakeholders and investing in capability and capacity building to ensure the sustainability of the translating and interpreting profession.

Members and their Representatives

NAATI's Members are those ministers responsible for multicultural, settlement, language and/or citizenship affairs in each of the Commonwealth, state and territory governments.

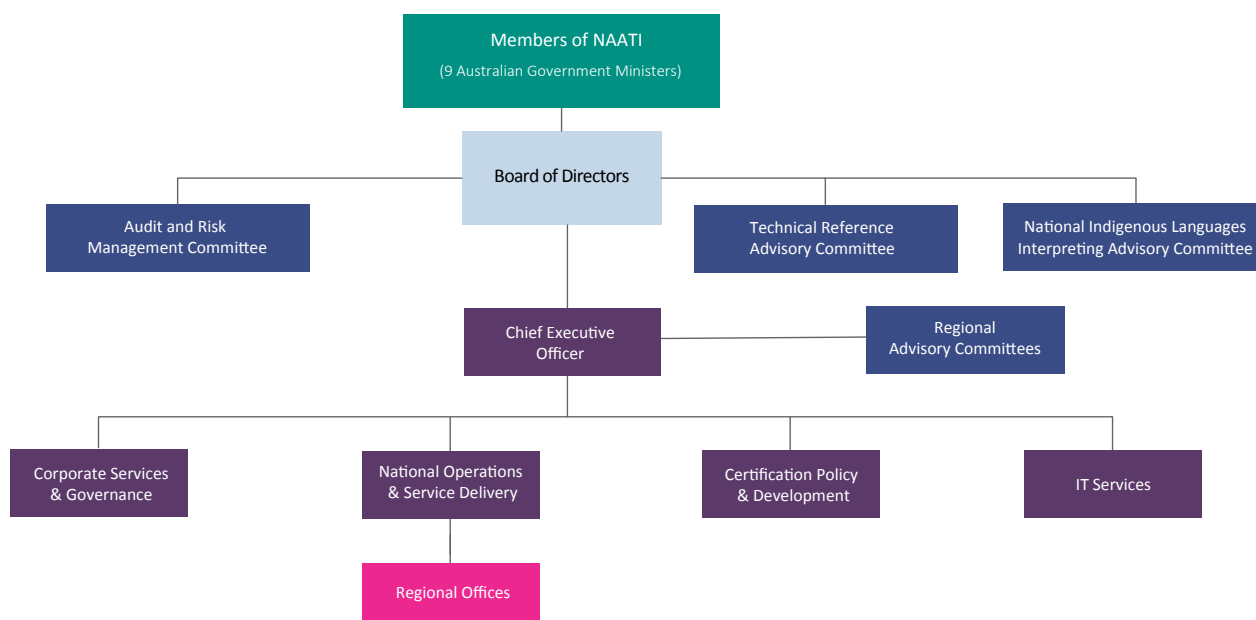
Members may also appoint a representative to exercise their powers in relation to NAATI.

The current Members and their appointed representatives (at 30 June 2021) are:

Member	Representative
Commonwealth	
The Hon. Alex Hawke MP Minister for Immigration, Citizenship, Migrant Services and Multicultural Affairs	Mr Steve Biddle Assistant Secretary Settlement Program Operations Branch Refugee, Humanitarian and Settlement Division Department of Home Affairs
Australian Capital Territory	
Ms Tara Cheyne MLA Assistant Minister for Economic Development Minister for the Arts Minister for Business and Better Regulation Minister for Human Rights Minister for Multicultural Affairs	Ms Jenny Wells Senior Director Youth Engagement and Office for Multicultural Affairs Inclusion and Participation Division Community Services Directorate, ACT Government
New South Wales	
The Hon. Natalie Ward MLC Minister for Sport, Multiculturalism, Seniors and Veterans	Mr Joseph La Posta Chief Executive Officer Multicultural NSW
Northern Territory	
The Hon. Selena Uibo MLA Attorney-General Minister for Justice Minister for Treaty and Local Decision Making Minister for Aboriginal Affairs Minister for Parks and Rangers	Ms Mischa Cartwright Executive Director Aboriginal Affairs Strategic Partnerships Department of Chief Minister and Cabinet
Queensland	
The Hon. Leanne Linard MP Minister for Children and Youth Justice Minister for Multicultural Affairs	Mr Wayne Briscoe Executive Director Multicultural Affairs Department of Children, Youth Justice and Multicultural Affairs
South Australia	
The Hon. Jing Lee MLC Assistant Minister to the Premier	Ms Justine Kennedy Director, Multicultural Affairs Department of the Premier and Cabinet

Member	Representative
Tasmania	
The Hon. Jeremy Rockliff MP Deputy Premier Minister for Health Minister for Advanced Manufacturing and Defence Industries Minister for Mental Health and Wellbeing Minister for Community Services and Development	Ms Wanda Buza Specialist Policy Advisor Communities, Sport and Recreation Tasmania Department of Communities Tasmania
Victoria	
The Hon. Ros Spence MP Minister for Multicultural Affairs Minister for Community Sport Minister for Youth	Ms Jessie Mitchell Director, Inclusion and Reform Branch Multicultural Affairs Fairer Victoria Group Department of Families, Fairness and Housing
Western Australia	
The Hon. Dr Antonio (Tony) De Paulo Buti MLA Minister for Finance Minister for Lands Minister for Sport and Recreation Minister for Citizenship and Multicultural Interests	Mr James Jegasothy Acting Executive Director Office of Multicultural Interests (OMI) Department of Local Government, Sport and Cultural Industries

Governance Structure



Board of Directors



Voula Messimeri AM (Chair)

Voula Messimeri AM was appointed to the NAATI Board from 1 November 2014, bringing to the Board significant experience and skills as an executive and non-executive director.

Ms Messimeri has had roles as a non-executive director including as Chair of the peak multicultural national body, the Federation of Ethnic Communities' Councils of Australia (FECCA); Deputy Chair of the Ethnic Communities Council of Victoria; inaugural Chair of Women's Health in the North; and Chair of InTouch Multicultural Centre Against Family Violence.

Ms Messimeri was appointed to the RMIT University Council, serving two terms and representing the council as a Board Director on the RMIT Training Board, a controlled entity of the RMIT University. With a strong interest in language services, she was appointed as a director on the Victorian Interpreting & Translating Service (VITS) Board, a state-owned enterprise, where she served for 15 years and occupied the role of deputy chairperson twice in that time.

Major contributions to policy combined with her advocacy roles led to appointments on a wide range of ministerial state and federal advisory structures across diverse areas, including health, ageing, income support, media and as a member of the Australian Multicultural Advisory Council.

She is a Fellow of the Williamson Community Leadership Program and has been awarded honorary life membership for significant contributions and leadership by FECCA and PRONIA, where she was a long standing CEO. The Greek Government recognised her service to the Australian Greek diaspora in 2009.

Ms Messimeri was inducted into the Victorian Honour Roll of Women and recognised under the Order of Australia for her contribution to refugees, migrants and women. She is a Member of the Australian Institute of Company Directors and currently serving as a non-executive director on the boards of PRONIA and Settlement Services International (SSI).

Ms Messimeri's term expires on 30 October 2023.



Dr Adolfo Gentile

Dr Adolfo Gentile was appointed to the NAATI Board from 31 July 2020.

He brings to the Board significant experience as a consultant, teacher and researcher in the translating and interpreting field. He was also a member of the Refugee Review and Immigration Tribunals.

Dr Gentile has a PhD in Translating and Interpreting, a Master of Educational Administration and is a NAATI Certified Advanced Translator in Italian (both directions).

He is an Affiliate of the Interpreting and Translation Studies program at Monash University and is widely known as an expert in his field, having researched and published extensively on translating and interpreting matters. He is a former President of the International Federation of Translators (FIT). Dr Gentile has a long-standing relationship with NAATI, including being a former Board Chair.

Dr Gentile's term expires on 30 June 2023.



Nirmal Hansra

Nirmal Hansra was appointed to the NAATI Board from 1 November 2020 and as Chair of the NAATI Board's Audit and Risk Management Committee on 19 February 2021.

Mr Hansra has over 30 years' senior executive management experience and over 13 years' Board and corporate advisory experience.

He is the Chair of Campbell Page Ltd. Mr Hansra is a non-executive director of Link Wentworth Housing Ltd, Have a Voice Pty Ltd and Children's Tumour Foundation of Australia Ltd. He is also an independent member of the Audit and Risk Committee for the Housing and Property Group of the NSW Department of Planning, Industry & Environment and Chair of the Compliance & Risk Committee of Gleneagles Asset Management Limited.

Mr Hansra has a Master of Commerce Degree (Business Management major) and is a Fellow of the Australian Institute of Company Directors, the Governance Institute of Australia, Chartered Accountants ANZ and CPA Australia.

As a qualified chartered accountant, Mr Hansra held Chief Financial Officer/Finance Director roles in leading Australian and international companies including Ruralco Holdings Ltd, Industree Ltd, Australian Pharmaceutical Industries Ltd, Fujitsu Australia Ltd and Texas Instruments Australia Ltd.

Mr Hansra's term expires on 30 October 2023.

Board of Directors



Jovanka Naumoska

Jovanka Naumoska was appointed to the NAATI Board from 1 August 2020 and as a member of the NAATI Board's Audit and Risk Management Committee on 19 February 2021.

Ms Naumoska is a legal practitioner with expertise in intellectual property law, corporate law and corporate governance. She holds a Bachelor of Laws (Honours) and Bachelor of Science (Honours) and has a Graduate Diploma in Applied Corporate Governance (Governance Institute of Australia).

She is a non-executive director for Imagination Biosystems Ltd and a non-executive director for Security Matters Ltd. She is also a member of the Australian Dispute Resolution Advisory Council and is employed as a legal practitioner for a federal government research agency.

Ms Naumoska's term expires on 31 July 2023.



Mark Avery

Mark Avery was appointed to the NAATI Board from 1 September 2020.

Mr Avery is currently working as a university academic teaching, researching and consulting in health services management and he has over 30 years' experience in leadership, management and corporate roles in both the public and private health care sectors in Australia and the United Kingdom.

His career and experience have been at the senior executive, chief executive, consultant, academic, company director and board member levels spanning acute care hospital settings, teaching and research centres, community health services, metropolitan and rural service delivery, aged care sector, regional and district health services, educational environments and internal and external/competitive commercial services.

He holds a Bachelor of Health Administration, Master of Business, PhD and is a Graduate of the Australian Institute of Company Directors.

Mr Avery's term expires on 30 August 2023.



Josephine Buontempo

Josephine Buontempo was appointed to the NAATI Board from 1 December 2020.

Ms Buontempo has, for over 25 years, been in executive and senior management roles across the corporate, legal, government and social sectors. Her experience in executive leadership and management is coupled with roles as an experienced non-executive and independent director and in an advisory capacity for community corporations, government agencies and ministerial councils.

Since 2008, Ms Buontempo has been the Managing Director of Kasali Migration Australia, a global migration consultancy practice. She also provides training and consulting services in corporate governance, organisational and board development and strategy, predominantly for the for-purpose sector including Aboriginal corporations in regional and remote locations.

Ms Buontempo has extensive experience in social, cultural and economic development and has managed organisations and services in the areas of social housing, law, education and training, disability, family, youth and children's services, culture and the arts and humanitarian and refugee resettlement programs.

Her current governance and advisory roles include Foundation Housing Ltd, Western Australia's key affordable housing property developer and manager, and she chairs the FHL Tenant Services and Engagement Committee, the Australian Broadcasting Corporation Advisory Council and Australian Scholarships Foundation Assessor Panel.

Ms Buontempo has postgraduate qualifications in migration law and is an alumna of the International Fellows Program of the City University of New York Centre for Philanthropy and Civil Society, a Member of the Australian Institute of Company Directors and an Associate Fellow of the Australian Institute of Management.

Ms Buontempo's term expires on 30 November 2023.

Outgoing Directors

John Williams PSM



John Williams was appointed to the NAATI Board from 1 September 2014.

He joined the Department of Immigration in Melbourne in 1964, gaining extensive senior management experience before retiring in December 2008.

His overseas appointments include serving in the Australian High Commission London from 1973 to 1975, the Australian Embassy (Belgrade) from 1975 to 1977 and 1983 to 1985, the Australian Embassy (Cairo) from 1978 to 1979, and the Australian Consulate Cape Town from 1979 to 1982.

Mr Williams was notably involved with multicultural and consular communities in his assignments both overseas and in Australia.

He was awarded a Public Service Medal in the Queen's Birthday Honour list in 2008 in recognition of his work with Australia's multicultural communities. Since retiring from the public service, he has established a consultancy to assist multicultural communities to better connect with and access services within society.

Mr Williams' term expired on 31 August 2020.

Mary Gurgone



Mary Gurgone was appointed to the NAATI Board from 1 November 2014.

She is the Director of the Centre for Capability and Culture with extensive executive experience in government, private and community organisations.

She is a founding member, Fellow and former National President of the Australian Institute of Interpreters and Translators (AUSIT).

Ms Gurgone has a Master of Business, Bachelor of Arts and qualifications in governance, teaching, training, interpreting and translating.

She introduced several translating and interpreting vocational education and training programs and presented at international, national and state conferences on policy, evaluation, diversity and inclusion.

She has leadership roles in international and national organisations such as Zonta International and the Mental Health Foundation of Australia, focusing on culturally and linguistically diverse services, governance, language, culture, aged care and domestic violence.

She has significant experience in working with Aboriginal communities in Western Australia.

Ms Gurgone's term expired on 31 October 2020.



Dr Michael Cooke

Dr Michael Cooke was appointed to the NAATI Board from 1 December 2017.

He is a NAATI Recognised Practising Interpreter and Translator in Djambarrpuyngu, one of the languages spoken by the Yolngu people of North East Arnhem Land. He completed his PhD in linguistics in 1997, becoming a specialist in legal interpreting and forensic linguistics.

He is widely known as an expert in his field, researching, presenting, providing expert evidence as a forensic linguist and publishing extensively in language and the law.

As Principal of Intercultural Communications, he has provided training for Indigenous language interpreters and consultancy services for agencies that use them, particularly in the health, legal and judicial domains.

His long-standing relationship with NAATI began with chairing the Northern Territory Regional Advisory Committee in 1995 and includes previously providing professional assistance to NAATI as a trainer, Examiner and consultant.

Dr Cooke's term expired on 30 November 2020.



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Year in Review

Highlights

The last 12 months have been unique and challenging globally, with the COVID-19 pandemic sweeping the world and causing huge disruptions across lives and livelihoods. With this as the backdrop, NAATI has had some significant achievements worth celebrating.

As at 30 June 2021, there were



13,178 current certified practitioners holding **17,950** credentials across **185** languages, including **38** Indigenous languages.



33 institutions in the Endorsed Qualification program including four in New Zealand, offering a total of **82** qualifications.



NAATI has reached the milestone of **50** languages available for its first level of interpreting tests (Certified Provisional Interpreter), including **13** Aboriginal and Torres Strait Islander languages, Deaf interpreting and Auslan.



During the COVID-19 pandemic, NAATI was able to expedite plans for online testing and continue testing with minimal disruption. Since September 2020, all Certified Translator tests have been conducted online, with **938** Certified Translator tests delivered to 30 June 2021.



NAATI has contributed to the industry by providing a **50%** reduction in recertification fees for the year, which supported over **3,500** practitioners to recertify.

Credential types held by practitioners

Credential types	Number at 30 June 2021
Certified Advanced Translator	76
Certified Conference Interpreter	75
Certified Interpreter	2,507
Certified Provisional Interpreter	4,973
Certified Translator	9,014
Recognised Practising Interpreter	946
Recognised Practising Translator	359
TOTAL	17,950

Top ten languages credentials are held in

- Chinese (translation only)
- Mandarin (interpreting only)
- Arabic
- Persian
- Auslan
- Vietnamese
- Spanish
- Japanese
- Korean
- Italian

Focus on Certification of Translators and Interpreters

Despite the challenges imposed by COVID-19, NAATI's focus has been on continuing to make certification testing available in more community languages and in a variety of test skills while introducing improvements to the Certification System. There have also been stronger opportunities to engage with the community about certification, including through preparing candidates for testing and current practitioners for recertification.

NAATI reached the milestone of 50 languages available for its first level of interpreting tests (Certified Provisional Interpreter) including 13 Indigenous languages, Deaf interpreting and Auslan. Certified Interpreter tests are offered in 16 languages, and Certified Translator tests are available in 30 languages.

Certified Specialist Interpreter tests were developed and made available in an additional three languages (Arabic, Spanish and Auslan) in both the health and legal specialisations, while the Certified Conference Interpreter test became available in an additional three languages (Spanish, Russian and Auslan).

Auslan in the Spotlight

Auslan interpreters have been very visible throughout the COVID-19 pandemic, being broadcast to homes around the country as they support Ministers, Chief Health Officers and the Prime Minister to deliver public health updates to the community.

This aligned with NAATI's work to design and develop three additional tests for Auslan candidates – the Certified Specialist Health Interpreter test, Certified Specialist Legal Interpreter test and Certified Conference Interpreter test. This makes the full certification pathway available for this high demand language.

The Certified Specialist Interpreter test is comprised of two parts: a Knowledge Test and an Interpreting Test. The Knowledge Test is a prerequisite to sit the second part of the test and allows an assessment of whether the candidate holds the necessary knowledge in the health or legal fields. The first Knowledge Test for the Certified Specialist Legal Interpreter test in Auslan was made available in June 2021.

Online Testing

When the COVID-19 pandemic hit, Australia experienced several lockdowns across the country, which resulted in a significant number of tests, both translating and interpreting, being cancelled or rescheduled. This meant that NAATI had to innovate to continue fulfilling its mission.

In these early stages, NAATI moved many non-professional tests, such as Credentialed Community Language and Community Language Aide tests online, with approximately 12,000 conducted via Microsoft Teams as an interim measure.

Community Language Aide tests are used by the public and private sectors to determine eligibility for language allowances. These tests help organisations identify employees who can communicate at a basic level in a language other than English in the workplace. Someone who has passed a Community Language Aide test is not qualified as a professional translator or interpreter.

NAATI had been discussing online testing platforms with several providers since mid-2019 to find a secure, cost-effective and candidate-friendly solution to meet its testing requirements from 2022. Due to the inability to deliver in person testing consistently through the pandemic, these discussions became more urgent.

NAATI considered several online testing platforms before adopting its preferred online solution for translation tests. The selected platform offers a professional testing experience with high-level security and proctoring.

All Certified Translator tests have been conducted using this since September 2020, and all Credentialed Community Language tests since January 2021. Positive feedback has been received from candidates in both test types, and it has allowed people to take the tests from overseas or in lockdown.

Certified Provisional Interpreter and Certified Interpreter tests were delivered via a mix of face-to-face and online options as COVID-19 lockdowns have persisted. NAATI continues to deliver interpreter testing in a face-to-face format where appropriate and safe to do so, with some individual test tasks delivered online.

NAATI is continuing to investigate options for alternative platforms to enhance and expand the delivery of online interpreting tests into the future.

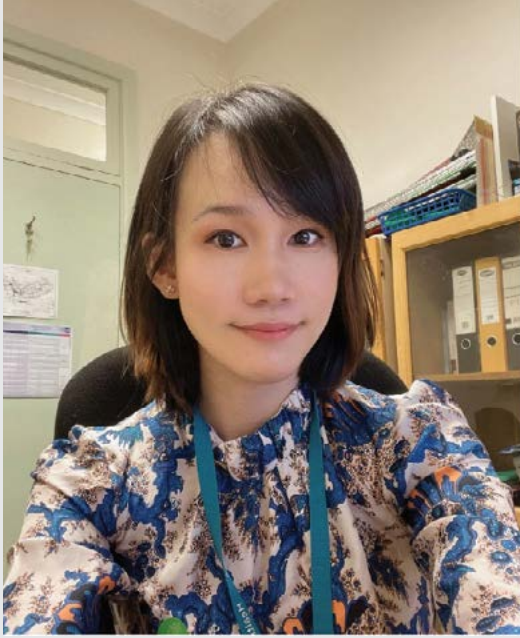
Continuous Improvement Program

Recognising that this is the third year of implementing the Certification System, NAATI has initiated a Continuous Improvement Program (CIP) as part of its quality assurance processes to start refining aspects of the system.

The primary aim of the CIP is to ensure that NAATI's certification tests continue to be reliable and practical to run. This will involve an in-depth analysis of the past performance of the Certification System.

Broad in scope, this program will primarily focus on non-specialist certification tests, namely the Certified Translator test, the Certified Provisional Interpreter test and the Certified Interpreter test. The project targets six specific focus areas: Examiner panels' training and performance, test reliability, test delivery and technology, prerequisites, task design and assessment rubrics.

In consultation with industry experts, the CIP will span over several years and follow a staged and cyclical approach. The first stage focuses on refining Examiner training, candidates' testing experience and test administration, and starting a test reliability study.



INTERPRETING IN THE HEALTHCARE SECTOR

Hui Tao holds a Master of Conference Interpreting and a Master of Research and is currently a PhD candidate at Macquarie University. Her research 'A New Model of Interpreter-mediated Aphasia Assessment for People from Diverse Language Backgrounds' was well received by interpreters and speech pathologists. Hui is a Certified Translator (English into Chinese) and Certified Interpreter in both Mandarin and Cantonese, with a strong interest in interpreter-mediated speech pathology assessments.

Working as a health care interpreter is never as easy as people think. We need to have knowledge of medical terminology to be able to do the job, have the skill to confidently switch between simultaneous and consecutive interpreting modes, and we also need to prepare ourselves for emotional or difficult situations that do not typically occur in other settings.

I have worked in a range of scenarios that are common to health care interpreters, but I am most passionate about interpreter-mediated language assessments or therapy sessions with speech pathologists. I can still remember the feeling of working with speech pathologists in my freshman year and being asked about the features of the patients' language. Once I was interpreting for a patient with aphasia – a disorder resulting from damage to parts of the brain that are responsible for language – and at the end of the assessment, the speech pathologist asked me about the intelligibility of the patient's utterances. Another speech pathologist asked me to help prepare for a speech therapy session by thinking of a list of one syllable to three or four syllable words in the patient's language.

I was drawn to research the complexities and challenges managed by the interpreter in interpreter-mediated language assessment or therapy sessions with patients who have acquired communication disorders. In this context, the interpreter's role is often different from their usual role. We can veer away from strictly meaning-based interpreting when confronted by a person whose utterances or sentences do not make sense. The interpreter may need to do verbatim interpreting of nonsensical words, and have metalinguistic knowledge to explain any grammatical, syntactic or phonological errors in the patient's utterance causing difficulties in comprehension.

The interpreter is also more collaborative with the speech pathologist than in other settings. Literature emphasises that close collaboration between interpreters and speech pathologists is necessary for a good speech assessment and therapy outcome for patients, and often requires a thorough pre-session briefing and debriefing between the two professionals. The interpreter must be knowledgeable about speech pathology and their working languages, while the speech pathologist needs to understand the role of interpreters and be able to explicitly advise the interpreter of the expectations in a particular context. This is in line with the patient-centred care principle in the Australian health system.

Working as a health care interpreter in the speech pathology domain is a continuous learning process. I am still passionate about my job despite working full time for many years as a health care interpreter. It is an interesting and challenging career that has given me much fulfilment and enjoyment.

Aboriginal and Torres Strait Islander Languages

Indigenous language interpreters in Australia play a vital role in ensuring Aboriginal and Torres Strait Islander people can participate equitably in Australian society. The work that interpreters do is critical to breaking down language barriers that can prevent access to services and to promoting and strengthening Aboriginal and Torres Strait Islander languages.

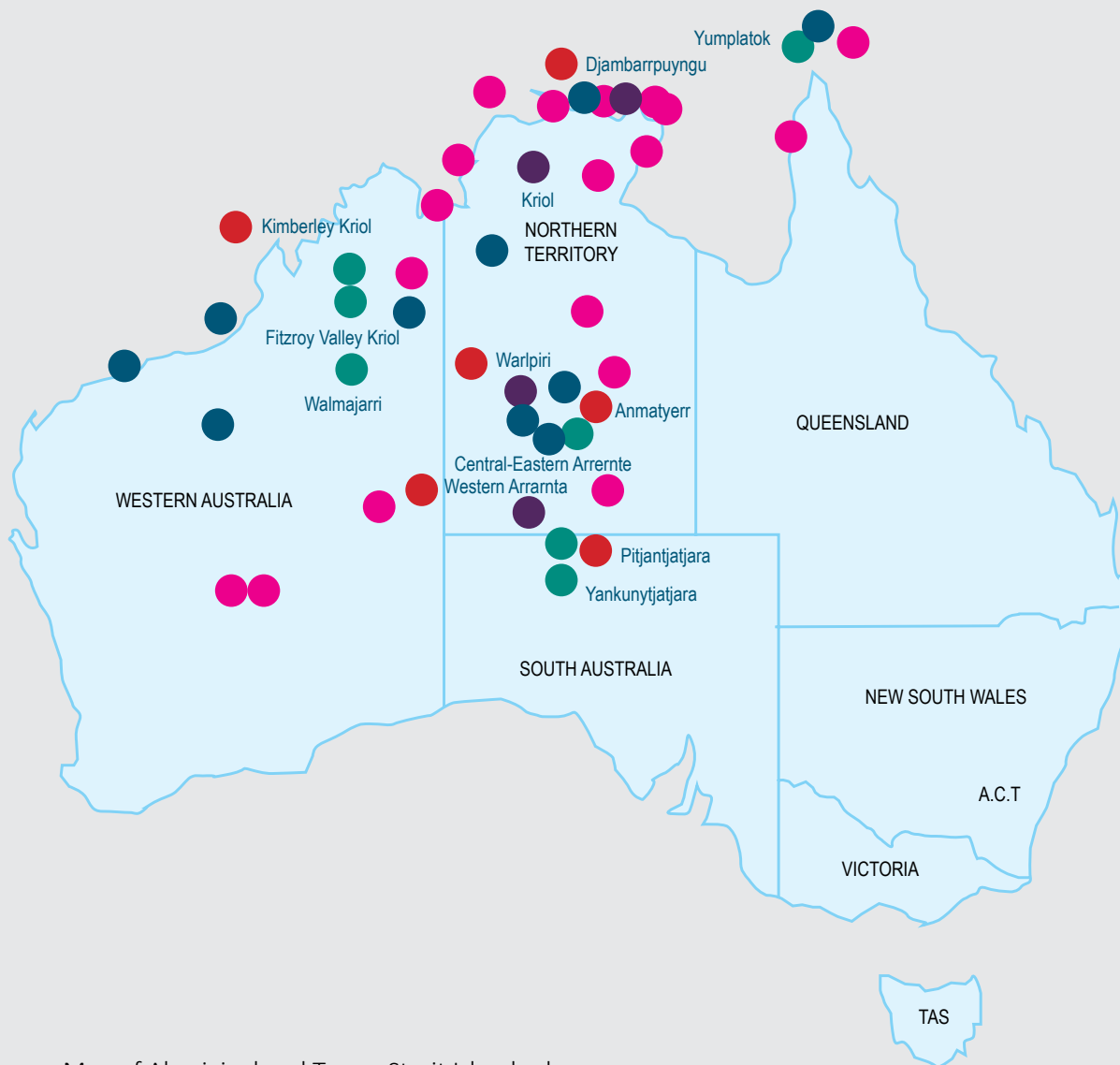
NAATI has continued its Indigenous Interpreting Project since 2012 to increase the number of certified Indigenous language interpreters, and the range of Aboriginal and Torres Strait Islander languages for which there are certified practitioners. This is primarily achieved through:

- building the pipeline of aspiring interpreters
- preparing aspiring interpreters for certification
- certifying interpreters and supporting them to maintain their skills
- advocating for the Indigenous interpreting industry.

NAATI certification assures professionals and Aboriginal and Torres Strait Islander language speakers that the interpreting will be to a high standard. It also protects interpreters by articulating their role clearly. The COVID-19 pandemic has highlighted the vulnerability of Aboriginal and Torres Strait Islander communities and the importance of accurate and timely communication. Interpreters and translators across Australia have worked around the clock to ensure their communities have been informed of the risks, rules, safety measures and progress regarding the pandemic at each stage. Their success reinforces the importance of ongoing work on this project.

NAATI works in collaboration with many stakeholders to deliver this project, including NAATI's National Indigenous Languages Interpreting Advisory Committee, Aboriginal Interpreting WA, Aboriginal Interpreter Service NT, Aboriginal and Torres Strait Islander language service providers, training institutions such as TAFE SA, Indigenous Language Centres, AUSIT and the Commonwealth Government.

The Commonwealth Government has supported this work through funding since 2015. In June 2021, the National Indigenous Australians Agency confirmed new funding to continue the Indigenous Interpreting Project for a further two years.



Map of Aboriginal and Torres Strait Islander languages with number of current NAATI certified practitioners

Total NAATI certified practitioners

- 1-4
- 5-7
- 8-12
- 19-24
- Six new Certified Provisional Interpreter certifications



Candidates for the Certified Provisional Interpreter test.

Developing and Certifying Interpreters

The success of online video conferencing to connect with interpreters across Australia was critical to supporting interpreters during a year that was marked by constantly changing travel restrictions. Interpreters from 25 locations across four states accessed both face-to-face and online training and development opportunities offered by NAATI. This included a dedicated team of interpreters from the Alice Springs Hospital who diligently progressed towards achieving certification.

NAATI supported 53 uncertified interpreters to prepare for certification through 790 hours of training across professional ethical competency, intercultural competency and certification test preparation.

Candidates sat:

- 17 Ethical Competency tests
- 14 Intercultural Competency tests
- 20 Certified Provisional Interpreter tests in nine different languages.

As a result of certification testing, six new Certified Provisional Interpreter certifications were awarded in six languages – Djambarrpuyngu, Western Arrarnta, Pitjantjatjara, Anmatyerr, Kimberley Kriol and Warlpiri.

NAATI delivered 220 hours of training to 56 certified interpreters to help them to improve their skills and become Examiners and Role-players, and 10 professional development sessions. As a result of this, 17 new Examiners were trained across eight new language panels to support the setting and marking of certification tests.

NAATI delivered testing in nine Aboriginal and Torres Strait Islander languages – Djambarrpuyngu, Pitjantjatjara, Pintupi-Luritja, Western Arrarnta, Anmatyerr, Alyawarr, Kimberley Kriol, Warlpiri and Central-Eastern Arrernte. These languages are in addition to four languages tested previously – Yumplatok, Kalaw Kawaw Ya, Gumatj and Dhuwaya – which equals a total of 13 Aboriginal and Torres Strait Islander languages tested since the beginning of the Certification System in 2018. Risk planning was undertaken prior to each workshop to ensure the safety and wellbeing of our interpreting candidates, Examiners, Role-players and staff.



Newly certified interpreters, Jennifer Armstrong and Harry Wilson.

In January 2021, NAATI launched its first Aboriginal and Torres Strait Islander language interpreting newsletter which aims to connect interpreters, language professionals and advocates within the Aboriginal and Torres Strait Islander language interpreting profession. Its focus is to share training and professional development opportunities and celebrate the hard work, commitment and passion of interpreters in these languages.

NAATI'S ROLE IN MIGRATION

NAATI is a key part of Australia's multicultural fabric. It ensures that Australia has an adequate supply of appropriately certified translators and interpreters, but this is not the only way that NAATI supports multiculturalism.

NAATI is the skills assessing authority for the translator and interpreter occupations on the Department of Home Affairs' skilled occupations list, which means NAATI provides direct support to aspiring migrants.

Skills Assessments

Both translator and interpreter remained on the skilled occupations list throughout the year, enabling aspiring migrants who are certified translators or interpreters to apply for specific skilled migration visas.

Of the people who gained a certification credential, 421 advised that they were applying for the credential for migration purposes.

Assessing Overseas Qualifications and Skilled Employment

There are several skilled migration visas in Australia that require applicants to score a minimum number of points to qualify for a permanent visa. Aspiring migrants can gain points towards one of these visa applications if they demonstrate they have overseas qualifications or skilled employment experience as a translator or interpreter.

As part of its role as a skills assessing authority, NAATI provides an opinion about the comparable Australian level qualification of an interpreting or translating qualification obtained at an overseas institution and an assessment of verifiable skilled employment as a translator or interpreter undertaken in the last ten years.

Credentialed Community Language Testing

Part of the motivation behind implementing the Certification System in 2018 was to enable a better understanding of how many practising translators and interpreters are in the community at any given time. The development and delivery of a separate Credentialed Community Language, or CCL, test is one way that NAATI achieves this.

Aspiring migrants can gain points towards a skilled migration application, known as the Credentialed Community Language points, by proving their language abilities at a community level.

In the past, people who wanted to gain CCL points towards skilled migration visa applications only had the option of applying for NAATI accreditation (the former translator and interpreter credentialing system). This meant that many people who held an accreditation never actually intended to practise as a translator or interpreter in the community.

People who gain a certification credential can still use this to gain CCL points towards a skilled migration visa. However, delivering the CCL test as a separate testing service provides migrants with more options and NAATI with better records.

During the year, 18,507 CCL tests were delivered.



Filming of Certified Specialist Interpreter test materials.

Introducing NAATI Certification for New Zealand Interpreters

NAATI is one of the few certifying bodies for translators and interpreters in the world, and is the only universal, national system that certifies practitioners in such a high number of languages.

The New Zealand Ministry of Business, Innovation and Employment has approached NAATI to support the rollout of NAATI certification as a requirement for any interpreters working for the New Zealand Government from 1 July 2024.

From 1 July 2021, the New Zealand Government will begin what is referred to as the transition to NAATI certification. For the next three years, during the transition phase, interpreters in New Zealand will be offered financial support and assistance from the New Zealand Government for training and NAATI certification test fees. NAATI is providing technical advice and support to the Ministry in preparation for this.

This is an exciting new venture for NAATI, being the first time NAATI's Certification System will be adopted by another country.



Supporting
the Profession

NAATI reinforces its commitment to the ongoing development of the translating and interpreting sector through its Research Fund and Industry Development Fund and through direct engagement at relevant forums and conferences.

Research Fund

NAATI's Research Fund was established in 2018 in response to an identified need for ongoing investment in industry research. The aim of the fund is to broaden the scope of industry research projects and collaborations.

The research priorities are set by NAATI annually. This year's priorities were:

- Certification System quality and scope
- translating and interpreting practice
- Endorsed Qualifications
- broader industry.

Monash University completed its project on *Identification of current gaps in Professional Development opportunities for translators and interpreters in Australia in 2020*.

Ongoing projects approved for funding by the NAATI Board include:

- Monash University
Deafblind communication and interpreting: building professional competencies
\$20,000 over two years
This Australian Research Council Linkage Project will inform recommendations for developing training resources for deafblind interpreters and provide a foundation for skill set descriptions that could underpin a deafblind interpreting credential.
- University of NSW
Judicial Officers' communication strategies when working with court interpreters
\$65,000 over three years
This Australian Research Council Linkage Project aims to improve access to justice in criminal courts by producing evidence-based guidelines for judicial officers.
- Western Sydney University
Translation of official documents: ensuring quality and enhancing security
\$30,000 over two years
This project aims to propose guidelines and protocols for the translation of official documents.

Industry Development Fund

The NAATI Board has set aside up to \$250,000 per year since 2018 for the Translating and Interpreting Industry Development Fund. The main purpose of the fund is to assist projects that aim to address industry issues such as capability, capacity building and innovation that will support the industry into the future.

During the year, five projects funded under the Industry Development Fund were completed:

- ASLIA
Building capacity in the Auslan space
\$20,000 over one year
This culminated in several short video clips being developed on a range of topics, including ethics and vicarious trauma. The videos are available on ASLIA's website.
- TAFE SA
Development of four-unit skill set for use with Auslan language users
\$40,000 over two years
This has involved the development of an Auslan version of the Interpreting Skills for NAATI Certification four-unit skill set, and has already been delivered to an initial cohort of 11 students.
- AUSIT
Development of webinar regarding National Standards for Legal Interpreting
\$3,840 over one year
This involved the delivery of a professional development webinar in two parts on the Judicial Council on Cultural Diversity's (JCCD) *Recommended National Standards for Working with Interpreters in Courts and Tribunals*, promoting knowledge of the standards amongst court and tribunal interpreters. The webinar was recorded and is available on the AUSIT Learnbook Platform.
- Tasmanian Department of Communities
Interpreting Skill Set Program – Interpreting Skills for NAATI Certification – Tasmania
\$10,000 over one year
This project provided scholarships to support access to the RMIT online four-unit skill set. Two scholarship rounds were offered in priority languages, with five recipients completing the skill set in the first round and 13 completing in the second round.
- Aboriginal Interpreter Service (AIS) (Northern Territory)
Securing a Murrinh-Patha Interpreter Workforce
\$20,781 over one year
This project ran a camp for young Murrinh-Patha speakers from the Wadeye Aboriginal community with the aim of delivering induction training and helping them develop a support network that will ultimately assist them to obtain NAATI certification. The AIS identified the need to create the pool of interpreters as Murrinh-Patha is one of the more common Aboriginal languages in the Northern Territory and Aboriginal people from the Wadeye community are one of the Aboriginal groups that are overrepresented in the Northern Territory criminal justice system.



Murrinh-Patha speaking participants at the AIS training camp.

Current projects approved for funding by the NAATI Board include:

- Office of Multicultural Interests, NAATI and AUSIT
Establish a training fund to support practitioners in WA to undertake a four-unit skill set to meet NAATI test eligibility criteria
 \$15,000 over one year, with contributions from the Office of Multicultural Interests and AUSIT. Scholarship recipients received a sponsored skill set (co-paying \$200), a free NAATI credential application (Recognised Practising Interpreter or Certified Provisional Interpreter, depending on language) and free AUSIT membership and professional development opportunities. Most scholarship recipients have obtained Recognised Practising Interpreter or attempted the Certified Provisional Interpreter test, with a few Certified Provisional Interpreter tests scheduled for the second half of 2021. Sufficient funds remain to offer a second scholarship round, to begin in early 2022.
- National Ageing Research Institute
Dementia training for interpreters: supporting communication and assessment
 \$90,000 over three years
 This National Health and Medical Research Council Partnership Project will develop a workshop on interpreting health consultations with dementia patients and develop an online delivery platform for this workshop.
- ASLIA
Interpreter Awareness Training
 \$20,000 over one year
 This project will develop training sessions to educate the public and users of interpreting services on working with Auslan interpreters.
- AUSIT
Queensland Preparing Interpreters Project
 \$25,000 over one year
 This project was co-funded by NAATI and AUSIT to cover the full cost of the four-unit skill set for scholarship recipients in high-demand languages. One round of scholarships has been delivered to eight students and sufficient funds remain to offer a second scholarship round.

- Tasmanian Department of Communities
Interpreter Training Scholarship Program 2021
\$20,000 over two years
This project will provide scholarships to students undertaking the four-unit skill set at RMIT in priority languages, including Auslan.
- Judicial Council on Cultural Diversity
Update to the Recommended National Standards for Working with Interpreters in Courts and Tribunals
\$29,000 over one year
This project will review the *National Standards for Working with Interpreters in Courts and Tribunals* and include an awareness campaign.

Industry and Community Engagement

There were many challenges in getting together this year due to restrictions and lockdowns in response to the COVID-19 pandemic; however, the industry continued to demonstrate its commitment to learning and engaging on relevant issues. Many of the conferences and events that were able to go ahead were held online or in hybrid settings, with some participants gathering in person and others joining online.

Some of the key events that NAATI attended included:

- Presentation to the Chinese Interpreters Association of Australia AGM, September 2020
- Launch of the University of Melbourne's Research Hub for Language in Forensic Evidence, October 2020
- AUSIT National Conference, November 2020
- Multicultural NSW Scholarship Graduation ceremony, November 2020
- UNSW Symposium on Legal Interpreting, December 2020
- Presentation to Arab Translators Association Worldwide, December 2020
- Polaron Language Services' VicForum, March 2021
- Presentation to Legal Professional Development Working Group, May 2021
- Presentation and panel discussion at the New Zealand Society of Translators & Interpreters (NZSTI) Conference, May 2021.

In more direct support to the industry, NAATI was proud to have sponsored the following events:

- AUSIT National Conference, November 2020
- Polaron Language Services' VicForum, March 2021
- NZSTI Conference, May 2021.

NAATI also continued to contribute to ongoing forums and committees that support the industry, including the Multicultural NSW Language Services Advisory Forum, the Monash Industry Advisory Board, the Working Group and the Australian Mirror Committee (CS 117) to the ISO Committee on Translating, Interpreting and Related Technology (ISO TC37/SC5).

Stronger Community Engagement

Staff in regional offices have been working hard to connect with the community, aspiring translators and interpreters and practitioners.

The team in Western Australia had a booth at the Perth Careers Expo 2021 with support from local Endorsed Qualifications institutions, AUSIT, the Australian Sign Language Interpreters' Association (ASLIA) and a number of current practitioners to talk to people about becoming a translator or interpreter. The NAATI WA team also attended the CaLD (culturally and linguistically diverse) Jobs Expo, run by Status Employment and supported by the City of Stirling, and met with hundreds of people.



NAATI booth at the Perth Careers Expo 2021. From left: Hélène Jaccomard (University of Western Australia), Dominic Wong (Cantonese Certified Provisional Interpreter and Role-player), Dylan Moraday (NAATI) and Jacob Lu (Babel International College)

In Victoria and South Australia, NAATI has conducted information sessions for students currently completing an Endorsed Qualification to support them with information on how to apply for a certification test after graduation. NAATI Endorsed Qualifications are tertiary translation and interpreting qualifications (diploma-level or higher) conducted by Vocational Education & Training (VET) and Higher Education institutions that have been acknowledged by NAATI as teaching and assessing the skills and knowledge required by the translating and interpreting profession.

NAATI has received feedback from test facilitators and Role-players that there is a gap in the training available to support people in preparing for certification tests. In response, NAATI continues to investigate ways to support test candidates with preparation, including delivering webinars to test candidates in South Australia.



NAATI staff, including Test Invigilators and Role-players, attending a cultural awareness training session by Deaf Can:Do in May 2021. Back row, from left: Annette Bardsley, Cheryl Appelkamp de Valenzuela (NAATI Regional Operations Manager SA), Marcus Sales and Rebecca Curson. Middle row, from left: Pascale Johnstone (NAATI Operations and Testing Supervisor), Kamila Kornet, Irene Tunis and Ray Chammas. Front row, from left: Angie Morony, Anna Mazzone, Kate Frost (Auslan Instructor), Deborah Kalei and Lynette Mollard.

At the other end of the process, NAATI recognises that some practitioners can benefit from more support with understanding recertification requirements and career development opportunities. Recertification workshops have been delivered in Victoria and Western Australia about how best to engage with this process. In Victoria, eight recertification sessions have been delivered, both face-to-face and online depending on the public health restrictions at the time, reaching more than 60 practitioners. Webinars are planned for Tasmania's practitioners to advise about the NAATI pathways to applying for and achieving a higher credential.



Recertification workshop, Melbourne, April 2021

As part of efforts to engage more directly with the industry, NAATI has also started a collaboration with All Graduates by contributing to the *Conversations: Interpreting and Translating* podcast launched in July 2020. NAATI's CEO and senior managers have participated in podcast episodes throughout the year. This has been an opportunity for NAATI to inform the community about the Certification System and to address practitioner and candidate queries about NAATI tests and the industry more broadly.

TRANSLATING THROUGH THE COVID-19 PANDEMIC

Thad Patradoon is a Certified Translator (Thai into English, and English into Thai), and a registered landscape architect and urban designer with the Australian Institute of Landscape Architects. He graduated from Chulalongkorn University in Thailand and has a master's degree from the University of Melbourne. Apart from design and language, he is passionate about cooking and travelling, and has documented his extensive travel to Thailand and Japan over the past decade in photographs and sketchbooks.

When I was a university student in Thailand, my lecturer at the Architectural School always used Australian cities as our case studies. Being a new country with one of the most advanced planning systems in the modern world, I was intrigued by the idea of seeing the 'real' Australia. My dream came true when I got into the School of Architecture at Melbourne University.

I decided to stay on, working as an apprentice with numerous design studios in Melbourne after my study. Then one day, an opportunity came knocking on my door – I was offered work with a renowned Australian golf course architect who was designing golf courses and planning golf estates worldwide. I got to travel to Thailand with this job, and ended up being an interpreter for my Australian colleagues and the Thai clients and documenting the golf course and landscape master plans in Thai.

After the Asian golf course construction boom subsided, I was back to the drawing board in Melbourne. Working day in and day out in my design and planning realm, I started to miss using my translation savvy. I decided to sharpen my skills by attending language courses and gain a certification, enabling me to express myself and communicate professionally. NAATI was my vehicle to fulfil that commitment. I pursued more translation work and happily put in extra hours after my day job as a landscape architect to keep my interest going. I started to go out into the community and saw even more opportunities to help my fellow country people who had migrated.

It was evident during the pandemic in 2020 that I was busier being a translator rather than a designer, helping various public and private organisations to disseminate information to the community. Due to COVID-19, there were a lot of new uncertainties for everyone. We seemed to always be one step slower than the transmission speed of information. There were so many translators working hard at the same time, and we didn't have time to adjust and sort out our vocabulary and terminology. Inconsistently translated media was published and caused much confusion in the community. Fortunately, we turned that around and improved the situation over time, becoming part of the acceptable 'COVID-normal' nowadays.

I learnt from working as an urban designer that information dissemination to the community is an important aspect. If we are introducing a new space to the community, be it a market or a park, we must be very careful and smart with our message communication. The principles are the same between design and translation – we must aim for a clear directive with the least ambiguity to bring our audience along with us as much as possible. I now call Australia home and am grateful that I live in the city of my younger years' fascination. I can do what I always love most: design and translation.





Our People

Our Culture

A key priority this year has been to strengthen workplace culture through a variety of activities that focus on increasing productivity, effectiveness, capability, engagement, development and employee wellness.

All activities undertaken have been underpinned by the NAATI values of respect, integrity and professionalism.



NAATI continues to focus on growing a workplace that:

- values the diversity of its employees, contractors, customers and stakeholders
- supports the right of all employees to be treated with dignity, fairness and respect
- is fair and equitable
- is free from unlawful behaviours such as bullying, harassment, victimisation and discrimination
- enables employees to feel confident to contribute their ideas and diverse perspectives leading to more creativity and innovation.

At 30 June 2021, NAATI employed over 600 people in full-time and part-time roles, including casual Test Invigilators and Role-players who support with the delivery of testing.

Employment type	Total	Female	Male
Full-time	51	36	15
Part-time	19	14	5
Casual	580	398	182

NAATI's diversity was reflected in a recent informal survey, which found that 75% of full-time and part-time staff speak at least one language other than English (LOTE), with half speaking more than one LOTE. Some of these staff members are also practising translators or interpreters, with 15% holding a current NAATI certification.



Staff celebrating Harmony Week in the NAATI National Office, 2021

Staff Committees and Working Groups

NAATI enables several staff-led initiatives that aim to encourage staff engagement and continue to improve and develop NAATI's services to the industry.

NAATI has committed to developing its first Reconciliation Action Plan (RAP) to support the national reconciliation movement. The RAP Working Group of staff from across the country was established in 2020 to support its development, with guidance from Reconciliation Australia and an external working group member Dr Curtis Roman, a Larrakia man and Director of the Aboriginal Interpreting Service in the Northern Territory. NAATI's first RAP is nearing completion and will be launched in the next financial year.

A Staff Consultative Committee was formed to facilitate consultation between employees and management on workplace issues. The committee meets at least quarterly and has supported initiatives such as the rollout of cultural awareness training and the Staff Engagement Survey.

Through the Work Health and Safety Committee, NAATI has also made a commitment to be a healthier workplace and has taken an additional pledge to be a Mentally Healthier Workplace via the ACT Government's Healthier Workplaces initiative. These initiatives are being developed and implemented nationally to ensure all NAATI staff have access. During the year, NAATI launched several key employment initiatives and frameworks to support and measure success.

Performance and Development Framework

A revised Performance and Development Framework was launched in 2020, focusing on measurables relating to business outcomes and NAATI's values. The framework also enables staff to participate in learning and development activities that align with NAATI's strategic objectives. These are aimed at increasing skill and capability of individual staff and NAATI overall.

Staff Engagement Survey

NAATI conducted a Staff Engagement Survey in partnership with an external management consultancy group, the Voice Project. All full-time and part-time staff were surveyed in February 2021 to measure engagement, wellbeing and progress as staff navigated the challenging external environment faced by the company during the COVID-19 pandemic.

It was encouraging to receive favourable scores across the following survey dimensions:



All results were between 15% and 20% above industry benchmarks, resulting in NAATI being awarded a Voice Project 2021 Best Workplace Award.



Learning and Development

NAATI focused on delivering a number of learning and development initiatives to support business success and staff professional development.

- Launch of the Team Management Systems (TMS) work style profiling tool for all full-time and part-time employees.
- Online customer service training for the frontline team to support a positive candidate experience.
- Mental Health First Aid Training delivered to 13 staff, including those working on the Indigenous Interpreting Project, to support project requirements and staff health and wellness.

Employee Wellbeing

The health and wellbeing of employees continues to be a priority and several wellbeing activities have been undertaken to support employees in the workplace and at home. With snap lockdowns throughout the year, remote working arrangements have remained available.

NAATI provides an Employee Assistance Program (EAP) to all staff and their families that offers counselling services, self-help tools, a mobile app, checklists and resources as well as regular webinars.

Examiners

Examiners are an intrinsic part of NAATI's work, enabling NAATI to set and maintain high professional standards for assessment of translators and interpreters. Examiners are selected following a two-step process before joining a panel of Examiners in their specific language to set and assess tests. Each Examiner participates in setting and marking training and ongoing quality assurance processes.

This year, NAATI continued to expand the number of languages available for certification testing in different test types. An additional 54 Examiners were engaged across 16 languages.



INTERPRETING IN THE AUSTRALIAN COURT SYSTEM

Silvia Martinez is a Certified Translator (Spanish into English, and English into Spanish) and Certified Interpreter (Spanish and English). Silvia holds a Bachelor of Business with a focus on industrial relations and a Graduate Diploma in Interpreting and Translation. She has extensive experience working as an interpreter in the Australian court system and has recently applied for a Certified Specialist Legal Interpreter credential.

I moved to Australia as a child from Uruguay with my family, so my first language was Spanish. My parents made sure that my brother and I maintained and developed our Spanish while becoming fluent in English, and I realised as an adult that I wanted to use both languages as a professional tool. This brought me to sit translating and interpreting tests with NAATI in the late 1990s, at a time when people didn't need training to become accredited. I was very conscious that speaking both languages well and holding the accreditations didn't give me the skills or knowledge needed to be a good practitioner, so I completed a Graduate Diploma in Interpreting and Translation at the University of Western Sydney. Sandra Hale was the head of the program then, so the legal interpreting content was really strong and I found it particularly interesting. I now focus my interpreting practice on conference and legal settings, and the latter tends to be in the NSW criminal system.

It is a common law right in Australia to be present at one's own trial or hearing for procedural fairness, and generally an interpreter will be provided by the court so the person can be "linguistically" present. Working as an interpreter in the courts means using a combination of different interpreting modes: simultaneous mode (particularly when working with defendants who are represented, and who need to hear everything that is said in court relating to their case), consecutive mode (whenever a witness or defendant addresses or is questioned by the court), and sight translation of documents, including of the police fact sheets which state the facts that led to the person being charged. I think it's so important for agencies to allocate interpreters who have experience working in the legal sector and to contribute to building

capacity within the sector. Multicultural NSW, for example, invests in the profession by offering mentoring programs for interpreters working in emerging languages to work alongside an experienced interpreter at their first hearings, which is fantastic.

In court we are always dealing with conflict of some kind, and these are always extremely personal and difficult situations that people are dealing with. It is never a pretty situation, but some cases really stand out and are more difficult to forget about. I've interpreted at cases about sexual assaults, domestic violence, cases dealing with children and young people, and suicide. As interpreting happens in first person, our brain needs to learn to process that what we are saying has not personally happened to us. Some language service providers have employee assistance programs with access to free counselling, but not all, so learning how to work and deal with those traumatic experiences and to minimise the risk of vicarious trauma is a significant professional and personal challenge.

The first step to taking all interpreting jobs is good preparation, which includes asking for preparation materials from the agency or client to understand the context I'll be working in. As an example of an interpreting job that I was unprepared for, I once interpreted at a counselling session for a woman whose son had gone fishing and had died after being swept away by waves. I had no preparation in advance that this was going to be discussed, and it was so difficult to hold myself together throughout that session. I wanted to cry with her, but that is not the role of the interpreter.

When we step forward to be in this profession, we are signing up to enable communication between other people. We have to do so knowing that it's not about our own experience. If I walk out of a session feeling that everybody has been able to understand the other party and has been able to fully express what they want to express and have their voice heard, then that is positive experience – even in the most traumatic of cases.

NAATI Committees

NAATI's contribution to the translating and interpreting industry is supported by advice and expertise from its committees, which have a broad membership and experience across the sector.

Technical Reference Advisory Committee

This committee has been operating since 2017 and is a key source of expert advice to the Board and NAATI's staff on technical translating and interpreting matters. The Technical Reference Advisory Committee continues to provide independent technical and strategic policy advice to ensure that NAATI remains fit-for-purpose.

The selection of members is based on their broad experience and expertise within the translating and interpreting profession. During the year, the following people served on the committee:

- Magdalena Rowan (Chair)
- Gulnara Abbasova
- Ismail Akinci
- Tea Dietterich
- Dr Miranda Lai
- Dr Marc Orlando
- Dr Teresa Lawrence
- Christine Le
- Professor Ludmila Stern (former Chair, term ended December 2020)
- Sandra Leane (term ended December 2020).



The TRAC were able to meet in person in March 2021. Back row, from left: Mark Painting (CEO), Christine Le, Tea Dietterich, Dr Marc Orlando, Gulnara Abbasova and Aurélie Sheehan (Manager, Certification Policy and Development). Front row, from left: Dr Miranda Lai, Magdalena Rowan (Chair) and Ismail Akinci. Absent: Dr Teresa Lawrence.

National Indigenous Languages Interpreting Advisory Committee

The National Indigenous Languages Interpreting Advisory Committee (NILIAC) fosters communication between NAATI and Aboriginal and Torres Strait Islander communities in support of NAATI's objective to improve the supply of, and demand for, qualified Aboriginal and Torres Strait Islander language interpreters.

The NILIAC is an advisory body comprised of members with expertise in Aboriginal and Torres Strait Islander language interpreting, training, education and/or service provision. Its role is to provide advice to the Board about issues relating to Indigenous language interpreting.

The following people served on the committee during this year:

- Leonora Adidi (Chair)
- Jody Barney
- Anita Bogdanovski
- Deanne Lightfoot
- Lance MacDonald
- Dr Douglas Marmion PSM
- Georgina Nou
- Nicholas Scrymgour.

Regional Advisory Committees

NAATI convenes Regional Advisory Committees quarterly to provide NAATI with advice on local matters relevant to industry needs and professional issues in their region.

Committee members are drawn from a cross-section of the profession, including representatives of professional associations, language service providers, government agencies, educational institutions, and individual practitioners.

There are active Regional Advisory Committees in Queensland, New South Wales, Victoria, Tasmania, South Australia and Western Australia.



Financial Summary

The following financial summary is based on audited financial statements for 2020-2021 and provides comparisons to the 2019-2020 financial year.

Operating Result

NAATI ended the year with a surplus of \$316K compared to a surplus of \$3.1M for 2019-2020. This has resulted in a profit margin of 2% in 2020-2021 (14% in 2019-2020).

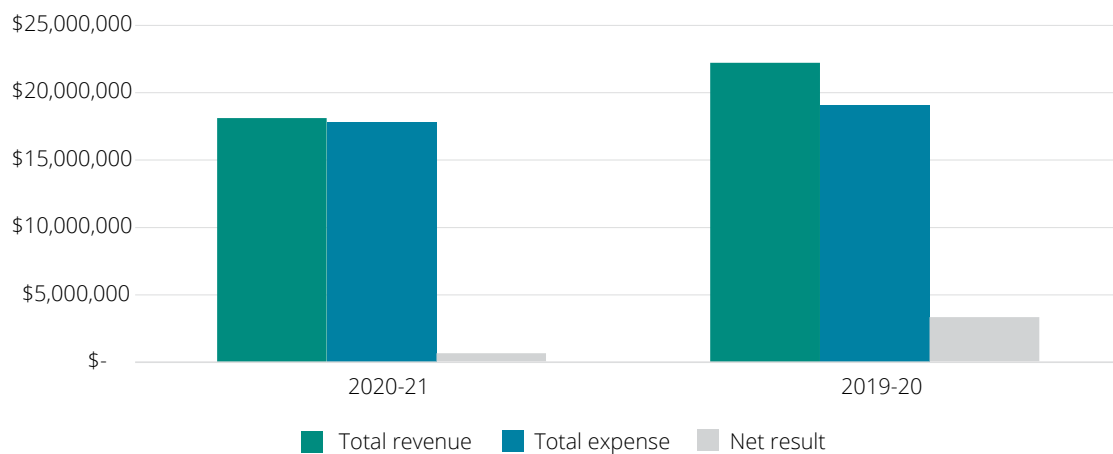


Figure 1: Comparison of 2020-2021 performance with the previous year

The lower operating result for 2020-2021 is mainly due to reduced testing revenue. This reduction in testing revenue is due to exceptional demand for tests in the previous year.

Revenue

NAATI ended the year with a revenue of \$18.1M, comprised of the following:

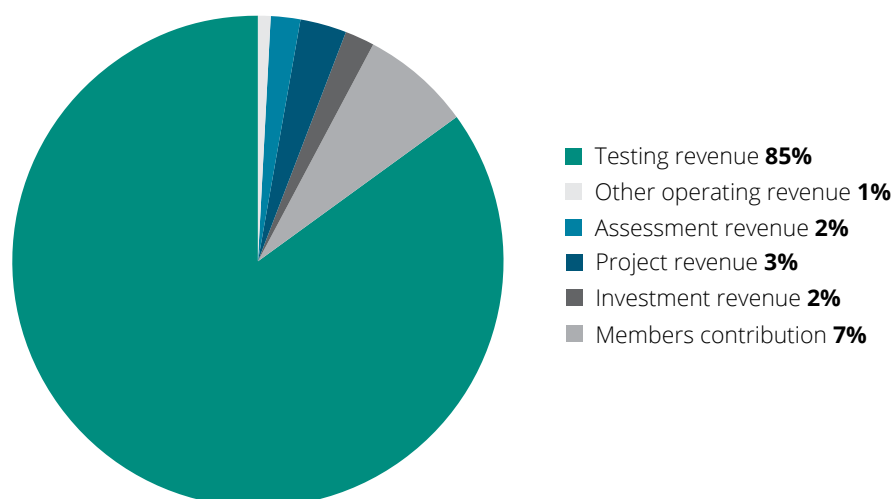


Figure 2: Composition of revenue for the year ended 30 June 2021

Comparison of 2020-2021 revenue with the previous year:

The revenue for 2020-2021 was \$18.1M compared to \$22M in 2019-2020. The main reasons for the decrease are as follows:

- **Reduced testing revenue due to fewer tests conducted during the year.**

The reduction in testing revenue is related to exceptional demand for tests in the previous year. The COVID-19 pandemic impacted the ability to deliver tests face-to-face; however, the ability to innovate and adopt online testing ensured the impact on revenue was minimised.

- **Reduced revenue from Accreditation By Approved Course and transition applications.**

The cut-off date for transitioning from the accreditation system to the current Certification System was in 2019-2020 which resulted in no corresponding transition revenue in the current year. The cut-off date for Accreditation By Approved Course was 30 June 2021. NAATI received 282 applications for Accreditation By Approved Course in 2020-2021 compared to 2,020 applications received in 2019-2020.

Expenditure

During the 2020-2021 year, NAATI incurred \$17.9M in expenditure. The composition of the expenditure was as follows:

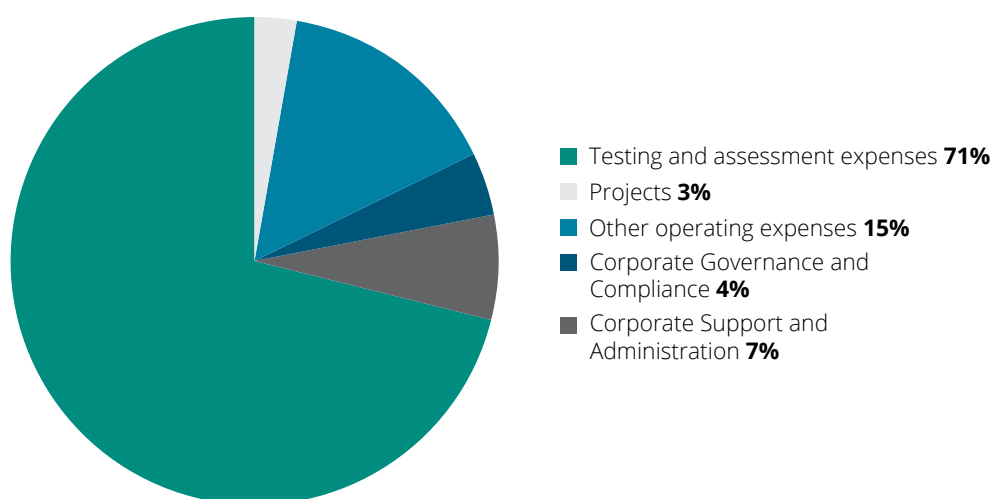


Figure 3: Composition of expenditure for the year ended 30 June 2021

Comparison of 2020-2021 expenditure with the previous year:

The expenditure for 2020-2021 was \$17.9M compared to \$19M in 2019-2020. The main reasons for the decrease are as follows:

- Decrease in testing expenses, Examiner payments and bank charges in line with the reduced number of tests conducted.
- Decrease in venue hire expenses due to tests being conducted online.
- Decrease in travel expenses due to travel restrictions related to COVID-19.
- Decrease in information technology (IT) expenses as major IT projects such as cloud migration and changes to the myNAATI customer portal were completed in 2019-2020.

Assets

NAATI had \$27M in assets as at 30 June 2021. The composition of assets is as follows:

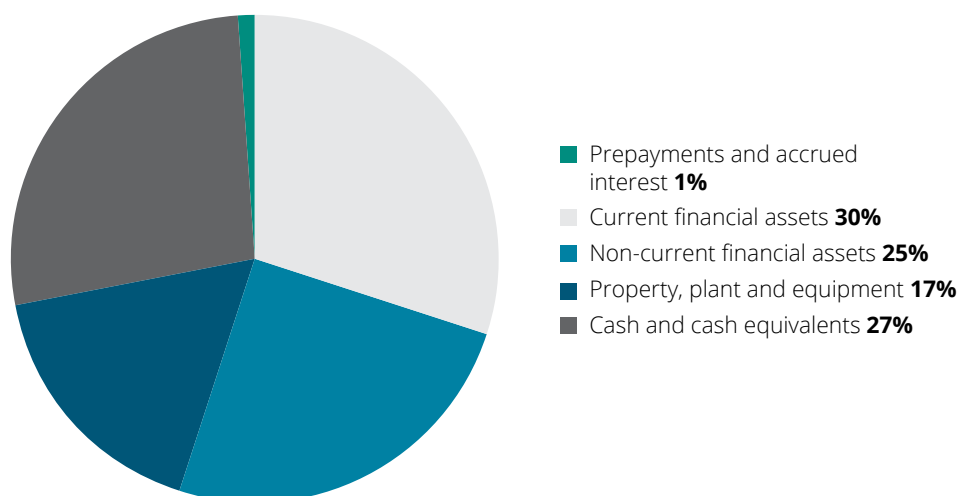


Figure 4: Composition of assets as at 30 June 2021

The major components of assets are as follows:

- NAATI implemented an investment strategy in March 2018 to ensure long-term sustainability and efficient utilisation of surplus funds. In accordance with the investment strategy, NAATI has invested in three portfolios: operational, medium and long-term. The funds invested in the operational portfolio along with investment in term deposits constitute current financial assets. Investment in medium and long-term portfolios make up the non-current financial assets.
- Cash and cash equivalents include cash held in bank accounts, funds held in the cash trust accounts of the investment portfolios and term deposits with a maturity date of less than three months.
- Property, plant and equipment consists of office premises leased and considered as assets as per AASB 16, software developed, fit-outs, furniture and fixtures and office equipment.

Liabilities

NAATI had \$10M in liabilities as at 30 June 2021. The composition of liabilities is as follows:

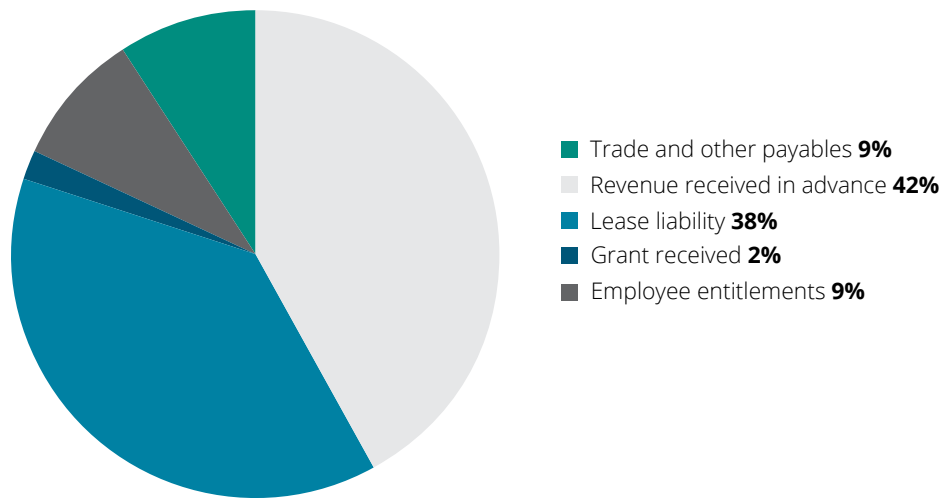


Figure 5: Composition of liabilities as at 30 June 2021

The major components of liabilities are as follows:

- Revenue received in advance relates to testing revenue received for tests which had not been sat by 30 June 2021.
- Lease liability relates to liability recognised on leased office premises in accordance with AASB 16.
- Trade payables was nil as at 30 June 2021. Other payables include accrued expenses and liabilities to be cleared on submission of Business Activity Statement for June 2021.
- Employee entitlements include annual and long service leave entitlements.



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National Accreditation Authority for Translators and Interpreters Ltd (NAATI)

ABN: 42 008 596 996

Financial Statements

For the Year Ended 30 June 2021

National Accreditation Authority for Translators and Interpreters Ltd (NAATI)

ABN: 42 008 596 996

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For the Year Ended 30 June 2021

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Directors' Report

For the Year Ended 30 June 2021

The directors present their report on National Accreditation Authority for Translators and Interpreters Ltd (NAATI) for the financial year ended 30 June 2021.

1. General Information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Voula Messimeri AM
Experience

Chair

Voula Messimeri AM was appointed to the NAATI Board on 1 November 2014, bringing to the Board significant experience and skills as an executive and non-executive director.

Ms Messimeri has had roles as a non-executive Board Director including as Chair of the peak multicultural national body, the Federation of Ethnic Communities' Councils of Australia (FECCA); Deputy Chair of the Ethnic Communities Council of Victoria; inaugural Chair of Women's Health in the North; and Chair of InTouch Multicultural Centre Against Family Violence.

Ms Messimeri was appointed to the RMIT University Council, serving two terms and representing the Council as a Board Director on the RMIT Training Board, a controlled entity of the RMIT University. With a strong interest in language services, she was appointed as a Director on the Victorian Interpreting & Translating Service (VITS) Board, a state-owned enterprise, where she served for 15 years and occupied the role of Deputy Chairperson twice in that time. Major contributions to policy combined with her advocacy roles led to appointments on a wide range of Ministerial State and Federal advisory structures across diverse areas, including health, ageing, income support, media and as a member on the Australian Multicultural Advisory Council.

She is a Fellow of the Williamson Community Leadership Program and has been awarded Honorary life membership for significant contributions and leadership by FECCA and PRONIA, where she was a long standing CEO. The Greek Government recognised her service to the Australian Greek diaspora in 2009.

Ms Messimeri was inducted into the Victorian Honour Roll of Women and recognised under the Order of Australia for her contribution to refugees, migrants and women. She is a Member of the Australian Institute of Company Directors and currently serving as a non-executive director on the boards of PRONIA and Settlement Services International (SSI).

Ms Messimeri's term expires on 30 October 2023.

Directors' Report

For the Year Ended 30 June 2021

1. General Information

Information on directors

Dr Adolfo Gentile
Experience

Dr Adolfo Gentile was appointed to the NAATI Board on 31 July 2020. He brings to the Board significant experience as a consultant, teacher and researcher in the translating and interpreting field.

Dr Gentile has a PhD in Translating and Interpreting, a Master of Educational Administration and is a NAATI Certified Advanced Translator in Italian (both directions).

He is an Affiliate of the Interpreting and Translation Studies program at Monash University and is widely known as an expert in his field, having researched and published extensively on translating and interpreting matters.

He is a former President of the International Federation of Translators (FIT). Dr Gentile has a long-standing relationship with NAATI, including being a former Board Chair.

Dr Gentile's term expires on 30 June 2023.

Nirmal Hansra
Experience

Nirmal Hansra was appointed to the NAATI Board on 1 November 2020 and as Chair of the Board's Audit and Risk Management Committee on 19 February 2021.

Mr Hansra has over 30 years' senior executive management experience and over 13 years' board and corporate advisory experience.

He is the Chair of Campbell Page Ltd and a Non-Executive Director of Link Wentworth Housing Ltd, Have a Voice Pty Ltd and Children's Tumour Foundation of Australia Ltd. He is also an independent Member of the Audit and Risk Management Committee for the Housing and Property Group of the NSW Department of Planning, Industry & Environment and Chair of the Compliance & Risk Management Committee of Gleneagles Asset Management Limited. Mr Hansra has a Master of Commerce Degree (Business Management major) and is a Fellow of the Australian Institute of Company Directors, the Governance Institute of Australia, Chartered Accountants ANZ and CPA Australia.

As a qualified chartered accountant, Mr Hansra held Chief Financial Officer/Finance Director roles in leading Australian and international companies including Ruralco Holdings Ltd, Industree Ltd, Australian Pharmaceutical Industries Ltd, Fujitsu Australia Ltd and Texas Instruments Australia Ltd.

Mr Hansra's term expires on 30 October 2023.

Directors' Report

For the Year Ended 30 June 2021

1. General Information

Information on directors

Jovanka Naumoska

Experience

Jovanka Naumoska was appointed to the NAATI Board on 1 August 2020 and as a Member of the Board's Audit and Risk Management Committee on 19 February 2021.

Ms Naumoska is a legal practitioner with expertise in intellectual property law, corporate law and corporate governance. She holds a Bachelor of Laws (Honours) and Bachelor of Science (Honours) and has a Graduate Diploma in Applied Corporate Governance (Governance Institute of Australia).

She is a Non-Executive Director for Imagination Biosystems Ltd and a Non-Executive Director for Security Matters Ltd. She is also a Member of the Australian Dispute Resolution Advisory Council and is employed as a legal practitioner for a federal government research agency.

Ms Naumoska's term expires on 31 July 2023.

Mark Avery

Experience

Mark Avery was appointed to the NAATI Board on 1 September 2020.

Mr Avery is currently working as a university academic teaching, researching and consulting in health services management and he has over 30 years' experience in leadership, management and corporate roles in both the public and private health care sectors in Australia and the United Kingdom.

His career and experience has been at the senior executive, chief executive, consultant, academic, company director and board member levels spanning acute care hospital settings, teaching and research centres, community health services, metropolitan and rural service delivery, aged care sector, regional and district health services, educational environments and internal and external/competitive commercial services.

He holds a Bachelor of Health Administration, Master of Business, PhD and is a Graduate of the Australian Institute of Company Directors.

Mr Avery's term expires on 30 August 2023.

Directors' Report

For the Year Ended 30 June 2021

1. General Information

Information on directors

Josephine Buontempo
Experience

Josephine Buontempo was appointed to the NAATI Board on 1 December 2020.

Ms Buontempo has, for over 25 years, been in executive and senior management roles across the corporate, legal, government and social sectors. Her experience in executive leadership and management is coupled with roles as an experienced Non-Executive and Independent Director and in an advisory capacity for community corporations, government agencies and ministerial councils.

Since 2008, Ms Buontempo has been the Managing Director of Kasali Migration Australia, a global migration practice. She also provides training and consulting services in corporate governance, organisational and board development and strategy, predominantly for the for purpose sector including Aboriginal corporations in regional and remote locations.

Ms Buontempo has extensive experience in social, cultural and economic development and has managed organisations and services in the areas of social housing, law, education and training, disability, family, youth and children's services, culture and the arts and humanitarian and refugee resettlement programs.

Her current governance and advisory roles include Foundation Housing Ltd, Western Australia's key affordable housing property developer and manager and she chairs the FHL Tenant Services and Engagement Committee, the Australian Broadcasting Corporation Advisory Council and Australian Scholarships Foundation Assessor Panel.

Ms Buontempo has postgraduate qualifications in migration law and is an alumna of the International Fellows Program of the City University of New York Centre for Philanthropy and Civil Society, a Member of the Australian Institute of Company Directors and an Associate Fellow of the Australian Institute of Management.

Ms Buontempo's term expires on 30 November 2023.

Directors' Report

For the Year Ended 30 June 2021

1. General Information

Information on directors

Outgoing Directors

Mr John Williams PSM
Experience

Mr Williams was appointed to the NAATI Board on 1 September 2014.

He joined the Department of Immigration in Melbourne in 1964, gaining extensive senior management experience before retiring in December 2008.

His overseas appointments include serving in the Australian High Commission London from 1973 to 1975, the Australian Embassy (Belgrade) from 1975 to 1977 and 1983 to 1985, the Australian Embassy (Cairo) from 1978 to 1979, and the Australian Consulate Cape Town from 1979 to 1982.

Mr Williams was notably involved with multicultural and consular communities in his assignments both overseas and in Australia.

He was awarded a Public Service Medal in the Queen's Birthday Honour list in 2008 in recognition of his work with Australia's multicultural communities. Since retiring from the public service, he established a consultancy to assist multicultural communities to better connect with and access services within society.

Mr Williams' term expired on 31 August 2020.

Mary Gurgone
Experience

Mary Gurgone was appointed to the NAATI Board on 1 November 2014. She is the Director of the Centre for Capability and Culture with extensive executive experience in Government, private and community organisations.

She is a founding member, Fellow and former National President of the Australian Institute of Interpreters and Translators (AUSIT). Ms Gurgone has a Master of Business, Bachelor of Arts and qualifications in governance, teaching, training, interpreting and translating.

She has introduced several interpreting and translating, vocational education and training programs and presented at International, National and State conferences on policy, evaluation, diversity and inclusion.

She has leadership roles in international and national organisations such as Zonta International and the Mental Health Foundation of Australia focusing on culturally and linguistically diverse services, governance, language, culture, aged care and domestic violence.

She has significant experience in working with Aboriginal communities in Western Australia.

Ms Gurgone's term expired on 31 October 2020.

Directors' Report

For the Year Ended 30 June 2021

1. General Information

Information on directors

Dr Michael Cooke
Experience

Dr Michael Cooke was appointed to the NAATI Board on 1 December 2017.

He is a NAATI Recognised Practising Interpreter and Translator in Djambarrpuyngu, one of the languages spoken by the Yolngu people of North East Arnhem Land. He completed his PhD in linguistics in 1997, becoming a specialist in legal interpreting and forensic linguistics.

He is widely known as an expert in his field, researching, presenting, providing expert evidence as a forensic linguist and publishing extensively in language and the law.

As Principal of Intercultural Communications he has provided training for Indigenous language interpreters and consultancy services for agencies that use them, particularly in the health, legal and judicial domains.

His long-standing relationship with NAATI began with chairing the Northern Territory Regional Advisory Committee in 1995 and includes previously providing professional assistance to NAATI as a trainer, examiner and consultant.

Dr Cooke's term expired on 30 November 2020.

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The core mission of the company is to set and maintain high national standards for the translating and interpreting sector to enable the existence of a supply of appropriately certified translating and interpreting professionals, responsive to the changing needs and demography of Australia's culturally and linguistically diverse society.

NAATI introduced the new National Certification System in January 2018. NAATI is the only organisation to issue certifications to practitioners who wish to work in the translating and interpreting profession in Australia. In November 2018, the NAATI Board approved a three-year Strategic Plan (2019-2021) that will deliver the objectives of the company.

Objectives

The broad long-term objectives of the company are to:

- ensure high national standards for the translating and interpreting profession in Australia and promote the profession's reputation; and
- strengthen access and equity for individuals from culturally and linguistically diverse communities, the Deaf Community and Aboriginal and Torres Strait Islander peoples.

Directors' Report

For the Year Ended 30 June 2021

1. General Information

Strategy for achieving the objectives

- Maintaining and enhancing a nationally recognised Certification System that has integrity and is responsive to the changing needs of the Australian community;
- Establishing certification processes, including recertification that are accountable and subject to continuous improvement;
- Conferring credentials on translating and interpreting professionals in accordance with the nationally recognised Certification System;
- Developing and maintaining a capability to undertake a range of reliable language testing services;
- Engaging with relevant international organisations in the translating and interpreting industry to ensure the Certification System maintains currency and recognition in line with international best practice;
- Providing advisory and consultancy services in relation to the translating and interpreting sector;
- Recognising Endorsed Qualifications in translating and interpreting offered by education institutions;
- Providing certified translators and interpreters to support people with limited English proficiency access services and engage with broader community including in government, medical, legal, welfare and private sector settings;
- Working with Member Governments and other stakeholders to identify and address areas of unmet demand for community interpreting services;
- Raising community awareness of the value and effective methods of engaging and working with appropriately credentialed practitioners; and
- Advocating for and supporting multiculturalism and multilingualism in Australia.

Performance measures

The company measures performance through monitoring benchmarks in respect of:

- numbers of credentials awarded according to type;
- trends in numbers of tests administered;
- time taken to process applications and results;
- variations of expenditures against approved budgets;
- maintaining adequate financial resources to meet liabilities; and
- recording, managing and reporting on complaints received.

Directors' Report

For the Year Ended 30 June 2021

1. General Information

Operating results and review of operations for the year

The company achieved revenue of \$18.1M (2020: \$22.2M) and a surplus of \$316K (2020: \$3.1M). The reduction in revenue was due mainly to lower test related revenue arising from exceptional demand for tests in the previous year. Whilst COVID-19 impacted the delivery of face-to-face testing in locations affected by lockdowns, the company was able to deliver online services without affecting materially its services. Operating expenses declined by \$1.3M reflecting reduced testing expenses associated with lower revenue. Net assets increased by \$1.4M to \$17.2M.

Key highlights for the year include:

- the milestone of 50 languages for Certified Provisional Interpreter tests, including 13 Aboriginal and Torres Strait Islander languages, Deaf interpreting and Auslan;
- since September 2020, all Certified Translator tests have been conducted online;
- assistance was provided to 3,500 practitioners to recertify by providing a 50% reduction in recertification fees;
- funding of over \$125,000 was provided under NAATI's Research and Industry Development Funds for projects in the health and legal fields and for scholarships and training to address shortages of interpreters in areas of critical need; and
- over 980 credentials were issued.

As at 30 June 2021, there were 13,178 certified practitioners holding 17,950 credentials across 185 languages.

Members' guarantee

NAATI is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$10 for members, subject to the provisions of the company's constitution.

At 30 June 2021 the collective liability of members was \$90 (2020: \$90).

Directors' Report

For the Year Ended 30 June 2021

Meetings of directors

During the financial year, nine meetings of directors (including Audit and Risk Management committee meetings) were held. Attendances by each director during the year were as follows:


	Directors' Meetings		Audit and Risk Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Voula Messimeri AM	6	6	-	-
Dr Adolfo Gentile	5	5	-	-
Ms Jovanka Naumoska	5	5	2	2
Dr Mark Avery	5	5	-	-
Mr Nirmal Hansra	4	4	2	2
Ms Josephine Buontempo	4	4	-	-
Mr John Williams PSM*	1	1	1	1
Ms Mary Gurgone*	2	2	1	1
Dr Michael Cooke*	2	2	-	-

*Directors' terms expired during the financial year.

Auditor's Independence Declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2021 has been received and can be found on page 10 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: 
.....
Voula Messimeri AM

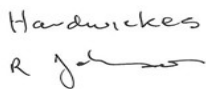
Dated 27 August 2021

Auditors Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of National Accreditation Authority for Translators and Interpreters Ltd (NAATI)

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Hardwickes
Chartered Accountants



Robert Johnson FCA
Partner

Canberra

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2021

		2021	2020
	Note	\$	\$
Sales revenue	4	18,120,354	22,212,979
Administrative expenses		(8,893,537)	(7,888,670)
Depreciation and amortisation	8(a)	(1,063,252)	(830,871)
Finance costs		(196,614)	(136,317)
Other expenses		(7,650,529)	(10,233,496)
Profit before income tax		316,422	3,123,625
Income tax expense	2(b)	-	-
Profit for the year		316,422	3,123,625
Other comprehensive income			
Items that will be reclassified to profit or loss when specific conditions are met			
Fair value movements on investments held at fair value through other comprehensive income (FVOCI)	2(e)	1,096,014	(345,961)
Other comprehensive income for the year, net of tax		1,096,014	(345,961)
Total comprehensive income for the year		1,412,436	2,777,664

National Accreditation Authority for Translators and Interpreters Ltd (NAATI)

ABN: 42 008 596 996

Statement of Financial Position

As at 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	7,234,247	7,764,286
Trade and other receivables	6	-	119,578
Other financial assets	7	8,218,907	9,713,951
Other assets	9	178,366	108,010
TOTAL CURRENT ASSETS		15,631,520	17,705,825
NON-CURRENT ASSETS			
Other financial assets	7	6,726,083	5,692,785
Property, plant and equipment	8	4,519,757	4,646,888
TOTAL NON-CURRENT ASSETS		11,245,840	10,339,673
TOTAL ASSETS		26,877,360	28,045,498
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	895,008	1,020,687
Lease liabilities	11	636,483	515,889
Employee benefits	12	706,948	579,029
Contract liabilities	13	4,190,321	7,062,315
TOTAL CURRENT LIABILITIES		6,428,760	9,177,920
NON-CURRENT LIABILITIES			
Lease liabilities	11	3,094,697	2,960,514
Employee benefits	12	166,907	132,504
TOTAL NON-CURRENT LIABILITIES		3,261,604	3,093,018
TOTAL LIABILITIES		9,690,364	12,270,938
NET ASSETS		17,186,996	15,774,560
EQUITY			
Reserves		6,102,695	5,040,033
Retained earnings		11,084,301	10,734,527
TOTAL EQUITY		17,186,996	15,774,560

The accompanying notes form part of these financial statements.

National Accreditation Authority for Translators and Interpreters Ltd (NAATI)

ABN: 42 008 596 996

Statement of Changes in Equity

For the Year Ended 30 June 2021

2021

Balance at 1 July 2020

Profit for the year

Transfer from FVOCI to retained earnings

Total other comprehensive income for the period

Balance at 30 June 2021

Retained Earnings	General Reserve	FVOCI reserve	Total
\$	\$	\$	\$
10,734,527	5,000,000	40,033	15,774,560
316,422	-	-	316,422
33,352	-	(33,352)	-
-	-	1,096,014	1,096,014
11,084,301	5,000,000	1,102,695	17,186,996

2020

Balance at 1 July 2019

Change in accounting policy to reflect the retrospective adjustments - adoption of AASB 16

Balance at 1 July 2019 restated

Profit for the year

Transfers from retained earnings to general reserve

Total other comprehensive income for the period

Balance at 30 June 2020

Retained Earnings	General Reserve	FVOCI reserve	Total
\$	\$	\$	\$
9,313,389	3,400,000	385,994	13,099,383
(102,487)	-	-	(102,487)
9,210,902	3,400,000	385,994	12,996,896
3,123,625	-	-	3,123,625
(1,600,000)	1,600,000	-	-
-	-	(345,961)	(345,961)
10,734,527	5,000,000	40,033	15,774,560

The accompanying notes form part of these financial statements.

National Accreditation Authority for Translators and Interpreters Ltd (NAATI)

ABN: 42 008 596 996

Statement of Cash Flows For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		16,225,176	24,345,897
Payments to suppliers and employees		(17,709,324)	(20,047,152)
Interest received		58,414	210,683
Net cash provided by/(used in) operating activities	22	<u>(1,425,734)</u>	<u>4,509,428</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of plant and equipment		2,955	-
Dividends received		219,709	237,182
Purchase of property, plant and equipment		(31,351)	(881,587)
Purchase of financial assets		682,775	(1,554,032)
Proceeds from maturity of investments in term deposits		874,985	(914,889)
Net cash provided by/(used in) investing activities		<u>1,749,073</u>	<u>(3,113,326)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payment of finance lease liabilities		(853,378)	(468,210)
Net cash (used in) financing activities		<u>(853,378)</u>	<u>(468,210)</u>
Net (decrease)/increase in cash and cash equivalents held		(530,039)	927,892
Cash and cash equivalents at beginning of year		7,764,286	6,836,794
Cash and cash equivalents at end of financial year	5	<u>7,234,247</u>	<u>7,764,686</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2021

The financial report covers National Accreditation Authority for Translators and Interpreters Ltd (NAATI) as an individual entity. NAATI is a not-for-profit company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of NAATI is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001*.

The financial statements 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer.
2. Identify the performance obligations.
3. Determine the transaction price.
4. Allocate the transaction price to the performance obligations.
5. Recognise revenue as and when control of the performance obligations is transferred.

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations; however, where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the company are:

Operating grants

When the entity receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the entity:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the entity:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the entity recognises income in profit or loss when or as it satisfies its obligations under the contract.

Interest income

Interest income is recognised using the effective interest method.

Dividend income

The entity recognises dividends in profit or loss only when the entity's right to receive payment of the dividend is established.

(b) Income Tax

The company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(c) Goods and services tax

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

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Plant and equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Leasehold improvements

Leasehold improvements are measured using the cost model.

Plant and equipment

Plant and equipment is measured using the cost model.

Depreciation

Plant and equipment is depreciated on a reducing balance basis over the asset's useful life to the company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Office equipment	10% - 33.33%
Right to use asset	27%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the company classifies its financial assets into the following categories, those measured at:

- amortised cost;
- fair value through profit or loss (FVTPL); or
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Financial assets are not reclassified subsequent to their initial recognition unless the company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Fair value through other comprehensive income

Equity instruments

The company has a number of strategic investments in listed and unlisted entities over which they do not have significant influence nor control. The company has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (FVOCI reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in Other Comprehensive Income (OCI).

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at Fair Value through Profit or Loss (FVTPL).

The company does not hold any assets that fall into this category.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost.

When determining whether the credit risk of financial assets has increased significantly since initial recognition and when estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the company's historical experience and informed credit assessment and includes forward looking information.

The company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the company in full, without recourse to the company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Credit losses are measured as the present value of the difference between the cash flows due to the company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables has been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable, then the gross carrying amount is written off against the associated allowance.

Where the company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk, then the lifetime losses are estimated and recognised.

Financial liabilities

The company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the company comprise trade payables and finance lease liabilities.

(f) Impairment of non-financial assets

At the end of each reporting period the company determines whether there is any evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(f) Impairment of non-financial assets

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(g) Leases

At inception of a contract, the company assesses whether a lease exists - i.e., does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right, then there is no identified asset.
- The company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The company has the right to direct the use of the asset i.e., decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

Right-of-use asset

At the lease commencement, the company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

Lease liability

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the company's incremental borrowing rate is used.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(g) Leases

Lease liability

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured where there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g., Consumer Price Index (CPI)) or a change in the company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The company has elected to apply the exceptions to lease accounting for both short-term leases (i.e., leases with a term of less than or equal to 12 months) and leases of low-value assets. The company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, on call deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(i) Employee benefits

Provision is made for the company'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 wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the 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 satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

(j) Adoption of new and revised accounting standards

The company has adopted all standards which became effective for the first time at 30 June 2021, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the company.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(k) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The company has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the company where the standard is relevant:

Standard Name	Effective date for entity	Requirements	Impact
AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material	1 July 2021	The amendments refine the definition of material in AASB 101 to clarify the definition of material and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendment also includes some supporting requirements in AASB 101 in the definition to give it more prominence and clarifies the explanation accompanying the definition of material.	Unlikely to be any impact on the reported financial position, performance or cash flows in the financial statements.
AASB 2020-1 Amendments to Australian Accounting Standards – Classifications of Liabilities as Current or Non-Current	1 July 2022	This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.	Minor impact expected.

Notes to the Financial Statements

For the Year Ended 30 June 2021

3 Critical Accounting Estimates and Judgments

The company make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements; however, as additional information is known the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The company assesses impairment at the end of each reporting period by evaluating conditions specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key judgements - COVID-19

Judgement has been exercised in considering the impacts that the COVID-19 pandemic has had, or may have, on the company based on known information. The consideration extends to the nature of the products and services offered, customers, supply chain and staffing. There does not currently appear to be either significant impact on the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the COVID-19 pandemic.

Key judgements - incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

4 Revenue and Other Income

	2021 \$	2020 \$
Revenue and other income		
- Test related revenue	15,441,419	19,756,123
- Government grants	1,292,582	1,272,229
- Other services revenue	980,358	776,668
- Dividends received	219,709	237,182
- Interest received	86,286	170,777
- Cashflow boost income	100,000	-
Total Revenue and Other Income	18,120,354	22,212,979

Notes to the Financial Statements

For the Year Ended 30 June 2021

5 Cash and Cash Equivalents

		2021	2020
	Note	\$	\$
Cash at bank and in hand		4,234,247	7,764,286
Short-term deposits	16	3,000,000	-
	14	<u>7,234,247</u>	<u>7,764,286</u>

6 Trade and other receivables

		2021	2020
	Note	\$	\$
CURRENT			
Trade receivables		-	20,006
Other receivables		-	99,572
Total current trade and other receivables	14	<u>-</u>	<u>119,578</u>

7 Other Financial Assets

		2021	2020
	Note	\$	\$
CURRENT			
Term deposits	14	7,125,015	8,000,000
Operational capital pool ^(a)	14	1,093,892	1,713,951
		<u>8,218,907</u>	<u>9,713,951</u>
NON-CURRENT			
Medium & long-term capital pool ^(b)	14	6,726,083	5,692,785
Total		<u>14,944,990</u>	<u>15,406,736</u>

(a) The Board, in assessing NAATI's risk and investment return objectives (documented in NAATI's Investment Policy Statement paragraph 3), have determined that NAATI needs to maintain an operational capital pool of approximately \$2M to ensure it has sufficient cash on demand to meet expected operational expenses for a period of 90 days. In assessing the adequacy of this balance, the cash accounts listed in Note 5 also need to be considered. In accordance with the Financial Instruments Note 2(e) in the financial statements, funds invested with this short-term time frame are included in financial assets under the current assets heading. These assets are measured at fair value in the balance sheet with changes in this fair value recognised in other comprehensive income (Refer Note 2(e)).

(b) The non-current balance of NAATI's capital pool is disclosed as financial assets under the non-current assets heading. These investments are made in accordance with NAATI's Investment Policy Statement over the medium to long term. The classification is in accordance with note 2(e) of the financial statements as "Equity instruments" measured at fair value through other comprehensive income (Refer Note 2(e)). The medium to long term pool of funds is invested with a return objective of CPI plus 2% - 2.5% over a rolling five-year period. The purpose of the non-current capital pools are to ensure NAATI has available funds to meet specific strategic initiatives in the medium term and long-term commitments in the event of the company being wound up.

Notes to the Financial Statements

For the Year Ended 30 June 2021

8 Plant and equipment

	2021 \$	2020 \$
PLANT AND EQUIPMENT		
Furniture, fixtures and fittings		
At cost	272,395	265,037
Accumulated depreciation	(253,219)	(247,892)
Total furniture, fixtures and fittings	19,176	17,145
Office equipment		
At cost	36,223	44,022
Accumulated depreciation	(18,845)	(17,282)
Total office equipment	17,378	26,740
Computer equipment		
At cost	40,124	40,124
Accumulated depreciation	(7,633)	(4,023)
Total computer equipment	32,491	36,101
Leasehold Improvements		
At cost	1,632,710	1,585,925
Accumulated depreciation	(752,416)	(506,435)
Total leasehold improvements	880,294	1,079,490
Technology upgrade		
At cost	1,886,503	1,728,130
Accumulated depreciation	(1,253,661)	(1,078,173)
Total technology upgrade	632,842	649,957
Capital Work in Progress		
At cost	-	181,166
Total capital work in progress	-	181,166
Total plant and equipment	1,582,181	1,990,599
RIGHT-OF-USE		
Right to use asset - Office Premises		
At fair value	3,915,971	3,004,431
Accumulated depreciation	(978,395)	(348,142)
Total Right to use asset - Office Premises	2,937,576	2,656,289
Total right-of-use	2,937,576	2,656,289
Total property, plant and equipment	4,519,757	4,646,888

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ABN: 42 008 596 996

Notes to the Financial Statements

For the Year Ended 30 June 2021

8 Plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

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

	Furniture, Fixtures and Fittings \$	Office Equipment \$	Computer Equipment \$	Improvement s \$	Technology upgrade \$	Right to use asset \$	Capital work in progress \$	Total \$
Year ended 30 June 2021								
Balance at the beginning of year	17,145	26,740	36,101	1,079,490	649,957	2,656,289	181,166	4,646,888
Additions	7,358	-	-	23,812	-	911,540	-	942,710
Transfers	-	-	-	22,793	158,373	-	(181,166)	-
Disposals	-	(6,769)	-	-	-	-	-	(6,769)
Depreciation expense	(5,327)	(2,593)	(3,610)	(245,981)	(175,488)	(630,253)	-	(1,063,252)
Balance at the end of the year	19,176	17,378	32,491	880,114	632,842	2,937,576	-	4,519,577

	Furniture, Fixtures and Fittings \$	Office Equipment \$	Computer Equipment \$	Improvement s \$	Technology upgrade \$	Right to use asset \$	Capital work in progress \$	Total \$
Year ended 30 June 2020								
Balance at the beginning of year	43,969	16,741	40,113	26,687	762,853	-	-	890,363
Additions	-	12,700	-	1,189,099	200,000	3,004,431	181,166	4,587,396
Depreciation expense	(26,824)	(2,701)	(4,012)	(136,296)	(312,896)	(348,142)	-	(830,871)
Balance at the end of the year	17,145	26,740	36,101	1,079,490	649,957	2,656,289	181,166	4,646,888

Notes to the Financial Statements

For the Year Ended 30 June 2021

9 Other Assets

	2021	2020
	\$	\$
CURRENT		
Prepayments	121,514	79,030
Accrued income	56,852	28,980
	<u>178,366</u>	<u>108,010</u>

10 Trade and Other Payables

	2021	2020
	\$	\$
CURRENT		
Trade payables	-	162,238
Sundry payables and accrued expenses	633,201	486,662
GST payable	14,013	243,655
Other payables	247,794	128,132
	<u>895,008</u>	<u>1,020,687</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

(a) Financial liabilities at amortised cost classified as trade and other payables

	Note	2021	2020
		\$	\$
Trade and other payables:			
- Total current	10	<u>895,008</u>	<u>1,020,687</u>
		<u>895,008</u>	<u>1,020,687</u>
Less:			
GST payable	10	(14,013)	(243,655)
Other payables	10	(247,794)	(128,132)
Financial liabilities as trade and other payables	14	<u>633,201</u>	<u>648,900</u>

Notes to the Financial Statements

For the Year Ended 30 June 2021

11 Lease Liabilities

	2021	2020
Note	\$	\$
Lease liability	636,483	515,889
Total current lease liabilities	636,483	515,889

	2021	2020
Note	\$	\$
NON-CURRENT Lease liability	3,094,697	2,960,514
Total non-current lease liabilities	3,094,697	2,960,514

Total lease liabilities	3,731,180	3,476,403
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12 Employee Benefits

	2021	2020
	\$	\$
CURRENT LIABILITIES		
Long service leave	285,309	216,587
Annual leave provision	421,639	362,442
	706,948	579,029

NON-CURRENT LIABILITIES		
Long service leave	166,907	132,504
	166,907	132,504

13 Contract Liabilities

	2021	2020
	\$	\$
CURRENT		
Test fees in advance	4,040,871	6,854,742
Grant funding in advance	149,450	207,573
Total	4,190,321	7,062,315

14 Financial Risk Management

The company is exposed to a variety of financial risks through its use of financial instruments.

The company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

Notes to the Financial Statements

For the Year Ended 30 June 2021

14 Financial Risk Management

Objectives, policies and processes

The most significant financial risks to which the company is exposed to are described below:

Specific risks

Liquidity risk

Credit risk

Market risk - interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the company are:

Trade receivables

Cash at bank

Investments in listed shares

Trade and other payables

Lease liabilities

	Note	2021 \$	2020 \$
Financial assets			
<i>Held at amortised cost</i>			
Cash and cash equivalents	5	7,234,247	7,764,286
Trade and other receivables	6	-	119,578
Term deposits	7	7,125,015	8,000,000
<i>Fair value through Other Comprehensive Income (OCI)</i>			
Operational capital pool	7	1,093,892	1,713,951
Medium & long-term capital pool	7	6,726,083	5,692,785
Total financial assets		22,179,237	23,290,600
Financial liabilities			
<i>Financial liabilities at fair value</i>			
Trade and other payables	10(a)	633,201	648,900
Total financial liabilities		633,201	648,900

Objectives, policies and processes

The Board of Directors have overall responsibility for the establishment of NAATI's financial risk management framework. This includes the development of policies covering specific areas such as interest rate risk, liquidity risk and credit risks.

Notes to the Financial Statements

For the Year Ended 30 June 2021

14 Financial Risk Management

Objectives, policies and processes

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and NAATI's activities.

The day-to-day risk management is carried out by NAATI's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Executive Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and foreign exchange rate risk and assessment of market forecasts for interest rate and foreign exchange movements.

The Board of Directors receives regular reports which provide details of the effectiveness of the processes and policies in place.

Mitigation strategies for specific risks faced are described below:

Liquidity risk

Liquidity risk arises from the company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the company will encounter difficulty in meeting its financial obligations as they fall due.

The company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The company maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 90-day projection. Long-term liquidity needs for a 180-day and a 360-day period is identified monthly.

At the reporting date, these reports indicate that the company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

Financial guarantee liabilities are treated as payable on demand since NAATI has no control over the timing of any potential settlement of the liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

Notes to the Financial Statements

For the Year Ended 30 June 2021

14 Financial Risk Management

The table below reflects the undiscounted contractual maturity analysis for financial liabilities

	Within 1 Year		1 to 5 Years		Total	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment						
Trade and other payables (excluding estimated annual leave)	633,201	648,900	-	-	633,201	648,900
Total contractual outflows	633,201	648,900	-	-	633,201	648,900

The timing of expected outflows is not expected to be materially different from contracted cashflows.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the company.

Credit risk arises from cash and cash equivalents, financial instruments and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Trade receivables

Trade receivables consist of a large number of customers, spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which the customers operate.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Notes to the Financial Statements

For the Year Ended 30 June 2021

14 Financial Risk Management

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Entity is also exposed to earnings volatility on floating rate instruments.

The financial instruments that expose the entity to interest rate risk are limited to lease liabilities, listed shares and fixed interest securities, and cash on hand.

The entity also manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms

Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held.

Such risk is managed through diversification of investments.

15 Reserves

(a) General reserve

The general reserve records funds set aside for the future expansion of NAATI.

(b) FVOCI reserve

Change in the fair value of available for sale investments are recognised in other comprehensive income - financial asset reserve. Amounts are reclassified to profit or loss on disposal of the investment or when an impairment arises.

16 Fair Value Measurement

The company measures the following assets and liabilities at fair value on a recurring basis:

Financial assets

- Listed Shares
- Fixed Interest Securities
- Other Financial Assets
- Equity Securities at FVOCI

Notes to the Financial Statements

For the Year Ended 30 June 2021

16 Fair Value Measurement

Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the company:

30 June 2021	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements					
Financial assets					
Fixed Interest Securities	7	7,125,015	-	-	7,125,015
Short term deposits	5	3,000,000	-	-	3,000,000
Equity Securities at FVOCI	7	7,819,975	-	-	7,819,975

30 June 2020	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements					
Financial assets					
Fixed Interest Securities	7	8,000,000	-	-	8,000,000
Equity Securities at FVOCI	7	7,406,736	-	-	7,406,736

17 Members' Guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company.

Notes to the Financial Statements

For the Year Ended 30 June 2021

18 Key Management Personnel Disclosures

The totals of remuneration paid to the key management personnel of NAATI during the year are as follows:

	2021	2020
	\$	\$
Short-term employee benefits	836,393	796,089
Long-term benefits	73,895	69,926
Directors' remuneration	71,784	69,344
	982,072	935,359

19 Auditors' Remuneration

	2021	2020
	\$	\$
Remuneration of the auditor of the company, Hardwickes Chartered Accountants, for:		
- auditing or reviewing the financial statements	21,000	20,000
Total	21,000	20,000

20 Contingencies

In the opinion of the Directors, the company did not have any contingent assets or contingent liabilities at 30 June 2021 (30 June 2020: Nil).

21 Related Parties

(a) Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

Key management personnel (KMP) - refer to Note 18.

There were no other transactions with KMP and their related entities.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

There were no transactions with related parties.

Notes to the Financial Statements

For the Year Ended 30 June 2021

22 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2021	2020
	\$	\$
Profit for the year	316,422	3,123,625
Cash flows excluded from profit attributable to operating activities		
Dividend income treated separately	(219,709)	(237,182)
Non-cash flows in profit:		
- depreciation and amortisation	1,063,252	830,871
- loss on disposal of plant and equipment	3,816	-
- finance cost on lease liability	196,614	136,317
Changes in assets and liabilities:		
- decrease in trade and other receivables	91,706	681,389
- increase in prepayments	(42,484)	(13,273)
- decrease in income in advance	(2,871,994)	(187,334)
- increase/decrease in trade and other payables	(245,341)	95,517
- increase in employee benefits	281,984	79,498
Cashflows from operations	<u>(1,425,734)</u>	<u>4,509,428</u>

23 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

24 Company Details

The registered office and principal place of business of the company is:

National Accreditation Authority for Translators and Interpreters Ltd (NAATI)
16/2 King Street
Deakin ACT 2600

National Accreditation Authority for Translators and Interpreters Ltd (NAATI)


ABN: 42 008 596 996

Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 11 to 36, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the entity.
2. In the directors' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director 
Voula Messimeri AM

Dated 27 August 2021

National Accreditation Authority for Translators and Interpreters Ltd (NAATI)

Independent Audit Report to the members of National Accreditation Authority for Translators and Interpreters Ltd (NAATI)

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of National Accreditation Authority for Translators and Interpreters Ltd (NAATI) (the Company), 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 directors' declaration.

In our opinion, the accompanying financial report of the company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2021 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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 company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Responsibilities of Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine 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 directors are responsible for assessing the company'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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



National Accreditation Authority for Translators and Interpreters Ltd (NAATI)

Independent Audit Report to the members of National Accreditation Authority for Translators and Interpreters Ltd (NAATI)

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 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 the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company 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.

National Accreditation Authority for Translators and Interpreters Ltd (NAATI)

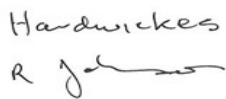
Independent Audit Report to the members of National Accreditation Authority for Translators and Interpreters Ltd (NAATI)

We communicate with the directors 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Hardwickes

Chartered Accountants



Robert Johnson FCA
Partner

Canberra