

NAATI

ANNUAL REPORT

2012-2013



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The Key to Language Diversity

What is NAATI?

NAATI is the national standards and accreditation body for translators and interpreters in Australia. It is the only agency that issues accreditations for practitioners who wish to work in these roles in Australia.

NAATI's Community Purpose

NAATI's primary purpose is to strengthen inclusion and participation in Australian society by assisting in meeting the Nation's diverse and changing communication needs and expectations through:

- setting, maintaining and promoting high national standards in translating and interpreting, and
- implementing a national quality-assurance system for credentialing practitioners who meet those standards

NAATI credentialing provides quality assurance to the clients of translators and interpreters and gives credibility to agencies that employ practitioners who are credentialed appropriately.

About NAATI

The National Accreditation Authority for Translators and Interpreters Ltd (trading as NAATI) is incorporated in Australia under the Corporations Act 2001. The Company Members are the Commonwealth, State and Territory governments and is governed by a Board of Directors who are appointed by the Members. NAATI's main business activities are providing accreditation and other credentialing services for translators and interpreters and related activities. NAATI services are available through offices in every State and Territory of Australia and in New Zealand. The National Office is in Canberra.

NAATI Credentials:

NAATI awards two categories of credential for translators and interpreters:

- NAATI Accreditation
- NAATI Recognition

NAATI Accreditation may be obtained by meeting the relevant NAATI Standards for:

- completion of NAATI-approved courses, or
- performance in NAATI accreditation tests, or
- assessment of qualifications obtained overseas, or
- membership of recognised international translating and/or interpreting professional bodies, or
- advanced standing in translating or interpreting

NAATI Recognition may be awarded to practitioners in languages where accreditation testing is not yet available or has only recently been introduced, subject to satisfying the eligibility requirements.



ANNUAL REPORT
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National Accreditation Authority for Translators and Interpreters Ltd

ACN 008 596 996

34th Annual Report (Financial Year 2012-2013)

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From the Chair of the Board



It is with mixed feelings I present NAATI's 2012/13 Annual Report. While pleased with NAATI's progress on several fronts it is frustrating that at the end of 2012/13 critical issues of sustainable funding and governance remain unresolved.

NAATI continued to progress major initiatives in 2012/13, which will keep Australia at the forefront of certification of translators and interpreters, while it managed continued strong demand for its services and products. The Improvements to NAATI Testing (INT) Project, which started in 2011/12 completed major milestones. NAATI commissioned an independent report, Improvements to NAATI Testing, Development of a conceptual overview for a new model for NAATI standards, testing and assessment (INT Report) from a team of Australian and international experts, led by Professor Sandra Hale of University of NSW.

The INT Report acknowledged NAATI's role in establishing translating and interpreting as a profession in Australia, NAATI's status as an international leader in certification of community interpreters and translators in multiple language combinations and NAATI's important relationship with educators. Comparing NAATI with international certification bodies the INT Report found NAATI had two important advantages, namely its uniformity as a national system and its coverage of many more languages than in other countries. The independent researchers recommended improvements in pre-requisites to NAATI testing, validity and reliability of testing instruments, assessment methods and training of examiners if NAATI is to remain at the forefront of certifying authorities internationally. As the CEO reports in the next section, the INT Report became the focus of national consultations with practitioners, educators, employers and professional groups in the last quarter 2012/13.

NAATI made Indigenous Interpreting a priority in 2012/13, as foreshadowed in last year's Annual Report. I am proud to report that NAATI was awarded project funding by the Aboriginal Interpreter Service of the Northern Territory and the federal Department of Families, Housing, Community Services and Indigenous Affairs to improve the access for Indigenous communities to the national certification system. That work was well underway by the end of 2012/13.

NAATI finished 2012/13 again in a sound financial position given continued strong non-government revenue. This demand and continued prudent financial management has enabled NAATI to add to its reserves for a second year. However, NAATI continues to be confounded by unresolved funding and outdated governance arrangements. Last year I acknowledged efforts by Members to agree sustainable funding and appropriate governance. I regret I must record that these efforts were not concluded by the end of 2012/13. On behalf of the Board I repeat that it is imperative to provide NAATI with a secure and predictable funding base to enable it to manage in an environment in which non-government revenues are volatile and so difficult to predict. NAATI will continue to build for the future, but asks again that its Members complete in 2013/14 the funding and governance reforms such as envisaged for 2012/13.

In closing I thank Ministers and their officials for their ongoing support, this one disappointment notwithstanding. Together NAATI and its Members, with stakeholders in the profession and education, have built a national asset of which we can all be proud. I acknowledge the work of my colleagues on the Board, Professor Ludmila Stern, Dr Hass Dellal and Mr Abeselom Nega, for their continued support and wise counsel. I thank also NAATI staff who continue to deliver this valuable service to Australian communities.

Kerry Stubbs
Chair
NAATI Board of Directors



From the Chief Executive Officer

The 2012/13 year was another busy one in which we combined maintaining the current national certification system for translators and interpreters while we built for the future.

The high levels of demand for NAATI services and products of 2011/12 continued through most of 2012/13. This demand is illustrated well by the total NAATI tests sat which for two years now have been double the level of the two previous years. Last year there were almost 4,000 tests sat in Australia and NZ compared with just over 1,900 two years earlier. However, by the end of the last quarter demand was starting to slow and this carried forward into 2013/14.

NAATI continues to extend its use of IT by enabling electronic commerce. There is still more potential to improve service delivery to customers and to capture further operating economies. One of the exciting prospects of the INT Project is the opportunity to optimise IT in the design of the improved system rather than converting legacy paper-based systems. The INT Project is a wider change management process encompassing much more than the testing itself. Its potential impact on systems and operations is one of the key aspects we are now starting to focus on as we consider the future of the national certification and registration system.

As reported by the Chair, the INT Project was a major focus of attention for NAATI and its Members throughout 2012/13. This included an extensive round of consultations with stakeholders about the INT Report's conclusions and recommendations and preliminary planning on how various recommendations might be implemented. NAATI conducted approximately 28 meetings with several hundred practitioners, educators, employers and other stakeholders in all State and Territory capitals plus Broome. Special seminars considered particular aspects such as the automated keyboard testing of translators conducted by international expert Professor Alan Melby of Brigham Young University. There were two special meetings which also considered Indigenous and new and emerging language needs. The national round of consultations finished in June 2013 and provided valuable feedback from stakeholders on how NAATI might improve the national certification system. As 2013/14 began NAATI and the governments of Australia were considering that feedback and which improvements might be feasible and affordable.

One of our challenges when proposing improvements is designing a new system that encompasses established languages supported by an infrastructure of education and large communities and the languages of new arrivals, where education is often not available and the speaking communities are small. We are seeking to get that balance right.

The INT Project learned much from developments internationally in translating and interpreting. The approaches in the New World and Asia and the traditional approach of Europe are increasingly similar. Large scale migration, particularly of refugee and humanitarian communities, means most receiving countries face similar problems of new demand for new languages not previously spoken. Similar solutions are now evolving. In 2012/13 NAATI accepted an invitation to join the Advisory Board of the European Union's TransCert project.

The 2012/13 year was a challenging one for NAATI staff as they worked hard to maintain the current national certification system, while working with stakeholders toward a new improved system. We are grateful for the commitment and leadership provided by the NAATI Board. As always NAATI could not do what it does without the ongoing expert advice and guidance of the Qualifications Assessment Advisory Committee, the Professional Reference Group and its Regional Advisory Committees. The current year, 2013/14 will be the year of decisions about the future system for NAATI, its stakeholders and its Members.

JA Beever
NAATI Chief Executive Officer

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MEMBERS AND
DIRECTORS

The Members of NAATI and their Representatives

The Members of the Company are the nine Ministers who are responsible for multicultural affairs and/or citizenship in the Commonwealth, State and Territory governments. Members may appoint a Representative to exercise any of their powers in relation to the Company and all have done so.

New Members of NAATI were appointed during the year as follows:

- Commonwealth – The Hon Matt Thistlethwaite, Parliamentary Secretary for Multicultural Affairs, Parliamentary Secretary for Pacific Island Affairs.
- NT – The Hon Peter Styles MLA, Minister for Multicultural Affairs, Minister for Infrastructure, Minister for Senior Territorians, Minister for Young Territorians.
- WA – The Hon Dr Mike Nahan MLA, Minister for Citizenship and Multicultural Interests, Minister for Energy, Minister for Finance.

Changes in Members' representation occurred during the year as follows with the appointments of:

- Commonwealth – Ms Frances Finney, A/First Assistant Secretary, Department of Immigration and Citizenship.
- NT – Mr David Alexander, Senior Director Language Services, NT Department of Regional Development and Women's Policy.
- QLD – Mr Wayne Briscoe, Executive Director, Multicultural Affairs QLD, Department of Aboriginal and Torres Strait Islander and Multicultural Affairs.
- SA - Ms Sophia Poppe, Executive Director, Multicultural SA, Department of Communities and Social Inclusion.

NAATI welcomes the new Members and their Representatives and looks forward to working closely with them. The Board also thanks the retiring Members/Representatives for their interest in and support for NAATI.

As at 30 June 2013 the Members of NAATI and their Representatives were:

	Member	Title	Representative	Title
Cwlth	Senator The Hon Kate Lundy MP	Minister for Sport Minister for Multicultural Affairs Minister Assisting for Industry and Innovation	Ms Frances Finney	A/First Assistant Secretary Department of Immigration and Citizenship
Cwlth	The Hon Matt Thistlethwaite	Parliamentary Secretary for Multicultural Affairs Parliamentary Secretary for Pacific Islanders		
ACT	Ms Joy Burch MLA	Minister for Industrial Relations Minister for Corrections Minister for Multicultural Affairs Minister for Disability and Housing Minister for Ageing	Mr Nic Manikis	Director Office of Multicultural and Aboriginal and Torres Strait Islander Affairs
NSW	The Hon Victor Dominello MP	Minister for Citizenship & Communities Minister for Aboriginal Affairs	Dr Stepan Kerkyasharian AM	Chairman Community Relations Commission for a Multicultural NSW
NT	The Hon Peter Styles MLA	Minister for Multicultural Affairs Minister for Minister for Infrastructure Minister for Senior Territorians Minister for Young Territorians	Mr David Alexander	Senior Director Language Services NT Department of Regional Development and Women's Policy
QLD	The Hon Glen Elmes MP	Minister for Aboriginal, Torres Strait Islander Affairs Minister for Multicultural Affairs Minister Assisting the Premier	Mr Wayne Briscoe	Executive Director Multicultural Affairs QLD Department of Aboriginal and Torres Strait Islander and Multicultural Affairs
SA	The Hon Jennifer Rankine MP	Minister for Multicultural Affairs Minister for Education and Child Development	Ms Sophia Poppe	Executive Director Multicultural SA Department of Communities and Social Inclusion
TAS	Ms Cassandra O'Connor MP	Ministerial for Human Services Minister for Community Development Minister for Aboriginal Affairs Minister for Climate Change	Mr Nick Evans	A/Manager Multicultural Tasmania
VIC	The Hon Nicholas Kotsiras MLA	Minister for Multicultural Affairs & Citizenship	Mr Hakan Akyol	Chairperson Office of Multicultural Affairs and Citizenship
WA	The Hon Dr Mike Nahan MLA	Minister for Citizenship and Multicultural Interests Minister for Energy Minister for Finance	Ms Maria Osman	Executive Director Office of Multicultural Interests

The Board of Directors



Ms Kerry Stubbs (Appointed Chair 15 November 2010)

Kerry Stubbs is CEO and Managing Director of Northcott. Ms Stubbs has extensive board and committee experience, including Board Chair and Chair of audit and finance committees. From 2001 – 2008 she was the Executive Director of St Vincent's Hospital and Sacred Heart. She was the founding member and a steering committee member of the Network for Intercultural Communication, a group of practitioners formed to share experiences and information and develop expertise for people working in the fields of multicultural issues. She was also a member of the English in the Workplace Taskforce and of the Office of the Director of Equal Opportunity in Public Employment advisory subcommittee on issues affecting people of non-English-speaking background in the public sector. Ms Stubbs has a Master of Arts Honours in Government and Public Administration. In 2007 she was named the NSW Telstra Businesswoman of the Year in Community and Government Sector and has had numerous publications including the award winning Multiculturalism in Conflict training handbook. Ms Stubbs is a Member of the Australian Institute of Company Directors and holds the following directorships: Managing Director, The Northcott Society Ltd; Director, eWater Ltd; Director Water for Sensitive Cities CRC, Health Services Association of NSW Ltd; Director, Cerebral Palsy Association Ltd; Director, Ability First Australia Ltd.



Dr Bulent (Hass) Dellal OAM

Dr Hass Dellal was appointed to the role of Director on 1 September 2010. Dr Dellal was appointed Executive Director of the Australian Multicultural Foundation in 1989 an organisation established to promote a strong commitment to Australia as one people drawn from many cultures. He was also appointed as Special Adviser for the Australasian Police Multicultural Advisory Bureau by the Conference of Commissioners of Police, Australasia and the South West Pacific Region in 2002-2004. Dr Dellal has had extensive experience throughout Australia and internationally on multicultural affairs; including the establishment of the European Multicultural Foundation and the Diversity Matters Forums for the Commonwealth Nations. He has spearheaded a number of initiatives for the benefit and development of the general community to include the Muslim Youth Summits for the Commonwealth Government, the Muslim Youth Leadership programs and the Community Policing Partnership projects. He serves on a number of committees and boards that deal with community relations, business, police relations, access and equity, religious diversity, skill recognition, second language development, philanthropy and the arts. Dr Dellal was awarded the Medal of the Order of Australia in the General Division for services to Multicultural Organisations, the Arts, and the Community on the Queen's Birthday Honours List 1997. He was also awarded the Centenary of Federation Medal in 2003, and was conferred with an Honorary Doctorate in Social Sciences by RMIT University on 13 December 2006. In 2010, Dr Dellal was also appointed as Deputy Chair of SBS (Special Broadcasting Services) and to the Commonwealth's Australian Multicultural Council.



Mr Abeselom Nega AFAIM, CAHRI, GACID

Mr Nega was appointed to the board on 31 August 2005. Abeselom is the CEO of iEmpower, a highly regarded youth services organisation. Previously, Abeselom was the State and General Manager of AMES Employment, which employed over 380 staff and he was responsible for management of a budget over \$45 Million. He has served as a senior executive in both the public and private sectors. Abeselom was the founding Chair of the Federation of African Communities Council of Australia (FACCA) -the peak African community organisation in Australia. He was an Executive Committee Member of the Federation of Ethnic Communities Council of Australia and the Chair of the New and Emerging Communities Network. He has served on various Ministerial advisory bodies both at State and Commonwealth Government levels. He is currently the Chair of the Audit and Risk Management Committee of the Victorian Equal Opportunities and Human Rights Commission and the current Chair of the Melbourne Employment Forum (MEF) whose members include VicPol, Australian Red Cross, AMES, the University of Melbourne, Australian Vietnamese Association, City of Melbourne and others. Abeselom has qualifications in Social Science/Policy, Business Administration and Corporate Governance. Abeselom is interested in facilitating meaningful opportunities for young people from disadvantaged backgrounds through partnerships with the public, private and community sector based organisations. Abeselom is a member of a number of professional bodies.



Associate Professor Ludmila Stern BA (Hons) PhD (UNSW)

Dr Ludmila Stern was appointed to the role of Director on 1 March 2010. Before embarking on an academic career, Dr Stern worked as an interpreter and translator. She was the founder and the first Convenor of the NAATI-approved Master's degree in Interpreting and Translations Studies at UNSW (2005-2010), for which she was awarded the 2010 Dean's Award and the Vice Chancellor's Award for Teaching Excellence. She is resuming this role in 2014. Dr Stern was Chair and examiner of the NAATI Russian panel. As part of her research she examines interpreting practices in national and international courts and tribunals, and their impact on courtroom communication (e.g., the Australian War Crimes Prosecutions, at the International Criminal Tribunal for the Former Yugoslavia and the International Criminal Court). The author of articles on interpreting in national and international courts, Dr Stern has been a consultant and an educator of interpreters and interpreter users for Australian and international courts and other organisations (DPP, Bar Association, NJCA, Judicial Commission, ICC, ICTY).

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THE YEAR IN
REVIEW

Accreditation

The financial year 2012/13 saw continued high demand for NAATI accreditation services while improvements were implemented.

The highlights included:

Improvements to the Certification system

- Improvements to NAATI Testing Project (INT Project). For details refer to page 12.
- Commencement of the Revalidation system for certifications awarded after 1 January 2007. *For details refer to page 13.*

Indigenous and Interpreting Projects

- Commenced work on the NTAIS and FaHCSIA funded projects to improve access to NAATI accreditation tests for Indigenous interpreters. *For details refer to page 14.*
- Continuation of the Commonwealth New Interpreters Project (NIP) to assist with the supply of interpreters in 'new and emerging' languages. *For details refer to page 15.*

Improvement of testing technology

- Established a system for the electronic transfer of test viewing materials between NAATI National and State offices.
- Maintained a system for electronic transfer of recorded interpreter test materials between state and national offices.
- Maintained a system for dispatch of interpreter test materials for marking in digital format.
- Maintained a system of electronic distribution, assessment and feedback of practice translation materials.

Monitoring of Examiner performance

- Completed analyses of marking performance on a language-by-language basis against four criteria – pass/fail rate, third marking rate, pass/fail agreement rate, average difference between the examiners.
- Provided examiner panels with written feedback on marking performance.
- Targeted, language-specific professional development sessions conducted for eight Examiner panels.
- Examiner Workshops held in Adelaide, Brisbane, Canberra, Melbourne, Perth and Sydney.

Quality assurance of Approved Courses

- Revised and updated the *VET Guide to Approval of Courses in Translating and Interpreting* and supporting application forms.
- Initiated a review to update the *Higher Education Guide to Approval of Courses in Translating and Interpreting* and supporting application forms and documents.
- Conducted site visits and maintained ongoing monitoring of NAATI approved institutions specifically related to the setting of assessment materials, delivery of assessments and marking processes.

Outlook for the Future

- Improvements to the certification system including testing processes and assessment pathways and greater access to the certification system for Indigenous interpreters.

Improvements to NAATI Testing

The INT Project began in 2011 with NAATI commissioning a report on a conceptual overview for NAATI's standards, testing and assessment with the overall objective to recommend how the testing system could be improved.

The team commissioned for Phase 1 of this work was led by Professor Sandra Hale from the University of New South Wales. This work consisted of three stages: (i) review of the literature and consultations with different stakeholders through focus groups, interviews and questionnaires (ii) the work of five specialist working groups on issues relating to prerequisites to testing, specialisations, testing, assessment and technology (iii) the development of a new conceptual model.

At the end of November 2012 the INT Project Report *Improvements to NAATI Testing; Development of a conceptual overview for a new model for NAATI standards, testing and assessment 2013* was submitted to NAATI on time and on budget. The INT Report made 17 recommendations including proposing a new Model for the credentialing system. NAATI published the report in full in February 2013.

From March to May 2013 NAATI conducted a range of consultations throughout all States and Territories in Australia. These included 28 consultation sessions or seminars with practitioners, professional groups, educators, employers and government departments. Overall these sessions were constructive and positive.

There were five main observations drawn from these sessions:

- consultations were generally well received
- degree of misunderstanding and misinformation about NAATI and the current scheme is significant
- breadth and complexity of translating and interpreting in Australia from international conferences to community levels is not well understood
- participants often questioned whether the Model proposed in the INT Report could meet the needs of Indigenous and/or humanitarian and refugee languages
- impact on the certification scheme and the profession of the engagement of uncredentialed practitioners is serious

In 2013/2014 NAATI intends to publish a discussion paper which provides NAATI's current views on how the national certification system for translators and interpreters might change subject to the availability of resources. Members of the public and other interested parties will be invited to provide feedback on this Discussion Paper.

Revalidation

The Revalidation of credentials issued by NAATI from January 2007 began from 1 July 2012. Revalidation is the process by which every three years eligible holders of NAATI credentials confirm they have maintained currency of practice, undergone specified CPD and complied with relevant codes of conduct in order to receive new credentials.

A NAATI credentialed Translator was recruited to assist applicants and encourage the re-issue of revalidated credentials. Small grants were provided to AUSIT and ASLIA to help them provide additional CPD to assist applicants to meet Revalidation requirements.

The following data provides a summary of the applications processed for credentials expiring between 1 July 2012 and 30 June 2013. These figures may increase as NAATI currently accepts applications up to 6 months after initial date of expiry.

NAATI processed a total of 1400 applications and granted Revalidation to 1997 accreditations. The 1997 revalidations granted were significantly higher than NAATI had predicted. This represents a revalidation rate of 31.5% - that is 31.5% of credentials requiring revalidation were revalidated.

There was a good balance between the credentials revalidated with translator credentials representing 51.7% and interpreter credentials 48.3%. The majority of credentials revalidated were at the Professional level or above (66.6%). This provides a strong indication that those using NAATI credentials tend to hold Professional level credentials (if you assume that Revalidation is only useful to those who need this to continue working as a translator or interpreter).

Location of Credential	Number Revalidated	
ACT	36	1.8%
NSW	724	36.3%
NT	9	0.5%
QLD	254	12.7%
SA	109	5.5%
TAS	18	0.9%
VIC	482	24.1%
WA	127	6.4%
Overseas	238	11.9%

Individuals have revalidated credentials in a total of 83 languages. The top 20 languages, by volume of credentials revalidated, represents 85.4% of the Revalidations granted while the top 10 languages represent 68.0%.

Indigenous Interpreting

Regular funding for Indigenous Interpreting stopped some years ago as an inadvertent result of machinery of government changes and consequently NAATI's testing in Indigenous languages had lagged unacceptably.

In September 2012 the bi-partisan House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs recommended that dedicated ongoing funding for Indigenous interpreter certification be restored. In June 2013 the then Australian Government agreed to that recommendation in principle. NAATI hopes the new Government will now restore funding for Indigenous interpreting to the same status as that for multicultural languages.

Late in 2011/12 NAATI reached agreement with the federal Department of Families and Housing, Community Services and Indigenous Affairs (FaHCSIA) and the NT Aboriginal Interpreter Service (NTAIS) to conduct two complementary projects to improve access to the national credentialing system for Indigenous interpreters. Since NAATI does not have on-going funding for Indigenous interpreting these projects were funded by FaHCSIA and Northern Territory Aboriginal Interpreter Service (NTAIS).

Key achievements to 30 June 2013 included:

- Consultations with Kimberley Interpreter Service (KIS) and AIS on the Improvements to NAATI Testing Project (INT) and with the National Indigenous Interpreters Stakeholder Reference Group.
- The development and recording of new audio tests in the following languages:
 - QLD - Yamplatok and Kala Lagaw Ya.
 - NT - Roper Kriol, Gurindgi Kriol, Kunwinjku, (Top End languages) Eastern Arrernte and Anmatyerr (Central Australian languages).
 - WA - Ngaanyatjarra, Walmatjari and Nganyamarta.
- The development of training material (including audio visual material) and the delivery of an Examiners Workshop in Darwin on 13 February – 20 participants attended.

This work has involved the recruitment and training of six individual consultants or organisations primarily to support the development and recording of the accreditation test materials. Each test underwent a rigorous quality assurance process. Individuals recruited to undertake the work were carefully chosen to ensure they had a background in linguistics, Indigenous language work and the development of high quality audio recordings.

New Interpreters Project

NAATI continued to deliver a major project for the Commonwealth Department of Immigration and Citizenship (DIAC) to enhance the availability of interpreters in 'new and emerging' languages – the New Interpreters Project (NIP).

The aim of the NIP Project is to support the communities who speak those languages to be able to participate fully in Australian society through improved communication.

Project Overview

The Project commenced formally in July 2008. The Project covers the costs for participants associated with attending workshops, testing, recognitions and accreditation.

Development of Linkages

The linkages initially set up to establish support for the Project continue, including:

- liaison through NAATI State Offices and committees
- promotion through the NAATI News and other stakeholders' publications, and
- development of stakeholder-relations strategies and extensive networking in each jurisdiction, supported by information sessions with detailed face-to-face support for potential applicants

Resource Development

Information about the resources are available on the NAATI website (www.naati.com.au).

Industry/Community Activities

Continuation of training and testing in rural and regional areas and for 'new and emerging' languages.

Information Sessions

There were no information sessions held during 2012/13 as there continue to be more candidates than could be accepted due to the interest which continues to be generated by NIP.

Locations of Workshops

Successful preparatory workshops were held in Adelaide, Brisbane, Canberra, Hobart, Melbourne, Perth and Sydney in 2012/13.

These workshops were developed specifically for the NIP. The workshops held to date have all been fully subscribed and continue to be highly regarded by the participants.

Applicants Seeking NAATI Testing

The Project has attracted a wide range of applicants, and this has broadened further as interest in the Project has grown. The list of eligible languages continues to be reviewed by DIAC as necessary.

People Successful in Gaining NAATI Accreditation

The Project offers Paraprofessional accreditation where testing is available in the relevant language, or Recognition in languages where testing is not yet available. Because the Project targets a large range of 'new and emerging' languages, the availability of NAATI Recognition is an important alternative to accreditation.

A total of 11 Accreditations and 9 Recognitions were awarded during 2012/13, bringing the total number of Accreditations awarded to 113 and Recognitions to 110 since the commencement of the project (as at June 30, 2013).

States and Territories

The State and Territory offices of NAATI continued to provide regional access to NAATI's services throughout the year, as well as supporting a variety of significant initiatives undertaken by their Regional Advisory Committees (RACs). The major activities of the State and Territory offices are: offering accreditation testing; providing preparatory workshops for candidates; distribution of test-related products; offering personal advice and assistance to candidates; and building relationships with the translating and interpreting profession and related stakeholders in the region.

The Commonwealth New Interpreters Project continues to be delivered through State and Territory offices in all capital cities and in some regional locations. State and Territory offices facilitated in IT upgrades and system improvements as part of NAATI's overall commitment to improved products and services. An indicative selection from many highlights in 2012/13 follows.

AUSTRALIAN CAPITAL TERRITORY

- There were 158 tests undertaken.
- A workshop for the New Interpreters Project was held.

COMMONWEALTH

- Negotiation of a project to increase access for WA, SA and Queensland Indigenous interpreters to accreditation.

NEW SOUTH WALES

- There were 1346 tests undertaken.
- A workshop for the New Interpreters Project was held in Newcastle.

NORTHERN TERRITORY

- Continuation of a project to increase access for Northern Territory Indigenous interpreters to accreditation.
- There were 47 tests undertaken.
- Support continues to be provided from the National Office.

QUEENSLAND

- There were 525 tests undertaken.
- A workshop for the New Interpreters Project was held.

SOUTH AUSTRALIA

- There were 227 tests undertaken.
- A workshop for the New Interpreters Project was held.

TASMANIA

- There were 54 tests undertaken.
- A workshop for the New Interpreters Project was held.

VICTORIA

- There were 1265 tests undertaken.
- A workshop for the New Interpreters Project was held.

WESTERN AUSTRALIA

- There were 274 tests undertaken.
- A workshop for the New Interpreters Project was held.
- The WA office moved to new premises in West Leederville following a fire at the Victoria Park premises.

Administration and Business Development

The 2012/13 year was again one of challenge and change for the Corporate Services functions of NAATI.

General Developments

Some of the more significant developments were:

- continuing review and enhancement of the organisation's functions and capabilities
- recruitment in State/Territory offices due to staff movement, and increased activities
- further planning and development of the ePortal, to enable more streamlined business and further integration with the SAM database
- release of an online credential verification system, to allow verification of individual credentials 24/7
- near completion of the record management archival began in 2011/12
- implementation of new servers, and desktop equipment
- relocation of NAATI Western Australia office in Perth to temporary offices as a result of a fire destroying the offices in Victoria Park with subsequent lease negotiations and re-location to new permanent premises in West Leederville. This was accomplished with the assistance of the Perth staff over a period of six months and we thank them for all their assistance during a very challenging period

System for Accreditation Management (SAM) database

The ability for individuals to apply for testing and other credential methods online was released after vigorous testing. Once the applications are completed the data is verified and can be migrated directly into SAM alleviating the need for staff to manually input the data. This has enabled greater efficiencies, and greater data integrity.

Enhancements and modifications to SAM were again focussed on effectiveness and access, with further development on the NAATI Approved Courses management partition within SAM to give the ability to better manage NAATI Approved Courses. Development of SMS functionality in SAM to allow for instant reminders for testing and workshop attendance with release anticipated to occur in the second half of 2013/14. All of the enhancements and developments within SAM undergo vigorous user testing prior to release.

Online Directory of Accredited and Recognised Translators and Interpreters

The directory continues to be a valuable source for locating Translator and Interpreter services with almost 6,000 credentials listed during 2012/13. The ability for practitioners to manage their own listing via the ePortal has proved to be very successful. In turn this has created greater efficiencies in staff time.

Outlook for the future

The 2013/14 year will have more new challenges including:

- continuing review and enhancement of the organisation's functions and capabilities including possible opening of a Darwin office
- further development of the ePortal, to enable more online business and further integration with the SAM database, such as the ability for Tertiary and Private RTO's to lodge Approved Course requests via the ePortal
- review of the NAATI website to allow for more interactive business
- finalise the record management archival that began in 2011/12, and maintain an updated archival system
- investigate the requirements and possible implementation of a secure platform for NAATI examiners to access secure information, and
- recruitment and training of additional specialist staff to allow NAATI to meet reporting and procedural obligations

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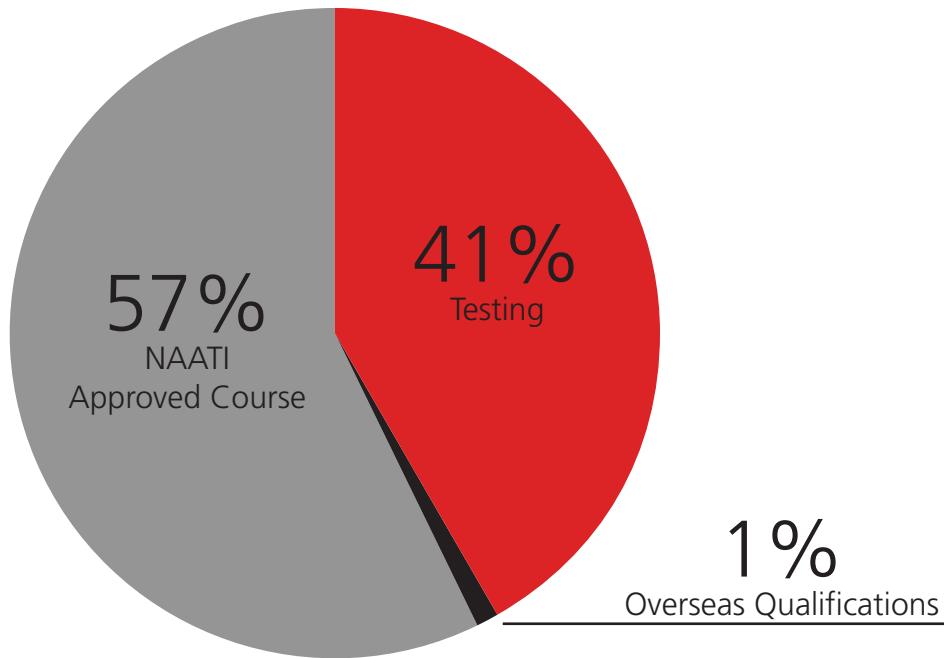
BUSINESS
PERFORMANCE

Credentialing

NAATI awarded 2793 credentials and achieved the following service delivery and outcomes during the year.

Accreditation

- 2705 accreditations awarded in total.
- 1131 accreditations awarded by testing.
- 27 accreditations awarded by assessment of overseas qualifications.
- 1547 accreditations awarded on completion of NAATI-approved Australian courses.



- Two Conference Interpreter and One Advanced Translator accreditations were awarded.

Other Credentials Awarded

- 65 Recognitions were awarded across twelve languages.
- 23 Language Aide certificates were awarded across eleven languages.

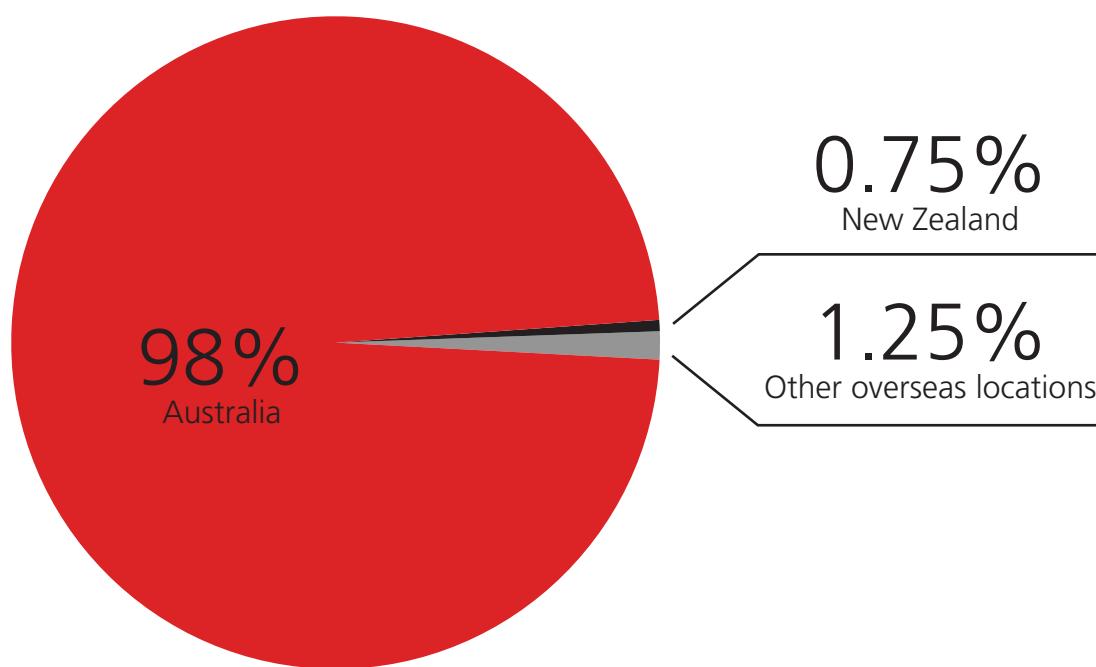
Language Accreditations

By 30 June 2013 NAATI had issued accreditations in 116 International and Indigenous languages.

Afrikaans	Dinka	Japanese	Nepali	Tamil
Albanian	Djambarrpuyngu	Jaru	Ngaanyatjarra	Tetum
Alyawarra	Djapu	Kala Lagaw Ya	Norwegian	Thai
Amharic	Dutch	Karen	Nuer	Tigrinya
Anindilyakwa	Eastern Aranda	Kaytej	Nunggubuyu	Tiwi
Anmatyerr	Eastern Arrernte	Khmer	Nyangumarta	Tongan
Arabic	Estonian	Kija	Oromo	Torres Strait Island Creole
Armenian	Filipino	Korean	Persian	Turkish
Assyrian	Finnish	Kriol	Pitjantjatjara	Ukrainian
Auslan	French	Kukatja	Polish	Urdu
Bangla	Georgian	Kunwinjku	Portuguese	Vietnamese
Bosnian	German	Kurdish (Kumanji)	Punjabi	Walmajarri
Bulgarian	Greek	Kurdish (Sorani)	Pushto	Wangkatha
Burarra	Gumatj	Lao	Romanian	Warlpiri
Burmese	Gunwinkgu	Liyagalawumirr	Russian	Warumungu
Cantonese	Gupapuynugu	Luritja	Samoan	Western Aranda (Arrernte)
Chin (Haka)	Hakka	Macedonian	Serbian	Western Arrernte
Chin (Tedim)	Hazaragi	Malay	Sinhalese	Wik-Mungkan
Chinese	Hebrew	Maltese	Slovak	Yankunytjatjara
Chinese, Min Nan	Hindi	Mandarin	Slovene	Yindjibarndi
Croatian	Hungarian	Martu Wangka	Somali	
Czech	Indonesian	Modern Tiwi	Spanish	
Danish	Italian	Mongolian	Swahili	
Dari	Iwaidja	Murrinh-Patha	Swedish	

Testing

- 3975 tests were sat – 3898 in Australia, 30 in New Zealand and 47 in other overseas locations.



Test Preparation Activities

- Delivery of 112 workshops to assist candidates to prepare for accreditation testing.

Examiner Activities

- Maintaining independent marking across all languages for Professional Translator tests.
- Produced regular Examiners' Newsletter to facilitate communications and promote consistency.
- Maintained a process and system to monitor the performance of examiners.

External Benchmarking Activities

- Obtained independent reviews to ensure quality marking and setting of materials for accreditation tests.

Activities Associated with NAATI-Approved Courses

- Consideration of applications for approval of 18 new courses.
- Approval of 13 new tertiary courses; re-approval of 8 courses.
- The number of NAATI-approved courses increased to 38 across 12 institutions.
- There were 12 NAATI-approved courses available in translation, 14 in interpreting and 12 in a combination of translation and interpreting.
- Currently there are 23 language-streams approved within translation courses and 57 language streams within interpreting courses, encompassing 46 and 109 course/language combinations respectively.
- NAATI continued to monitor approved courses to ensure that the conduct of the courses and the exit standards of graduates meet NAATI's requirements, investigating any complaints that may have arisen.

Financial Performance

This reporting period was subject to a new funding agreement with the Members.

The year saw a small decrease in total revenue of (0.5%) accompanied by a decrease in expenditure of (17.5%) on the previous period. The decrease in expenditure needs to be viewed in conjunction with the fact that in 2011/12 the Commonwealth and some other jurisdictions increased their funding to NAATI for that year to assist NAATI'S financial position whilst a sustainable funding Model for the future of NAATI was considered. The current financial position gives a more accurate view of NAATI activities.

Government revenue for the period represented 21.06% of total income, a decrease from 34.5% in the previous period. The net result for the period was an operating profit of \$399,375 compared to the \$410,113 for the previous year not including the capital injection funds from the Commonwealth and other jurisdictions in the 2011/12 year.

Outlook

In 2013/14 NAATI will continue to work collegially with its key stakeholders to maintain and improve the national certification and registration system for translators and interpreters. In particular NAATI will seek to work with its Members, the governments of Australia to update governance arrangements and to put NAATI's base funding on a sustainable basis.

NAATI will continue to draw on the expertise and goodwill of its advisers in the Qualifications Assessment Advisory Committee, the Professional Reference Group and Regional Advisory Committees to guide its operations.

While NAATI is responsible for certification and registration of translators and interpreters and not professional representation or education of the profession, it will continue to seek to support the work of national professional groups and educators respectively in these areas wherever it can.

A major focus for NAATI in 2013/14 will be to continue the Improvements to NAATI Testing (INT Project) which was launched in 2012/13. This will involve further consultation with stakeholders about possible improvements to the system and preparations to implement the decisions to be taken about INT changes in 2013/14.

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ABOUT NAATI

NAATI and the Company

NAATI is the registered business name of the National Accreditation Authority for Translators and Interpreters Limited, a company limited by guarantee and incorporated in Australia under the Corporations Act 2001. The Members of the company are the Commonwealth, State and Territory Governments.

NAATI's Mission:

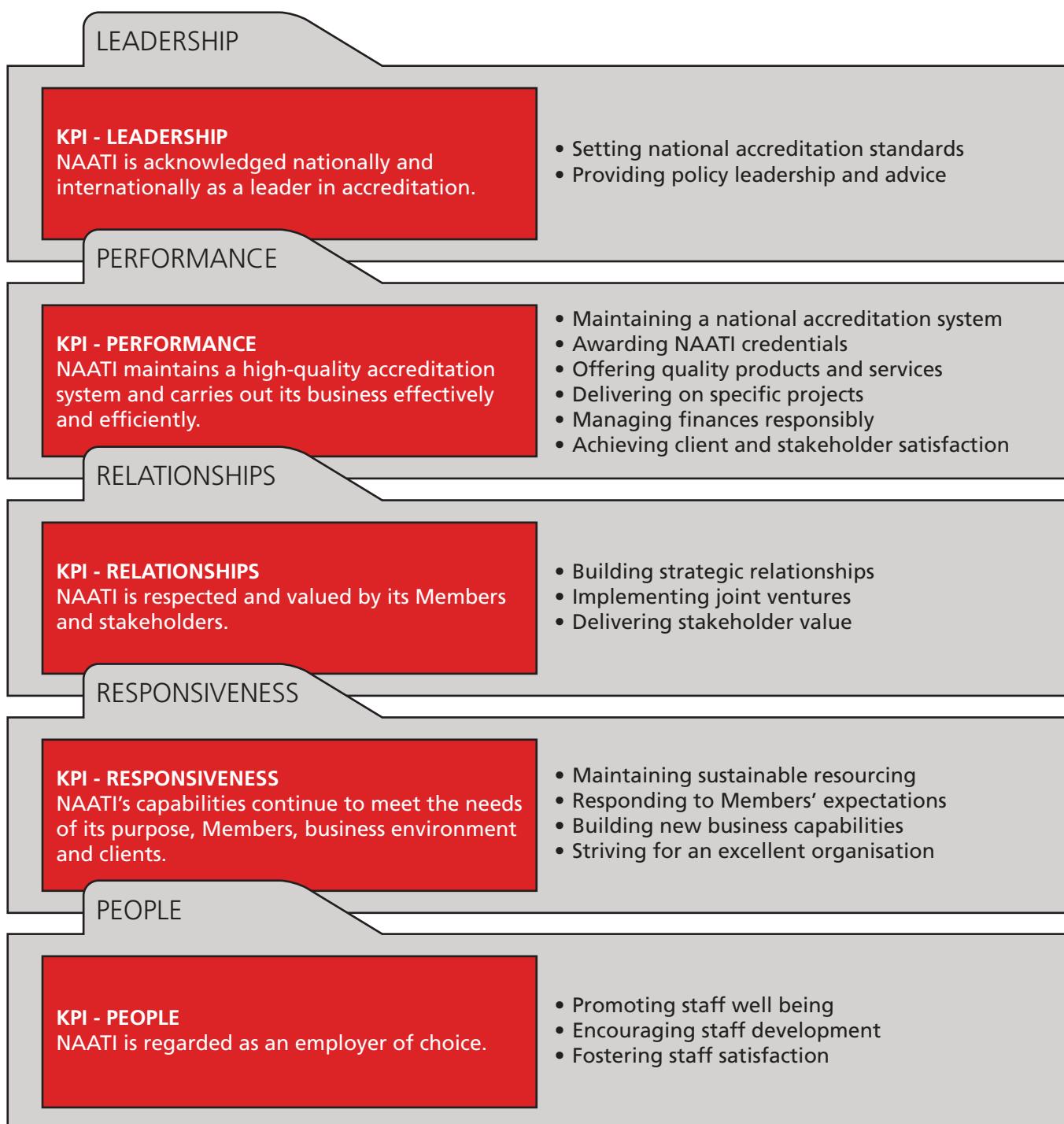
The mission of the Company is to set and maintain high national standards in translating and interpreting to enable the existence of a pool of accredited translators and interpreters responsive to the changing needs and demography of the Australian culturally and linguistically diverse society.

NAATI Company Objectives:

The broad objectives for which the Company was established are to:

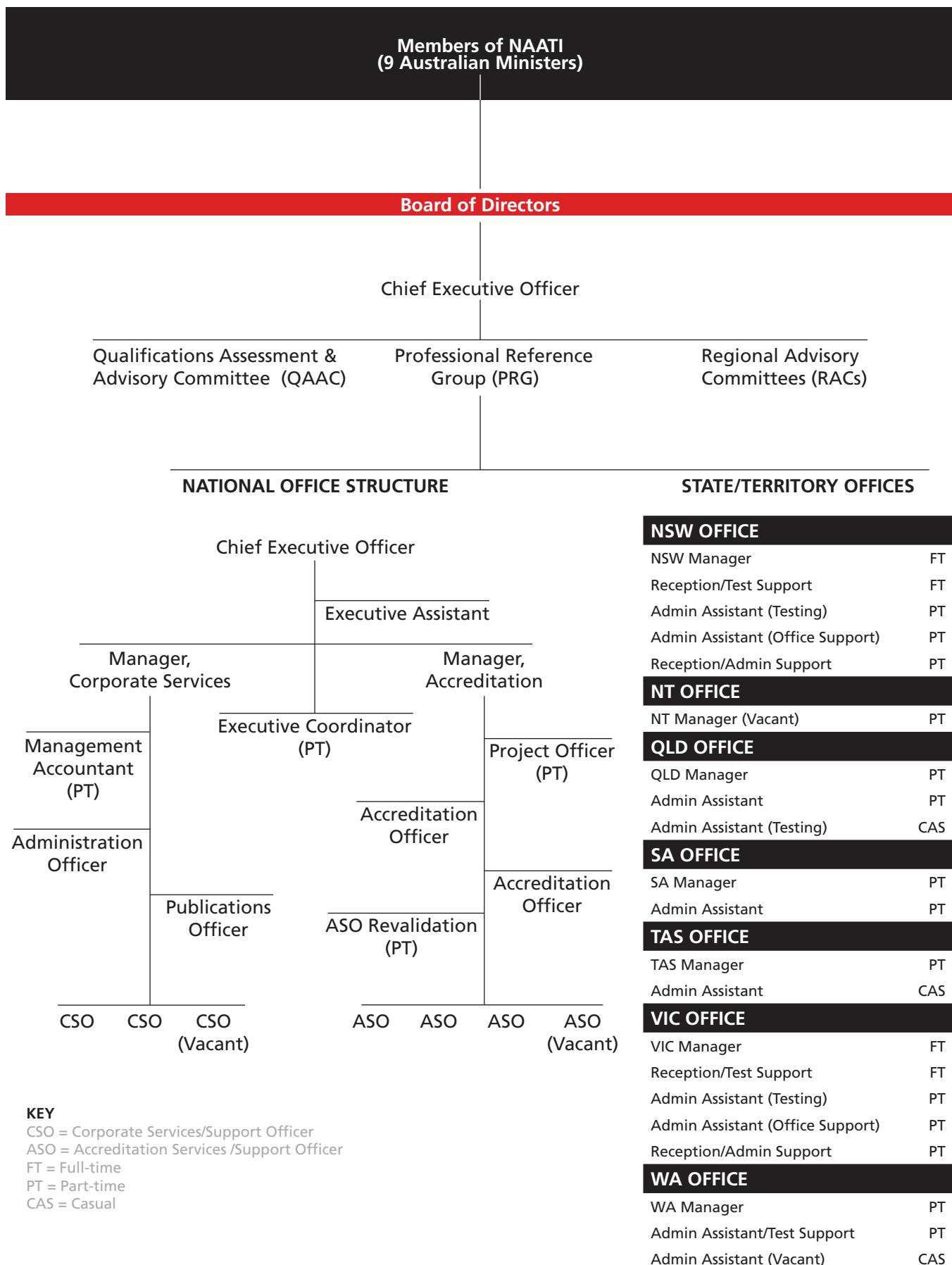
- set and maintain high national standards in translating and interpreting
- maintain and enhance a nationally recognised accreditation system that is responsive to the changing needs of the Australian community and accreditation applicants
- raise community awareness of the value and appropriate use of accredited translators and interpreters
- establish accreditation processes that are accountable and externally validated through suitably recognised and independent institutions
- provide opportunities for accredited translators and interpreters to upgrade their accreditation level, and
- provide advisory and consultancy services in relation to translating and interpreting

Strategic Priorities



Organisational Structure

NAATI's national office is in Canberra and there are also offices in each State and Territory with the Northern Territory office being a virtual office. As at June 30, 2013, NAATI employed 36 staff (26.7 effective-full-time-positions) as shown below.



NAATI Committees and Panels

NAATI has established a series of committees to assist with its work.

Qualifications Assessment and Advisory Committee

The Qualifications Assessment and Advisory Committee (QAAC) provides expert professional and academic advice to the Board concerning standards, assessment, course approvals and a variety of related matters. The Board gratefully acknowledges the high-quality expert advice it receives from the Committee.

The Committee is responsible for advice on the following:

- approval of tertiary courses in translating and interpreting
- development and revision of NAATI's Guidelines for the Approval of Courses
- assessment of overseas qualifications
- assessment of qualifications for accreditation at advanced levels
- development of eligibility criteria for accreditation at the various levels
- consideration of appeals
- development of policies relating to accreditation and testing
- participation in reviews relating to accreditation and testing
- consideration of general policy issues relating to the standards of the profession

The Committee makes recommendations on the above issues for consideration by the Board of Directors.

As at 30 June, 2013 the membership of the QAAC was:

Member	Background
Ms Anna Grassi (Chair) BA	VET sector programs and systems and representative of Paraprofessional courses in Australia.
Mr Adolfo Gentile BA, Dip Tert Ed, MEdAdmin (Deputy Chair)	Adjunct Professor, Interpreting and Translating, University of Queensland; Adjunct Senior Research Fellow Monash University. Former Head of School of Languages, Interpreting and Translating at Deakin University and the Director of the University's Centre for Research and Development in Interpreting and Translating. Former President of the <i>Fédération Internationale des Traducteurs</i> (FIT). Adolfo has written extensively and consulted on the training and practice of translating and interpreting. NAATI-accredited Advanced Translator.
Dr Karen Bontempo BA, BPsych, CertInt, GradDipEd (Tertiary), GradDipEd (Secondary), PGradCertLingRes, PhD (Linguistics)	Actively practising NAATI accredited Professional Interpreter (Auslan/English); interpreter educator (Central Institute of Technology & Macquarie University); researcher (interpreting practice / interpreting pedagogy). Past President of ASLIA National, current national Chair of the Interpreter Trainers' Network for ASLIA
Ms Amalia Milman Dip Teaching, Assoc Dip Interpreting and Translation	Practitioner, T & I educator, experience with service provision. NAATI-accredited Advanced Translator and Interpreter.
Ms Margaret Proctor BScN, MScN (Toronto Canada)	Recently retired from the International Division of a major portfolio department in the Australian government where she focused on qualification recognition. Previously held academic posts in both Canada and Australia.
Ms Helen Slatyer BA, RSADipTEFL, MAppLing	Translator, Lecturer, Department of Linguistics, Macquarie University, research expertise in language testing. NAATI-accredited Professional Translator.
Ms Yuki Sayeg MA(AppL), MLitSt., BA (Hons), Graduate Certificate in Conference Interpreter Training (Geneva), AIIC Member	Coordinator, MA in Japanese Interpreting & Translation (MAJIT), University of Queensland. NAATI-accredited Conference Interpreter (Senior) and Advanced Translator. Member of the International Association of Conference Interpreters (AIIC).
Ms Magdalena Rowan BA, BEd	Translating and interpreting educator and coordinator of translating and interpreting courses at TAFESA and a practising interpreter and translator. Magdalena designed and wrote the curriculum for the TAFESA Advanced Diploma in Translating and was on the steering committee for the new national VET T&I qualifications. NAATI-accredited Professional Translator and Interpreter.

Professional Reference Group

The Professional Reference Group (PRG) was set up in 2012 to provide advice to the Board to complement and supplement the advice received from the Qualifications Assessment Advisory Committee (QAAC) and the Regional Advisory Committees (RACs). The Board gratefully acknowledges the advice it receives from the PRG.

The PRG is responsible for advice on the following:

- development of policies relating to accreditation and testing
- participation in reviews relating to accreditation and testing
- consideration of general policy issues relating to the standards of the profession
- more informed decision-making on matters of practical importance to the profession
- a structured mechanism to receive and consider views from the profession
- consensus with the profession on future directions that relate to NAATI's work, and
- improved long-term relationships with the profession

The PRG makes recommendations on the above issues for consideration by the Board of Directors.

As at 30 June, 2013 the membership of the PRG was:

Member	Background
Ms Gail Ker (Chair) BAVT	Currently CEO at Access Community Services. Ms Ker's experience in providing innovative service solutions for newly arrived entrants and migrants has been recognised nationally and she has been appointed to various board and positions including but not limited to, Migration Council of Australia, Refugee Council of Australia, Ethnic Communities Council QLD.
Ms Sam Berner B.Ed&Sc, M.Inf Mgmt	Principal Partner of Arabic Communication Experts, AUSIT Senior Practitioner, NAATI-accredited Professional Translator.
Ms Philippa Cody BA, Grad Dip	Auslan/English Interpreter (NAATI accredited at Professional level), Interpreting and Translating Lecturer, TAFE SA, Member of ASLIA, committee member of ASLIA SA.
Ms Patricia Flanagan	National Manager of the Multicultural Services Branch in the Australian Government's Department of Human Services (DHS). Tricia is trained as a Social Worker and in Business Administration and has worked in the community sector and for all three levels of government.
Ms Sandra Leane Grad Dip (Special Ed) MA Applied Linguistics	Auslan/English Interpreter practitioner and past President & committee member of ASLIA Vic. Sandra is currently a teacher at RMIT for the Diploma of Interpreting Auslan. NAATI Accredited Professional Auslan Interpreter
Dr Henry Liu	Immediate Past President of the New Zealand Society of Translators and Interpreters (NZSTI) and current Vice President of the International Federation of Translators (FIT). NAATI Accredited Professional Interpreter.
Mrs Barbara McGilvray BA (Melb), MA (Syd), FAIIT	Literary and film translator. Fellow of AUSIT and member of AALITRA. Occasional lecturer in translation. NAATI-accredited Advanced Translator.
Mr Trevor C Neroy BSc (Hons), MBM	Director Translating and Interpreting Service (TIS) National. Specialist in Strategic Transformation, Change Management and Complex Project delivery with more than 20 years commercial experience from various Service Delivery industries.
Mr Ari Pappas Grad Dip Health Science Management, Dip T & Dip Welfare Studies	Manager of a key service provider agency, former member of the QAAC, Education Liaison Officer and member of project for Schools Commission Program. NAATI-accredited Interpreter at the Professional Level.
Ms Colleen Rosas	Director of the Aboriginal Interpreter Service (AIS) in the Northern Territory.
Mr Chris Walton BCom (Economics & Industrial Relations), Grad Dip Labour Law	CEO of Professionals Australia (formerly APESMA), lead the development of initiatives such as the Australian National Engineering Taskforce (ANET) and the Many Languages, One Voice campaign. Prior to joining APESMA, Chris was Assistant Secretary of the ACTU.

Regional Advisory Committees

Regional Advisory Committees (RACs) have been established in all States and Territories. The purpose of the RACs is to assist NAATI to remain in touch with and receive advice from the sector, the profession and the community across Australia on a regular basis. Each RAC is supported by the relevant State/Territory Manager with the ACT and NT RACs supported by the National Office.

The major roles of the Regional Advisory Committees are:

- advising the NAATI Board on various matters including:
 - translating and interpreting standards/issues in the relevant State or Territory
 - the specific translating and interpreting needs of the State or Territory and any particular regional variations
 - translating and interpreting professional issues in the relevant State or Territory, and
 - other issues identified by the NAATI Board
- advising the NAATI Board about proposed developments or policy changes being considered by the Board
- assisting NAATI in the promotion of general community awareness of the NAATI accreditation system and the value and appropriate use of accredited practitioners
- facilitating the exchange of information among the State or Territory networks of practising professionals, translating and interpreting educators and providers of language services about developments in the translating and interpreting industry, and
- assisting the NAATI Board in its periodic consultations with industry stakeholders

NAATI gratefully acknowledges the following people who contributed in many ways to RAC activity during the period by offering their advice and expertise.

ACT	QLD	VIC
Ms C Crane Mr N Manikis Ms M Mau-Oldfield Mr M Palic Dr C Phillips Ms A Stensletten Ms J Winter (delegate)	Ms H Armstrong Ms P Avila Dr M Brandle Ms L Chinn (delegate) Ms T Dietterich Mr J Duncan (QLD Manager) Ms A Garred Ms E Hawes (resigned 23.4.13) Mr S Hinkler Ms L Holloway (delegate) Mr U Illes Ms M Ko P Nguyen (delegate) Ms N Parisi Ms J Ryan Ms Y Sayeg Ms I Szymanska (delegate)	Mr I Akinci Mr I Ayzit Mr G Bisas Ms L Bongiovanni (Convenor) Ms L Bramhill Mr J Butterfield (resigned 26.9.12) Mr J Chau Mr K Chiem Dr B Dellal (NAATI Director Ex-Officio) Ms S Emerson (resigned 18.10.12) Mrs B Fang Mr A Feau (VIC Manager) Mr J Hlavac (delegate) Ms A Howe Ms S Koutes (delegate) Ms M Lai (delegate) Ms M Lim (delegate) Ms S Meunier (resigned 16.11.12) Mr S Mulayim Mr A Nega (NAATI Director Ex-Officio) Mr M Orlando Mr A Pappas Ms A Smit (delegate) Ms A Thorne
NSW	SA	WA
Ms F Clarke Mr M Doerfler Ms V Dragoje Ms A Grassi (Convenor) Mr G Harkins (NSW Manager) Mrs A Hourani (delegate) Ms D Kaur (delegate) Ms K Long Ms T Markos Mr G McCoy (delegate) Ms M McMahon Ms L McMillan (delegate) Mr C Moon Ms R Ochoa (delegate) Mr K Stevens Ms R Pes (delegate) Assoc Prof L Stern (NAATI Director Ex-Officio) Ms K Stubbs (NAATI Director Ex-Officio) Ms M Taibi Ms C Webster Ms K Wright	Ms C Appelkamp (SA Manager) Dr M Amirghiasvand Ms D Ankor (resigned 18.4.13) Mr M Armiento (Convenor) Mr M Atkinson (delegate) Ms L Berkis Mr C Boundy (resigned 26.2.13) Mr A Doyle Dr I Harmstorf Ms A Hall (delegate) Mr G Hatzirodos Mr P Hellander (resigned 6.6.13) Ms H Loades Mr D McAteer Ms M Rowan Mr A Skuza Ms R Spencer Mrs C Turner Mr J Tayler Ms K Yuen Ms Y Zurawska	Dr M Beasley (WA Manager) Ms B Buise Ms J Chua (delegate) Ms M Clavenzani-Wilkins Ms E Davies Mr M Delahoy Dr W Frick (resigned 9.7.12) Mrs M Gruszka Ms M Gurgone (Convenor) Ms A Johnston Mr S Johnson (delegate) Ms K McKeon (resigned 1.11.12) Ms H Maddocks Ms M Mairata (delegate) Mrs H Murphy Mr B Nagpal Ms M Trimboli (delegate) Mrs R Tsapazi (delegate) Ms N Weerakoon (delegate)
NT	TAS	
Ms F Abbott Dr P Black (Convenor) Ms J Guy Ms L Kohaupt Ms A Quinn Ms J Ventic Ms U Vorst	Ms M Abbott Ms A Anil (delegate) Ms V Bashford (resigned 22.1.13) Ms L Brown Ms W Buza (Convenor) Ms V Daniel (delegate) Ms J Forward Ms C Luttmer (delegate) Ms F Lieutier Ms S Mallick (delegate) Ms G Marshall (delegate) Mr B Saarinen (delegate) Ms M Stephens (TAS, Manager) Ms Y Thompson Ms N White Ms M Williams	

Panels of Examiners

NAATI maintains language-based panels of trained examiners under the guidance of a panel Chair to assess the performance of candidates in NAATI tests. Panels are established and discontinued from time to time to reflect demand for testing and shifts in the demographics of the Australian population.

NAATI gratefully acknowledges the critical wealth of expertise that the examiners contribute to NAATI and to maintenance of the standards of the profession.

As at 30 June, 2013 panels were being maintained for the following languages:

A	B	C	D
Albanian Amharic Arabic Armenian Assyrian Auslan	Bangla Bosnian Bulgarian Burmese	Cantonese Chinese Croatian Czech	Dari Dinka Dutch
E	F	G	H
English	Filipino Finnish French	German Greek	Hazaragi Hindi Hungarian
I	J	K	L
Indonesian Italian	Japanese	Khmer Korean	Lao
M	N	O	P
Macedonian Maltese Malay Mandarin	Nepali Nuer	Oromo	Persian Polish Portuguese Punjabi Pushto
R	S	T	U
Romanian Russian	Samoan Serbian Sinhalese Somali Spanish Swahili	Tamil Tetum Thai Tigrinya Tongan Turkish	Ukrainian Urdu
V			
Vietnamese			

5

FINANCIAL
STATEMENTS

Directors' Report
30 June 2013

Your directors present their report on National Accreditation Authority for Translators and Interpreters Limited (NAATI) for the financial year ended 30 June 2013.

1. General information

Information on Directors

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

Kerry Stubbs	CHAIR
Qualifications	BA (Hons) MA (Hons) Graduate Certificate in Writing MAICD
Experience	CEO and Managing Director Northcott Disability Services Ltd, Director eWater Ltd; Director Water for Sensitive Cities CRC, Ability First Australia Ltd, Cerebral Palsy Australia Ltd, Heath Services Association of NSW Ltd, Chair SpineCare Ltd, Former Executive Director of St Vincent's Hospital and Sacred Heart, Founding member of the Network for Intercultural Communication, Former member of the English in Workplace Taskforce, Former subcommittee member in the Office of the Director of Equal Opportunity in Public Employment, 2007 NSW Telstra Businesswoman of the Year in Community and Government Sector.
Abeselom Nega	
Qualifications	AFAIM CAHRI
Experience	CEO of iEmpower, Chair of the Audit and Risk Management Committee of the Victorian Equal Opportunities and Human Rights Commission, Chair of the Melbourne Employment Forum (MEF), Former Chair of Federation of African Communities Councils.
Assoc. Prof. Ludmila Stern	
Qualifications	BA (Hons) PhD
Experience	Associate Professor, at The University of NSW (UNSW). NAATI accredited translator and interpreter, former Chair of the NAATI Russian panel, researcher (court interpreting in international courts).
Dr Bulent (Hass) Della OAM	
Qualifications	Doctor of Social Science honoris causa, RMIT University A.C.M.M
Experience	Executive Director of the Australian Multicultural Foundation, former Commissioner of the Victorian Multicultural Commission. Appointed Special Adviser for the Australasian Police Multicultural Advisory Bureau 2002 by the Conference of Commissioners of Police, Australasia and the South West Pacific Region. Member Board of Trustees, European Multicultural Foundation, Deputy Chair of Special Broadcasting Service (SBS).

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

1. General information continued

Principal Activities

The principal activity of the National Accreditation Authority for Translators and Interpreters Limited (NAATI) in 2012 2013 was strengthening inclusion and participation in Australian society by assisting to meet the nations diverse and changing communications needs and expectations. The Governments of Australia regard this as an essential community service for enhancing the settlement of migrants to Australia and support NAATI accordingly.

No significant changes in the nature of the entity's activity occurred during the financial year.

Long-term Objectives

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

- set and maintain high national standards in translating and interpreting;
- maintain and enhance a nationally recognised accreditation system that is responsive to the changing needs of the Australian community and accreditation applicants;
- raise community awareness of the value and appropriate use of accredited translators and interpreters;
- establish accreditation processes that are accountable and externally validated through suitably recognised and independent institutions;
- provide opportunities for accredited translators and interpreters to revalidate/upgrade their accreditation level; and
- provide advisory and consultancy services in relation to translating and interpreting.

Short-Term Objectives

By agreement with its members, the company's priority short term objectives in 2012 2013 were the first three of the above long term objectives plus:

- adjusting NAATI's cost structure (through rationalisation of resource usage and the implementation of innovative solutions) to meet these objectives consistent with its budgetary position.

Strategy for Achieving these Objectives

By agreement with its Members the strategic priorities for achieving these objectives are:

- NAATI provide testing services for all community languages subject to resource constraints, maximising the efficiency of existing methods of accreditation;
- where provision of full testing is impractical, NAATI must where possible develop an alternative testing model and standards designed to provide a pathway for services for new and emerging community services;
- NAATI and Members will further consider the strategic plan recognising that any associated funding is subject to parliamentary appropriations in each jurisdiction; and
- NAATI and Members will seek a sustainable funding model for NAATI consistent with agreed strategic and business plans subject to parliamentary appropriations of funds in each jurisdiction.

Directors' Report
30 June 2013

1. General information continued

Performance Measures

The company measures performance through monitoring benchmarks in respect of:

- numbers of accreditations granted according to type;
- trends in number of tests administered; and
- variations of expenditures against approved budgets.

Meetings of Directors

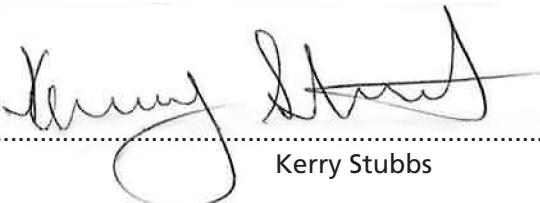
During the financial year, 4 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

Directors' Meetings		
	Number eligible to attend	Number attended
Kerry Stubbs	4	4
Abeselom Nega	4	4
Associate Professor Ludmila Stern	4	3
Dr Bulent (Hass) Dellal OAM	4	2

Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2013 has been received and can be found on page 4 of the financial report.

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

Director:

Kerry Stubbs

Dated: 4 October 2013

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

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011, 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

Hardwickes

R Johnson

Robert Johnson FCA
Partner

16 September 2013

Deakin ACT

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2013

	Note	2013 \$	2012 \$
Other income	14	5,625,598	5,653,982
Employee benefits expense		(2,173,095)	(1,805,822)
Other expenses		(2,687,921)	(2,332,049)
Depreciation		(365,207)	(309,874)
Profit before income tax		399,375	1,206,237
Income tax expense		-	-
Total comprehensive income for the year		399,375	1,206,237

Statement of Financial Position
For the Year Ended 30 June 2013

	Note	2013 \$	2012 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	4,973,628	4,509,243
Trade and other receivables	3	91,748	70,950
Other assets	5	12,195	35,397
TOTAL CURRENT ASSETS		5,077,571	4,615,590
NON-CURRENT ASSETS			
Property, plant and equipment	4	838,360	771,605
TOTAL NON-CURRENT ASSETS		838,360	771,605
TOTAL ASSETS		5,915,931	5,387,195
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	794,774	634,437
Borrowings	7	104,189	104,189
Current tax liabilities	15	(7,750)	66,039
Employee benefits	8	348,674	311,404
Other financial liabilities	9	453,485	348,099
TOTAL CURRENT LIABILITIES		1,693,372	1,464,168
NON-CURRENT LIABILITIES			
Borrowings	7	27,946	105,270
Employee benefits	8	16,014	38,533
TOTAL NON-CURRENT LIABILITIES		43,960	143,803
TOTAL LIABILITIES		1,737,332	1,607,971
NET ASSETS		4,178,599	3,779,224
EQUITY			
Reserves	10	2,000,000	2,000,000
Retained earnings		2,178,599	1,779,224
TOTAL EQUITY		4,178,599	3,779,224

Statement of Changes in Equity
For the Year Ended 30 June 2013

2013

	Retained Earnings \$	General Reserves \$	Total \$
Balance at 1 July 2012	1,779,224	2,000,000	3,779,224
Profit attributable to members of the entity	399,375	-	399,375
Balance at 30 June 2013	2,178,599	2,000,000	4,178,599

2012

	Retained Earnings \$	General Reserves \$	Total \$
Balance at 1 July 2011	2,572,987	-	2,572,987
Profit attributable to members of the entity	1,206,237	-	1,206,237
Transfers from retained earnings to general reserve	(2,000,000)	2,000,000	-
Balance at 30 June 2012	1,779,224	2,000,000	3,779,224

Statement of Cash Flows

For the Year Ended 30 June 2013

	Note	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		5,731,758	6,630,338
Payments to suppliers and employees		(4,974,052)	(4,475,924)
Interest received		216,647	184,752
Net cash provided by (used in) operating activities	18	974,353	2,339,166
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(432,644)	(317,123)
Net cash provided by (used in) investing activities		(432,644)	(317,123)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(77,323)	(69,699)
Net cash used by financing activities		(77,323)	(69,699)
Net increase (decrease) in cash and cash equivalents held		464,386	1,952,344
Cash and cash equivalents at beginning of year		4,509,243	2,556,899
Cash and cash equivalents at end of financial year	2	4,973,629	4,509,243

Notes to the Financial Statements
For the Year Ended 30 June 2013

The financial statements are for National Accreditation Authority for Translators and Interpreters Limited (NAATI) as an individual entity, incorporated and domiciled in Australia. National Accreditation Authority for Translators and Interpreters Limited (NAATI) is a not for profit Company limited by guarantee.

The functional and presentation currency of National Accreditation Authority for Translators and Interpreters Limited (NAATI) is Australian dollars.

1. Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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.

(a) Comparative Figures

In the prior year financial statements employee benefits shown at Note 8 and in the Statement of Financial Position were misallocated between current and non current. The overall balance of benefits was not misstated and comparative information shown in the current financial report has been restated. In addition, there were also errors in the opening cost values of property, plant and equipment as shown at Note 4, there was no affect on the Statement of Financial Position and the comparatives have been restated in the current financial report.

Except for the effect of the above, comparatives are consistent with prior years.

(b) Property, Plant and Equipment

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

Freehold land and buildings that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less depreciation and impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Notes to the Financial Statements
For the Year Ended 30 June 2013

1. Summary of Significant Accounting Policies continued

(b) Property, Plant and Equipment continued

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding leasehold land, is depreciated on a reducing balance basis over the asset's useful life to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Land is not depreciated.

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income.

(c) Financial instruments

Initial recognition and measurement

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

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

Classification and subsequent measurement

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

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

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

Notes to the Financial Statements
For the Year Ended 30 June 2013

1. Summary of Significant Accounting Policies continued

(c) Financial instruments continued

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and at the end of each reporting period for held to maturity assets.

The Company does not designate any interest as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting year.

(iii) Held to maturity investments

Held to maturity investments are non derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held to maturity investments are included in non current assets, except for those which are expected to be realised within 12 months after the end of the reporting period, which will be classified as current assets. If during the period the Company sold or reclassified more than an insignificant amount of the held to maturity investments before maturity, the entire held to maturity investments category would be tainted and reclassified as available-for-sale.

(iv) Available for sale financial assets

Available for sale financial assets are non derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available for sale financial assets are included in non current assets, except for those which are expected to be sold within 12 months after the end of the reporting period.

Notes to the Financial Statements
For the Year Ended 30 June 2013

1. Summary of Significant Accounting Policies continued

(c) Financial instruments continued

(v) Financial liabilities

Non derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Impairment

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

Where a subsequent event causes the amount of the impairment loss to decrease (e.g. payment received), the reduction in the allowance account (provision for impairment of receivables) is taken through profit and loss.

However, any reversal in the value of an impaired available for sale asset is taken through other comprehensive income rather than profit and loss.

Impairment losses are recognised through an allowance account for loans and receivables in the statement of profit or loss and other comprehensive income.

Derecognition

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

When available for sale investments are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

(d) Impairment of Assets

At the end of each reporting year, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Value in use is either the discounted cash flows relating to the asset or depreciated replacement cost if the criteria in AASB 136 'Impairment of Assets' are met. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Notes to the Financial Statements
For the Year Ended 30 June 2013

1. Summary of Significant Accounting Policies continued

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities on the statement of financial position.

(f) 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 year. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the Company to an employee superannuation fund and are charged as expenses when incurred.

(g) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(h) Income Tax

No provision for income tax has been raised as the Company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(i) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Company are classified as finance leases. Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the Company will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. The lease is not recognised in the statement of financial position.

Notes to the Financial Statements
For the Year Ended 30 June 2013

1. Summary of Significant Accounting Policies continued

(j) Revenue and Other Income

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of National Accreditation Authority for Translators and Interpreters Limited (NAATI)'s activities as discussed below.

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

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donation revenue

Donations and bequests are recognised as revenue when received.

Interest revenue

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Provision of services

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Notes to the Financial Statements
For the Year Ended 30 June 2013

1. Summary of Significant Accounting Policies continued

(I) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

(m) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided against early adoption of these Standards. The following table summarises those future requirements, and their impact on the Company:

Standard name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments and amending standards AASB 2009 11 / AASB 2010 7	30 June 2016	<ul style="list-style-type: none">- Changes to the classification and measurement requirements for financial assets and financial liabilities.- New rules relating to derecognition of financial instruments.	The impact of AASB 9 has not yet been determined as the entire standard has not been released.
AASB 2012 2 Amendment to Australian Accounting Standards Disclosures Offsetting Financial Assets and Financial Liabilities	1 January 2013	Principally amends AASB 7 to require entities to include information that will enable users of their financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set off associated with the entity's recognised financial assets and recognised financial liabilities, of the entity's financial position.	The impact of this standard is expected to be minimal.
AASB 2012 3 Amendments to Australian Accounting Standards Offsetting financial Assets and Financial Liabilities	1 January 2014	This Standard adds application guidance to AASB 132 to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set off" and that some gross settlement systems may be considered equivalent to net settlement.	The impact of this standard is expected to be minimal.

Notes to the Financial Statements
For the Year Ended 30 June 2013

1. Summary of Significant Accounting Policies continued

(m) New accounting standards for application in future periods continued

AASB 2012 5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009 2011 Cycle	1 January 2013	Clarifies the requirements in respect of AASB 1 when an entity discontinues and then resumes applying Australian Accounting Standards. Clarifies the requirements for presenting comparative information in respect of AASB 134. Clarifies the accounting treatment of spare parts, stand by equipment and servicing equipment in AASB 116. Clarifies the accounting treatment of any tax effect of a distribution to holders of equity instruments in respect of AASB 132 and Interpretation 2. Facilitates consistency between the measures of total assets and liabilities an entity reports for its segments in its inter and annual financial statements under AASB 134.	The impact of this standard is expected to be minimal.
AASB 10 Consolidated Financial Statements / AASB 11 Joint Arrangements / AASB 12 Disclosures of Interests in Other Entities, AASB 127 Separate Financial Statements and AASB 128 Investments in Associates	30 June 2014	AASB 10 includes a new definition of control, which is used to determine which entities are consolidated, and describes consolidation procedures. The Standard provides additional guidance to assist in the determination of control where this is difficult to assess. AASB 11 focuses on the rights and obligations of a joint venture arrangement, rather than its legal form (as is currently the case). IFRS 11 requires equity accounting for joint ventures, eliminating proportionate consolidation as an accounting choice. AASB 12 includes disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.	Standard is not applicable and therefore there will be no impact.

Notes to the Financial Statements
For the Year Ended 30 June 2013

1. Summary of Significant Accounting Policies continued

(m) New accounting standards for application in future periods continued

AASB 13 Fair Value Measurement.	30 June 2014	AASB 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Accounting Standards but does not change when fair value is required or permitted.	Fair value estimates currently made by the entity will be revised and potential changes to reported values may be required.
AASB 2011 8 Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009 11, 2010 7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]		There are a number of additional disclosure requirements.	The entity has not yet determined the magnitude of any changes which may be needed.
AASB 119 Employee Benefits (September 2011)	30 June 2014	The main changes in this standard relate to the accounting for defined benefit plans and are as follows:	Some additional disclosures will be needed.
AASB 2011 10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011 11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements		<ul style="list-style-type: none"> - elimination of the option to defer the recognition of gains and losses (the 'corridor method'); - requiring remeasurements to be presented in other comprehensive income; and - enhancing the disclosure requirements. 	Since the entity does not have a defined benefit plan, the adoption of these standards will not have any impact.
AASB 1053	30 June 2014	This standard allows certain entities to reduce disclosures.	The impact of this standard has not yet been determined as the entity has a choice on whether to apply
AASB 2010 10	30 June 2014	Makes amendments to AASB 1	No impact since the entity is not a first time adopter of IFRS.

2. Cash and Cash Equivalents

	2013	2012
	\$	\$
Cash at bank and in hand	311,108	1,157,318
Short-term bank deposits	4,662,520	3,351,925
	4,973,628	4,509,243

Notes to the Financial Statements
For the Year Ended 30 June 2013

3. Trade and Other Receivables

	2013	2012
CURRENT	\$	\$
Trade receivables	30,237	20,992
Other receivables	61,511	49,958
Total current trade and other receivables	91,748	70,950

(a) Impairment of receivables

None of the amounts receivable at 30 June 2013 are considered impaired.

Credit risk

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as 'trade and other receivables' is considered to be the main source of credit risk related to the Company.

4. Property, Plant and Equipment

	2013	2012
	\$	\$
PLANT AND EQUIPMENT		
Furniture, fixture and fittings		
At cost	128,149	114,401
Accumulated depreciation	(53,398)	(45,298)
Total furniture and fittings	74,751	69,103
Office equipment		
At cost	76,525	61,246
Accumulated depreciation	(39,165)	(31,691)
Total office equipment	37,360	29,555
Improvements		
At cost	369,138	369,138
Accumulated depreciation	(295,665)	(240,295)
Total improvements	73,473	128,843
Technology upgrade		
At cost	1,325,654	1,022,589
Accumulated depreciation	(672,878)	(478,485)
Total technology upgrade	652,776	544,104
Total plant and equipment	838,360	771,605
Total property, plant and equipment	838,360	771,605

Notes to the Financial Statements
For the Year Ended 30 June 2013

4. Property, Plant and Equipment continued

(a) Movements in Carrying Amounts

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

	Furniture, Fixtures and Fittings \$	Office Equipment \$	Improvements \$	Technology Upgrade \$	Total \$
Balance at 1 July 2012					
Balance at the beginning of year	69,103	29,555	128,843	544,104	771,605
Additions	20,620	16,874	-	396,006	433,500
Disposals - written down value	(970)	(568)	-	-	(1,538)
Depreciation expense	(14,002)	(8,501)	(55,370)	(287,334)	(365,207)
Balance at 30 June 2013	74,751	37,360	73,473	652,776	838,360

Balance at 1 July 2011					
Balance at the beginning of year	66,665	2,309	128,843	248,785	446,602
Additions	2,438	18,208	-	295,319	315,965
Depreciation expense	-	9,038	-	-	9,038
Balance at 30 June 2012	69,103	29,555	128,843	544,104	771,605

5. Other Assets

	2013 \$	2012 \$
CURRENT		
Prepayments	12,195	35,397
	12,195	35,397

Notes to the Financial Statements
For the Year Ended 30 June 2013

6. Trade and Other Payables

	2013 \$	2012 \$
CURRENT		
Unsecured liabilities		
Trade payables	296,872	126,705
Sundry payables and accrued expenses	194,964	71,975
Practitioner Directory & test fees in advance	302,940	435,759
	794,776	634,439

7. Borrowings

	Note	2013 \$	2012 \$
CURRENT			
Secured liabilities			
Lease liability secured	11	104,189	104,189
Total current borrowings		104,189	104,189
NON-CURRENT			
Secured liabilities			
Lease liability secured	11	27,946	105,270
Total non-current borrowings		27,946	105,270
Total borrowings		132,135	209,459

8. Employee Benefits

	2013 \$	2012 \$
CURRENT		
Long service leave	225,637	206,046
Provision for employee benefits	123,037	105,358
	348,674	311,404
NON-CURRENT		
Long service leave	16,014	38,533
	16,014	38,533

Notes to the Financial Statements
 For the Year Ended 30 June 2013

9. Other Financial Liabilities

	2013 \$	2012 \$
CURRENT		
Government grants	453,485	348,099
Total	453,485	348,099

10. Reserves

	2013 \$	2012 \$
General reserve		
Opening balance	2,000,000	-
Transfers in	- 2,000,000	2,000,000
Total reserves	2,000,000	2,000,000

(a) General reserve

The general reserve records funds set aside to meet future working capital requirements of National Accreditation Authority for Translators and Interpreters Limited (NAATI).

11. Capital and Leasing Commitments

Finance lease commitments

	Note	2013 \$	2012 \$
Payable - minimum lease payments:			
- no later than 1 year		94,717	94,717
- between 1 year and 5 years		47,379	142,096
Minimum lease payments		142,096	236,813
Less: finance charges		9,961	27,354
Present value of minimum lease payments	7	132,135	209,459

Notes to the Financial Statements
For the Year Ended 30 June 2013

12. Financial Risk Management

The main risks National Accreditation Authority for Translators and Interpreters Limited (NAATI) is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and equity price risk.

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short term investments, accounts receivable and payable, bank loans and overdrafts, loans to and from subsidiaries, bills, leases, preference shares, and derivatives.

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

	Note	2013	2012
		\$	\$
Financial Assets			
Cash and cash equivalents	2	4,973,629	4,509,243
Trade and other receivables	3	91,748	70,951
Total Financial Assets		5,065,377	4,580,194
 Financial liabilities at amortised cost			
- Trade and other payables	6	599,812	563,857
- Borrowings	7	132,135	209,459
- Other financial liabilities	9	453,485	348,099
Total Financial Liabilities		1,185,432	1,121,415

Financial risk management policies

The Board of Directors has overall responsibility for the establishment of National Accreditation Authority for Translators and Interpreters Limited (NAATI)'s financial risk management framework. This includes the development of policies covering specific areas such as interest rate risk, credit risk and future cash flow requirements.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions. Mitigation strategies for specific risks faced are described below:

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non performance by counterparties of contract obligations that could lead to a financial loss to National Accreditation Authority for Translators and Interpreters Limited (NAATI) and arises principally from National Accreditation Authority for Translators and Interpreters Limited (NAATI)'s receivables.

The company is exposed to credit risk in that approximately 50% of its revenue comes from provision of testing and accreditation services. Such services are exposed to fluctuations in demand and Government policy. However, some of the risk is mitigated by the receipt of grants from state and federal governments in accordance with fixed term funding agreements.

Notes to the Financial Statements
For the Year Ended 30 June 2013

12. Financial Risk Management continued

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The Company has no significant concentration of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 3.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 3.

(b) Liquidity risk

Liquidity risk arises from the possibility that National Accreditation Authority for Translators and Interpreters Limited (NAATI) might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Company manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financial activities which are monitored on a monthly basis;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Typically, National Accreditation Authority for Translators and Interpreters Limited (NAATI) ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 180 days.

Notes to the Financial Statements
For the Year Ended 30 June 2013

12. Financial Risk Management continued

The table below reflect an undiscounted contractual maturity analysis for financial liabilities.

Financial guarantee liabilities are treated as payable on demand since National Accreditation Authority for Translators and Interpreters Limited (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.

	Within 1 Year		1 to 5 Years		Total	
	2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$
Financial liabilities due for payment						
Trade and other payables (excluding estimated annual leave)	510,698	982,538	-	-	510,698	982,538
Finance lease liabilities	94,717	94,717	47,379	142,096	142,096	236,813
Total contractual outflows	605,415	1,077,255	47,379	142,096	652,794	1,219,351

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

Financial assets pledged as collateral

No financial assets have been pledged as security for any financial liability.

(c) 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.

i. 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 Company is also exposed to earnings volatility on floating rate instruments.

Notes to the Financial Statements
For the Year Ended 30 June 2013

12. Financial Risk Management continued

Interest rate risk sensitivity analysis

At 30 June 2013, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2013	2012
	\$	\$
Change in profit		
- Increase in interest rates	49,736	42,994
- Decrease in interest rates	49,736	42,994
Change in equity		
- Increase in interest rates	49,736	42,994
- Decrease in interest rates	49,736	42,994

There have been no changes to any of the assumptions used to prepare the above sensitivity analysis from the prior year.

Net fair values

Fair value estimation

The fair values of financial assets and financial liabilities approximate their carrying values presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Notes to the Financial Statements
For the Year Ended 30 June 2013

13. Economic Dependency

National Accreditation Authority for Translators and Interpreters Limited (NAATI) revenues comprise regular funding contributions from its government Members, occasional project funding from Members and non-government income the demand for which is influenced by policy decisions made by government from time-to-time.

14. Other Income

	2013 \$	2012 \$
Test related revenue	3,472,017	2,962,062
Other services revenue	752,067	555,338
Government grants	1,184,867	1,951,830
Interest revenue	216,647	184,752
Total Other Income	5,625,598	5,653,982

15. Tax

	2013 \$	2012 \$
GST payable	(7,750)	66,039
	(7,750)	66,039

16. Interests of Key Management Personnel

The totals of remuneration paid to the key management personnel of National Accreditation Authority for Translators and Interpreters Limited (NAATI) during the year are as follows:

	2013 \$	2012 \$
Short term employee benefits	497,966	375,371
Long term benefits	64,620	32,633
	562,586	408,004

17. Auditors' Remuneration

	2013 \$	2012 \$
Remuneration of the auditor of the company, Hardwickes Chartered Accountants, for: - auditing or reviewing the financial statements	18,500	18,200

Notes to the Financial Statements
For the Year Ended 30 June 2013

18. Cash Flow Information

Reconciliation of result for the year to cash flows from operating activities

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

	2013 \$	2012 \$
Profit for the year	399,375	1,206,237
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	365,510	309,874
- net loss on disposal of property, plant and equipment	1,538	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	(21,956)	24,958
- (increase)/decrease in prepayments	23,202	(22,950)
- (increase)/decrease in income in advance	(27,433)	630,268
- increase/(decrease) in trade and other payables	214,651	149,871
- increase/(decrease) in provisions	19,466	40,907
Cash flow from operations	974,353	2,339,165

19. Company Details

The registered office of the company is:
17A/2 King Street
Deakin ACT 2600

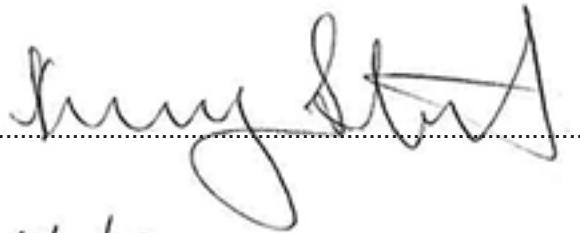
Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 6 to 27, 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 2013 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 ...



Dated:

4/10/13

Independent Auditor's Report to the members of National Accreditation Authority for Translators and Interpreters Limited (NAATI)

Report on the Financial Report

We have audited the accompanying financial report of National Accreditation Authority for Translators and Interpreters Limited (NAATI), which comprises the statement of financial position as at 30 June 2013, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independent Auditor's Report to the members of National Accreditation Authority for Translators and Interpreters Limited (NAATI)

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of National Accreditation Authority for Translators and Interpreters Limited (NAATI), would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion the financial report of National Accreditation Authority for Translators and Interpreters Limited (NAATI) is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Hardwickes
Chartered Accountants

Hardwickes

R Johnson

Robert Johnson FCA
Partner

Deakin ACT

16 September 2013

The key to language diversity



2012-2013

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ACN 008 596 996