

National Accreditation Authority for Translators and Interpreters Ltd

2013 2014



Annual Report



# National Accreditation Authority for Translators and Interpreters Ltd

## 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



2013 2014



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# From the Chair of the Board



In 2013/14 NAATI continued to prepare for transition to a new national certification scheme while operating close to the high levels of recent years despite ongoing uncertainties about funding and governance. However, after the year ended we were advised Members intend on moving NAATI to a new 3 Year Funding Agreement which is welcome news. NAATI values greatly the affirmation of support from Members that the proposed new agreement represents. We thank in particular the Commonwealth for initiating this timely change.

I am pleased to report that during 2013/14 NAATI continued to progress major initiatives including the Improvements to NAATI Testing Project (INT Project) and complementary initiatives in Examiner Enhancement and Indigenous Interpreting.

Phase 1 of the INT Project was completed largely in 2012/13. Phase 1 was the independent research, publication in full of the research report and recommendations as *Improvements to NAATI Testing, Development of a conceptual overview for a new model for NAATI standards, testing and assessment* and public consultations about that report. Most of the feedback received then and since was constructive and the process of consulting about this report has helped create a positive atmosphere in which to continue the INT Project.

In 2013/14 NAATI published the *INT Project Discussion Paper: November 2013* where we proposed to accept in full or in part 15 of the 17 INT Report recommendations. NAATI believes the Discussion Paper is a considered and careful response to the INT Report. If we can implement what we proposed in the Discussion Paper we will achieve the greatest improvements to the national system since NAATI was established and create a sound base for further development going forward.

NAATI has emphasised with stakeholders the INT project would proceed within the limits of NAATI's resources and that, while not everything all stakeholders want could be delivered now, what we propose will be a major advance on the current system. NAATI has progressed the INT Project so far by investing its Retained Earnings which is a measure of how seriously we take INT.

NAATI has pursued quietly an Examiner Enhancement initiative in parallel with the INT Project. There is a cadre of about 250 highly qualified and experienced Examiners in 61 language specific panels, many of whom have served for several years. Examiners are central to the effective operation of the NAATI system and in the interest of making the system more sound and defensible NAATI has made them a priority. This work continued well in 2013/14.

Last year we flagged Indigenous Interpreting as another priority given it had lagged badly in the absence of regular funding since 2006. This important work continued in 2013/14 using project funds from the Commonwealth and NT Governments. I do wish to record the effective cooperation of NAATI staff and relevant Commonwealth and NT officials in Indigenous Interpreting. While this work has brought delivery of credentialing services in Indigenous Interpreting closer to that for multicultural languages, there is still more work to do.

I close by acknowledging and thanking my fellow Directors, particularly Abeselom Nega and Hass Dellal whose terms expire in the 2014/15. On behalf of the Board I thank them for their wonderful contributions to NAATI and wish them well into the future. I would also like to thank the NAATI CEO, John Beever and the NAATI staff for the professional and competent way they have dealt with increased workloads and complexity in NAATI over the last year.

Kerry Stubbs, Chair NAATI Board of Directors





## From the Chief Executive Officer

I am pleased to report that 2013/14 was another productive year for NAATI. We continued to operate close to the peak levels of the previous two years while we continued work on the Improvements to NAATI Testing Project (INT Project).

While applications received remained strong the numbers of tests eased which enabled NAATI front line and national office staff to reduce turnaround times and backlogs that had started to get to unacceptable levels. This more manageable scale of operations allowed staff to focus more on quality of service delivered than previously when just meeting demand was the necessary priority.

Staff also progressed significantly the INT Project. As the Chair says on the previous page, INT will deliver the biggest improvements to the national accreditation system since it was established some 37 years ago. When launched it was expected to require major systems change and that is how it has worked out.

The focus in 2013/14 was NAATI's response to the independent *Improvements to NAATI Testing* report in the form of the *INT Project Discussion Paper: November 2013*. The Discussion Paper was the basis of further conversations with stakeholders following the national consultation round conducted the year before and further thinking and planning about how change might best be achieved. The INT report, the consultations and the Discussion Paper were the main outcomes from Phase 1 of the INT Project. This work had been funded by NAATI investing some of its Retained Earnings in improving the national system.

By the end of the year staff had prepared for consideration by the Board plans to begin Phase 2 of the INT Project. These plans were approved in July and were again funded by investment of NAATI Retained Earnings.

Again as noted by the Chair, work continued in parallel through 2013/14 on Examiner Enhancements and Indigenous Interpreting. These changes address critical needs in the national accreditation system and support and extend the INT Project. If any of these initiatives are delayed for whatever reasons work continues on the others. As such they are by design complementary but able to be progressed independently. As with all NAATI activities we could do more here with more resources but in the meantime we progress important work as fast as we can with what we have.

In 2013/14 we conducted the first meeting of Panel Chairs in Canberra which was a great success. We also launched the first public Expression of Interest process for sourcing Examiners. This resulted in more than 10% of current Examiners being newly contracted.

The 2013/14 Indigenous Interpreting action highlighted by the Chair has been made possible by project funding provided by the Commonwealth and Northern Territory Governments. This has enabled NAATI and partners including the NT Aboriginal Interpreter Service to make real improvements in access to accreditation for the language of the First Australians. That project funding ends in 2014/15. NAATI will continue to urge the Commonwealth Government in 2014/15 to implement the recommendation of the House of Representatives Standing Committee on Aboriginal Strait Islander Affairs to restore regular funding for Indigenous Interpreting.

NAATI achieved much in 2013/14 and we look forward to continued progress in 2014/15. This is only possible because of the continued leadership of the NAATI Board, the support and guidance of our network of advisers in the Qualifications Assessment Advisory Committee, the Professional Reference Group, the INT Steering Committee, the State Regional Advisory Committees and NAATI staff. While I thank all staff for their continued contributions I must acknowledge that NAATI could not do what it does without the ongoing dedication of its senior management team in Canberra and the State Offices.

John 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/ethnic affairs 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 – Senator the Hon Concetta Fierravanti-Wells, Parliamentary Secretary to the Minister for Social Services
- NT – The Hon Bess Nungarrayi Price MLA, Minister for Community Services (responsibility for Language Services), Minister for Women's Policy, Minister for Parks and Wildlife, Minister for Statehood
- SA – The Hon Zoe Bettison, Minister for Multicultural Affairs, Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Ageing, Minister for Youth, Minister for Volunteers, Minister for Veterans' Affairs
- TAS – Mr Guy Barnett MP, Parliamentary Secretary to the Premier
- VIC – The Hon Matthew Guy, Minister for Planning, Minister for Multicultural Affairs and Citizenship

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

- Commonwealth – Ms Cate McKenzie, Group Manager, Settlement and Multicultural Affairs Group, Department of Social Services
- NSW – Mr Hakan Harman, Chief Executive Officer, Community Relations Commission
- SA – Ms Sue Wallace, Executive Director, Policy and Community Development, Department for Social Inclusion
- WA – Ms Rebecca Ball, Executive Director, Office of Multicultural Interests

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 2014 the Members of NAATI and their Representatives were:

	<b>Member</b>	<b>Title</b>	<b>Representative</b>	<b>Title</b>
Cwlth	Senator the Hon Concetta Fierravanti-Wells	Parliamentary Secretary to the Minister for Social Services	Ms Cate McKenzie	Group Manager Settlement and Multicultural Affairs Group, Department of Social Services
ACT	Ms Joy Burch MLA	Minister for Multicultural Affairs Minister for Disability, Children and Young People Minister for Women Minister for Arts	Mr Nic Manikis	Director – Community Participation Group, Department of Community Services, Office of Multicultural Affairs
NSW	The Hon Victor Dominello MP	Minister for Citizenship & Communities Minister for Aboriginal Affairs	Mr Hakan Harman	Chief Executive Officer Community Relations Commission for a Multicultural NSW
NT	The Hon Bess Nungarrayi Price MLA	Minister for Community Services (responsibility for Language Services) Minister for Women's Policy Minister for Parks and Wildlife Minister for Statehood	Mr David Alexander	Senior Director Language Services Department of Community Services
QLD	The Hon Glen Elmes MP	Minister for Aboriginal, Torres Strait Islander Affairs Minister for Multicultural Affairs Minister Assisting the Premier	Mr Wayne Briscoe	Deputy Director-General Community Participation Department of Aboriginal and Torres Strait Islander and Multicultural Affairs
SA	The Hon Zoe Bettison	Minister for Multicultural Affairs Minister for Communities and Social Inclusion Minister for Social Housing Minister for Ageing Minister for Youth Minister for Volunteers Minister for Veterans' Affairs	Ms Sue Wallace	Executive Director Policy and Community Development Department for Communities and Social Inclusion
TAS	Mr Guy Barnett MP	Parliamentary Secretary to the Premier	Mr Nick Evans	Director Community Development Department of Premier & Cabinet Multicultural Tasmania
VIC	The Hon Matthew Guy	Minister for Planning Minister for Multicultural Affairs and Citizenship	Mr Hakan Akyol	Director 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 Rebecca Ball	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, Chair SpineCare Ltd; Director Water for Sensitive Cities CRC Ltd. Ms Stubbs' term expires on November 30, 2017.



## Mr Abeselom Nega AFAIM, CAHRI, GACID

Abeselom is the CEO of iEmpower a highly regarded youth services organisation. Previously, Abeselom was the State and General Manager of AMES Employment with over 380 staff and a budget of over 40mil. He has served as a senior executive in public, community and private sector based organisations. He is a member of the Victorian Equal Opportunities and Human Rights Commission (VEOHRC) and the Chair of the Melbourne Employment Forum (MEF). Abeselom is also a Commissioner of the Victorian Multicultural Commission (VMC) and. He 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 also a member of numerous professional bodies. Mr Nega's term expires on August 31, 2014.



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

Associate Professor Ludmila Stern was appointed to the role of Director on 1 March 2010. Before embarking on an academic career, Assoc Prof 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 has resumed this role in 2014. 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, Assoc Prof 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). Assoc Prof Stern was Chair and examiner of the NAATI Russian panel. Her term expires on November 30, 2016.

### Giuseppe (Pino) Migliorino BA Dip.Ed (Sec)



Pino was born in Bari, Italy in 1959 and migrated to Australia with his family through an assisted passage program in 1964 to reunite with an extended family who had arrived in Australia in the late 1950s. Pino founded Cultural Perspectives/DiverseWerks and CIRCA Research 20 years ago and this group of companies are sector leaders in consulting, researching and communicating with CALD and Aboriginal and Torres Strait Islander communities in Australia. Prior to working in the private sector Pino held important positions in government including Executive Officer of the ECC of NSW, NSW Regional Coordinator for the Office of Multicultural Affairs, Senior Conciliator at the HREOC and Principal Policy Officer at the Ethnic Affairs Commission of NSW. With over 30 years of ethnic community involvement and working in multicultural affairs across three sectors, Pino was elected Chairperson on FECCA (Federation of Ethnic Communities Councils of Australia) in October 2009 and completed that role in November 2013. Pino is now the Hon. President of FECCA. Pino is an acknowledged expert in immigration, multicultural affairs and social policy areas relevant to diversity. Pino has a BA and Dip. Ed (Secondary), is a Fellow of the Public Relations Institute of Australia (FPRIA) and a Qualified Practicing Market Research (QPMR). Mr Migliorino commenced his term on May 15, 2014, and his term expires on May 14, 2017.

### 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. Dr Dellal's term expires on October 31, 2014.



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THE YEAR IN REVIEW

# Accreditation

The financial year 2013/14 saw continued high demand for NAATI accreditation services.

Highlights of the year included:

## **Improvements to the Accreditation system**

- Commenced auditing of 5% of Revalidation applications.
- Introduced improvements to the Revalidation process including changes to simplify the process administratively, changes to the logbooks to accept other forms of evidence of work practice and additional categories of acceptable professional development.
- Developed and made accessible 5 types of Deaf Interpreter Recognition credentials.
- Developed a new Conference Interpreter accreditation pathway, which becomes available from 1 July 2014.

## **Indigenous and Interpreting Projects**

- Continued work on the Northern Territory Aboriginal Interpreter Service (NTAIS) and Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) funded projects to improve access to NAATI accreditation tests for Indigenous interpreters. For details refer to page 16.
- 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 17.

## **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.
- Developed and conducted a full day Panel Chair Workshop to consider areas for developing and improving Examiner panel process and performance.
- Targeted, language-specific professional development sessions conducted for 18 language panels.
- Conducted a public Expression of Interest process for Examiner Panels for 2014/15.

## **Quality assurance of Approved Courses**

- Continued work to revise and update the Higher Education Guide to Approval of Courses in Translating and Interpreting and supporting application forms.
- Published a revised VET Higher Education Guide to Approval of Courses in Translating and Interpreting and supporting application forms.
- 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**

Much of the work being undertaken now is aligned with the Improvement to NAATI Testing project (INT) and the significant changes to systems that will occur. The accreditation focus will be on ensuring that improvement work is aligned and consistent with the intended goals of the project.

# Improvements to NAATI Testing (INT)

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.

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. 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 consultations throughout all States and Territories in Australia. These included 28 sessions with practitioners, professional groups, educators, employers and government departments. There were five main observations drawn from these sessions:

- the consultations were generally well received
- the 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 level 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 national system and the profession of the engagement of non-credentialed practitioners is serious

In November 2013 NAATI published a discussion paper that provides NAATI's current views on how the national accreditation system for translators and interpreters might change subject to the availability of resources. Members of the public and other interested parties were invited to provide feedback on this Discussion Paper.

It became clear in early 2014 that due to the amount of work involved and the need to get the changes associated with INT right that Phase 2 of INT should be conducted over two financial years.

In June 2014 given these considerations the Board deliberated over the options for the next phase of the INT project. The Board agreed to proceed with Phase 2A in 2014/15. Work in 2014/15 will include the job analysis which will inform the new credentials structure, initial scheme design and importantly, more detailed costing of work for Phases 2B in 2015/16 and Phase 3 being the implementation of these changes in 2016/17.

Another focus in Phase 2A will be continuing to learn about and likely become actively involved in the development of international standards for translating and interpreting through the International Standardisation Organisation (ISO).

As agreed with Members, NAATI has not sought additional funding for INT at this stage and is funding INT work from its own Retained Earnings.

# Revalidation

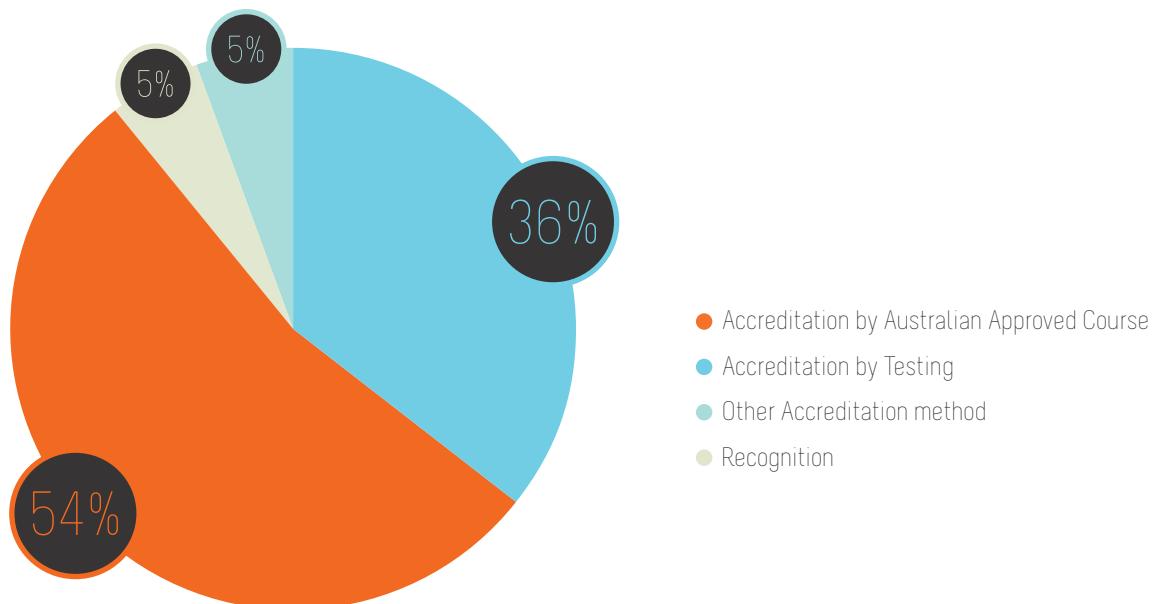
The Revalidation of credentials issued by NAATI from January 2007 began from 1 July 2012. Revalidation is the process by which every three years eligible holders of NAATI credentials confirm they have maintained currency of practice, undergone specified Professional Development (PD) and complied with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

A Revalidation Officer assists applicants and encourages practitioners to revalidate their credentials. Small grants were provided to AUSIT and ASLIA to help them provide additional PD to assist applicants to meet Revalidation requirements.

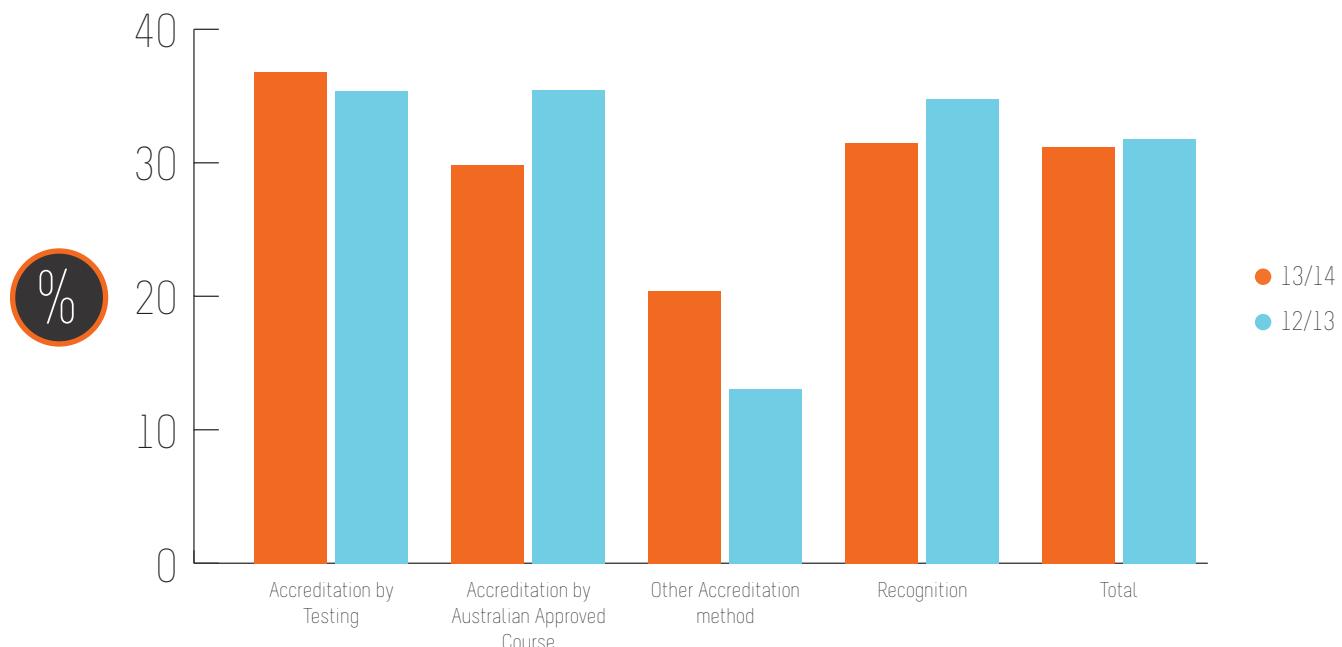
The following data provide a summary of the applications processed for credentials expiring between 1 July 2013 and 30 June 2014. These figures may increase slightly as NAATI currently accepts applications up to 3 months after initial date of expiry.

NAATI processed a total of 497 applications and granted Revalidation to 628 accreditations. The 628 revalidations granted were still higher than NAATI had predicted pre-July 2012. This represents a Revalidation rate of 31.2% - that is 31.2% of credentials requiring Revalidation were revalidated. This Revalidation rate is consistent with the Revalidation rate of 31.5% in 2012/13.

The Method of Gaining Credentials graph below shows following distribution:



When comparing the proportion of credentials revalidated in 2013/14 and 2012/13 the graph shows following results:



This second graph shows the proportion of credentials being revalidated for each pathway to the credential compared to the original number of accreditations gained by this method. There is some variation to the previous figures:

- 35.4% of accreditations by approved course were revalidated in 2012/13 versus 29.8% in 2013/14.
- 13.1% of accreditations by other methods were revalidated in 2012/13 versus 20.4% in 2013/14.

There was still a good balance between the credentials revalidated with translator credentials representing 44.9% and interpreter credentials 55.1%. However, there is a reasonably significant change from the 2012/13 period (51.7% translator and 48.3% interpreter) in terms of the proportion of translator versus interpreter credentials revalidated. At this stage this is not considered to be of concern but this will be monitored.

The majority of credentials revalidated were at the Professional level or above (61.3%). 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	7	1.1%
NSW	193	30.7%
NT	9	1.4%
QLD	102	16.2%
SA	33	5.3%
TAS	4	0.6%
VIC	191	30.4%
WA	31	4.9%
Overseas	58	9.2%

Individuals have revalidated credentials in a total of 62 languages. The top 20 languages, by volume of credentials revalidated, represents 83.5% of the Revalidations granted while the top 10 languages represent 69.6%.

# 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 ongoing funding for Indigenous interpreter certification be restored. In June 2013 the then Australian Government agreed to that recommendation in principle. NAATI hopes the current Government will now restore funding for Indigenous interpreting to the same status as that for multicultural languages.

Late in 2011/12 NAATI reached an 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. These projects were funded by FaHCSIA and Northern Territory Aboriginal Interpreter Service (NTAIS).

In May 2014, NAATI received further funding from the federal Department of Prime Minister and Cabinet for the 2014/15 year to continue its work in Western Australia, Queensland and South Australia.

Key achievements from 30 June 2013 to 30 June 2014 across all projects included:

- the development and recording of new Paraprofessional level audio tests in:
  - NT - Burarra, Modern Tiwi and Djambarrpuyngu (Top End languages) Warumungu (Central Australian languages).
  - WA - Martu Wangka, Kukatja, Kimberley Kriol and Fitzroy Valley Kriol
  - SA - Yankunytjatjara
  - QLD - Wik-Mungkan

The development and recording of new Professional level audio tests in Northern Territory languages - Djambarrpuyngu, Roper Kriol, Eastern Arrernte, and Warumungu.

The development of culturally appropriate training material (including audio visual material) for the use in six workshops - two in Perth, two in Broome, one in Alice Springs and one in Darwin. NAATI Test training and examiner workshops were run in Perth and Broome whilst in Alice Springs and Darwin, the workshops focused on examiner training and test training for NTAIS trainers who currently deliver test training to their full-time and casual employees. An *Introduction to NAATI Professional level tests* workshop was delivered at the Darwin workshop.

This work has involved the recruitment and training of numerous Indigenous language experts including Indigenous Language centres, Indigenous language consultants and linguists, primarily to support the development and recording of the accreditation test materials and the facilitation of workshops.

# New Interpreters Project

In 2013/14 NAATI continued to deliver a major project for the previously named Commonwealth Department of Immigration and Citizenship (DIAC) and now the Department of Social Services (DSS) to enhance the availability of interpreters in 'new and emerging' languages - the New Interpreters Project (NIP).

The aim of the NIP is to support the communities which speak those languages to enable them 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](http://www.naati.com.au)).

## **Industry/Community Activities**

Continuation of training and testing in rural and regional areas and for 'new and emerging' languages. There were no information sessions held during 2013/14 as there were 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 2013/14.

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 the Department 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 10 Accreditations and 12 Recognitions were awarded during 2013/14, bringing the total number of Accreditations awarded to 123 and Recognitions to 122 since the commencement of the project (as at June 30, 2014).

# States and Territories

The State and Territory offices of NAATI continued to provide 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 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 assisted 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 2013/14 follows.

## AUSTRALIAN CAPITAL TERRITORY

- There were 190 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 was completed.

## NEW SOUTH WALES

- There were 1,209 tests undertaken.
- A workshop for the New Interpreters Project was held in Sydney.

## NORTHERN TERRITORY

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

## QUEENSLAND

- There were 391 tests undertaken.
- A workshop for the New Interpreters Project was held.

## SOUTH AUSTRALIA

- There were 203 tests undertaken.
- A workshop for the New Interpreters Project was held.

## TASMANIA

- There were 47 tests undertaken.
- A workshop for the New Interpreters Project was held.

## VICTORIA

- There were 1,214 tests undertaken.
- A workshop for the New Interpreters Project was held.

## WESTERN AUSTRALIA

- There were 287 tests undertaken.
- A workshop for the New Interpreters Project was held.

# Administration and Business Development

The 2013/14 year again proved to be challenging 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 and National offices due to staff movement, and to add specialist staff including a Management Accountant to allow NAATI to meet reporting and procedural obligations
- further planning and development of the ePortal, to enable more streamlined business and further integration with the SAM database
- completion of the record management archival began in 2011/12
- implementation of a strategic review of our IT infrastructure, with significant recommendations

## System for Accreditation Management (SAM) database

Enhancements and modifications to SAM were again focused on effectiveness and access. The NAATI Approved Courses management partition within SAM was released to the testing environment to allow staff the ability to do stringent testing prior to release to the production environment. This new partition gives the ability to better manage NAATI Approved Courses and provide more consistent reporting. All of the enhancements and developments within SAM undergo rigorous 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 in Australia. The ability for practitioners to manage their own listing via the ePortal has continued to be very successful.

## Online Verification Tool

The online credential verification system, has proven to be a great success, with a large number of individuals and organisations utilising this tool to verify credentials. The Online Verification Service is available 24/7.

## Outlook for the future

The 2014/15 year will have more new challenges including:

- continuing review and enhancement of the organisation's functions and capabilities
- review implementation of stage one of the IT Strategic Review recommendations, in conjunction with the Improvement to NAATI Testing (INT) requirements
- continued review of the NAATI website continue assessment for the requirements and implementation of a secure platform for NAATI examiners to access secure information, and
- continue recruitment and training of specialist staff



# 3

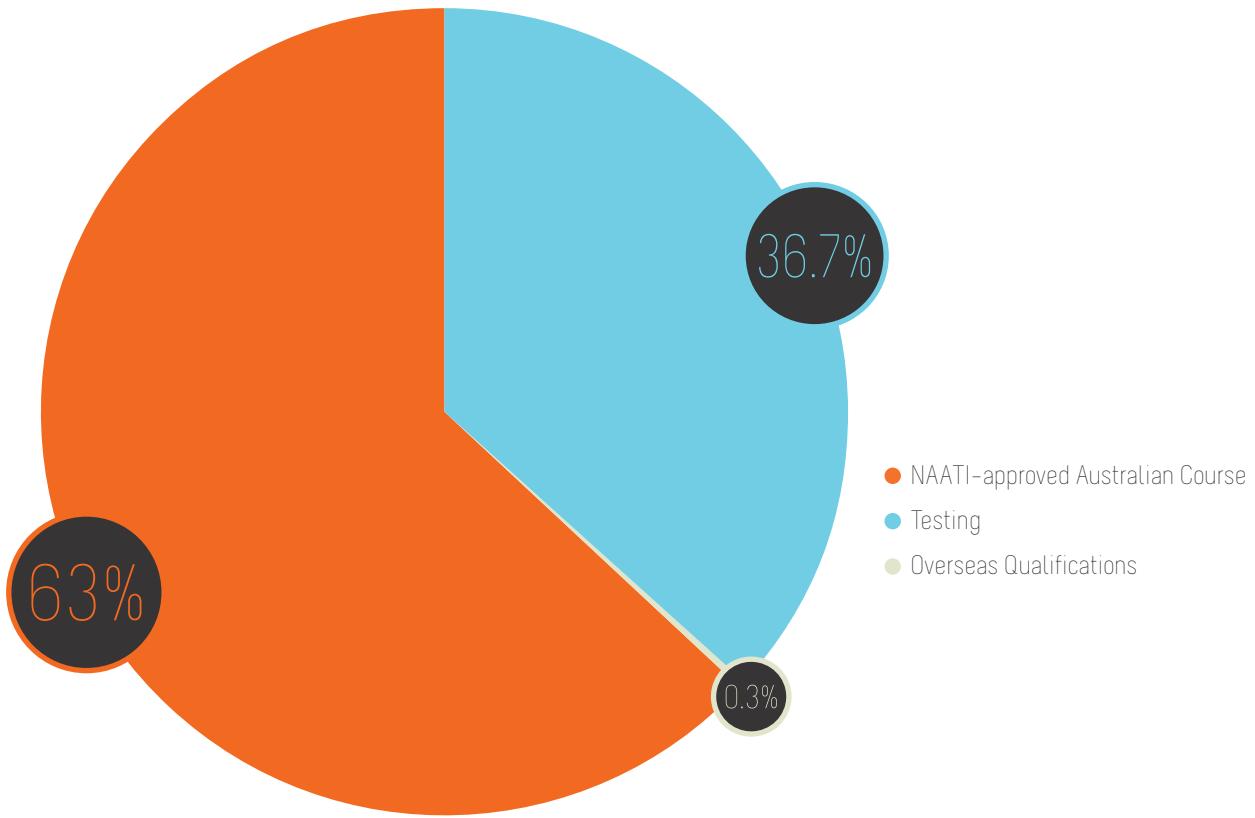
BUSINESS PERFORMANCE

# Credentialing

NAATI awarded 2993 credentials and achieved the following service delivery and outcomes during the year.

## Accreditation

- 2871 accreditations awarded in total.
- 1054 accreditations awarded by testing.
- 10 accreditations awarded by assessment of overseas qualifications.
- 1808 accreditations awarded on completion of NAATI-approved Australian courses.



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

## Other Credentials Awarded

- 99 Recognitions were awarded across 28 languages plus 25 Deaf Interpreter Recognitions.
- 22 Language Aide certificates were awarded across eleven languages.

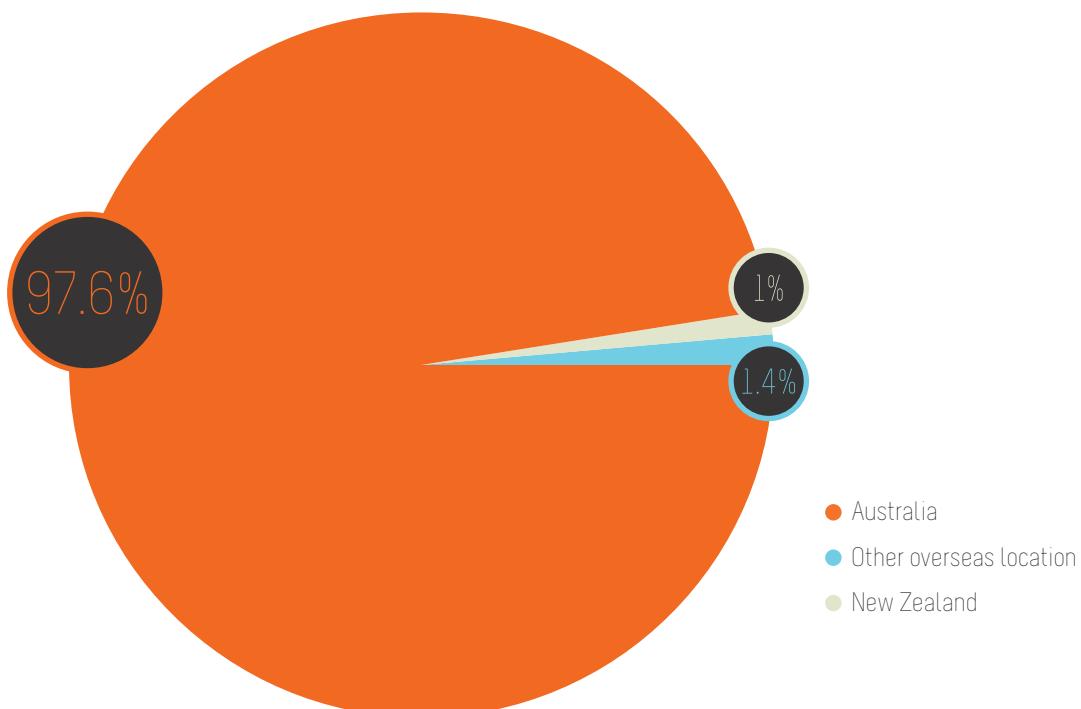
## Language Accreditations

By 30 June 2013 NAATI had issued accreditations in 117 International and Indigenous languages.

Afrikaans	Dari	Iwaidja	Murrinh-Patha	Swedish
Albanian	Dinka	Japanese	Nepali	Tamil
Alyawarra	Djambarrpuyngu	Jaru	Ngaanyatjarra	Tetum
Amharic	Djapu	Kala Lagaw Ya	Norwegian	Thai
Anindilyakwa	Dutch	Karen	Nuer	Tigrinya
Anmatyerr	Eastern Aranda	Kaytej	Nunggubuyu	Tiwi
Arabic	Eastern Arrernte	Khmer	Nyangumarta	Tongan
Armenian	Estonian	Kija	Oromo	Torres Strait Island Creole
Assyrian	Filipino	Korean	Persian	Turkish
Auslan	Finnish	Kriol	Pitjantjatjara	Ukrainian
Bangla	French	Kukatja	Polish	Urdu
Bosnian	Georgian	Kunwinjku	Portuguese	Vietnamese
Bulgarian	German	Kurdish (Kumanji)	Punjabi	Walmajarri
Burarra	Greek	Kurdish (Sorani)	Pushto	Wangkatha
Burmese	Gumatj	Lao	Romanian	Warlpiri
Cantonese	Gunwinkgu	Liyagalawumirr	Russian	Warumungu
Catalan	Gupapuyngu	Luritja	Samoan	Western Aranda (Arrernte)
Chin (Haka)	Hakka	Macedonian	Serbian	Western Arrernte
Chin (Tedi)	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	

## Testing

- 3673 tests were sat – 3584 in Australia, 38 in New Zealand and 51 in other overseas locations.



## **Test Preparation Activities**

- Delivery of 99 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 28 new courses.
- Approval of 21 new tertiary courses; re-approval of 14 courses.
- The number of NAATI-approved courses increased to 55 across 20 institutions.
- There were 16 NAATI-approved courses available in translation, 26 in interpreting and 13 in a combination of translation and interpreting.
- Currently there are 23 language-streams approved within translation courses and 61 language streams within interpreting courses, encompassing 53 and 122 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 another Deed of Variation to the Funding Agreement with the Members.

This year again saw a decrease in total revenue of (6.0%) accompanied by an increase in expenditure of (7.0%) on the previous period. The decrease in revenue together with the increase in expenditure resulted in an overall loss for the year. The decrease in revenue is consistent with our forecasting of a small downward trend in credentialing services.

The deficit for the year was less than budgeted for 2013/14. The Board approved the deficit budget to enable key business improvements to continue such as the Improvement to NAATI Testing (INT) Project. The loss was funded by drawing on Retained Earnings. The better than expected result was due to careful husbandry of financial resources. Retained Earnings at the end of 2013/14 were \$1.83M.

Government revenue for the period represented 22.90% of total income, a slight increase from 21.06% in the previous period. The net result for the period was an operating loss of (\$342,901) compared to the profit of \$399,374 for the previous year.

## Outlook

NAATI will continue in 2014/15 to build the future national certification scheme for translators and interpreters on the base of what has evolved over more than three decades. It will do this in cooperation with stakeholders from the sector in particular national professional groups, educators and employers.

Also NAATI will work with its Members, the governments of Australia to agree updated strategic directions and put in place a three year base funding.

NAATI will continue to rely on the wisdom of its advisers in the Qualifications Assessment Advisory Committee, the Professional Reference Group, the INT Steering Committee and Regional Advisory Committees to guide its operations.





# 4

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

## LEADERSHIP

### **KPI - LEADERSHIP**

NAATI is acknowledged nationally and internationally as a leader in accreditation.

- Setting national accreditation standards
- Providing policy leadership and advice

## PERFORMANCE

### **KPI - PERFORMANCE**

NAATI maintains a high-quality accreditation system and carries out its business effectively and efficiently.

- Maintaining a national accreditation system
- Awarding NAATI credentials
- Offering quality products and services
- Delivering on specific projects
- Managing finances responsibly
- Achieving client and stakeholder satisfaction

## RELATIONSHIPS

### **KPI - RELATIONSHIPS**

NAATI is respected and valued by its Members and stakeholders.

- Building strategic relationships
- Implementing joint ventures
- Delivering stakeholder value

## RESPONSIVENESS

### **KPI - RESPONSIVENESS**

NAATI's capabilities continue to meet the needs of its purpose, Members, business environment and clients.

- Maintaining sustainable resourcing
- Responding to Members' expectations
- Building new business capabilities
- Striving for an excellent organisation

## PEOPLE

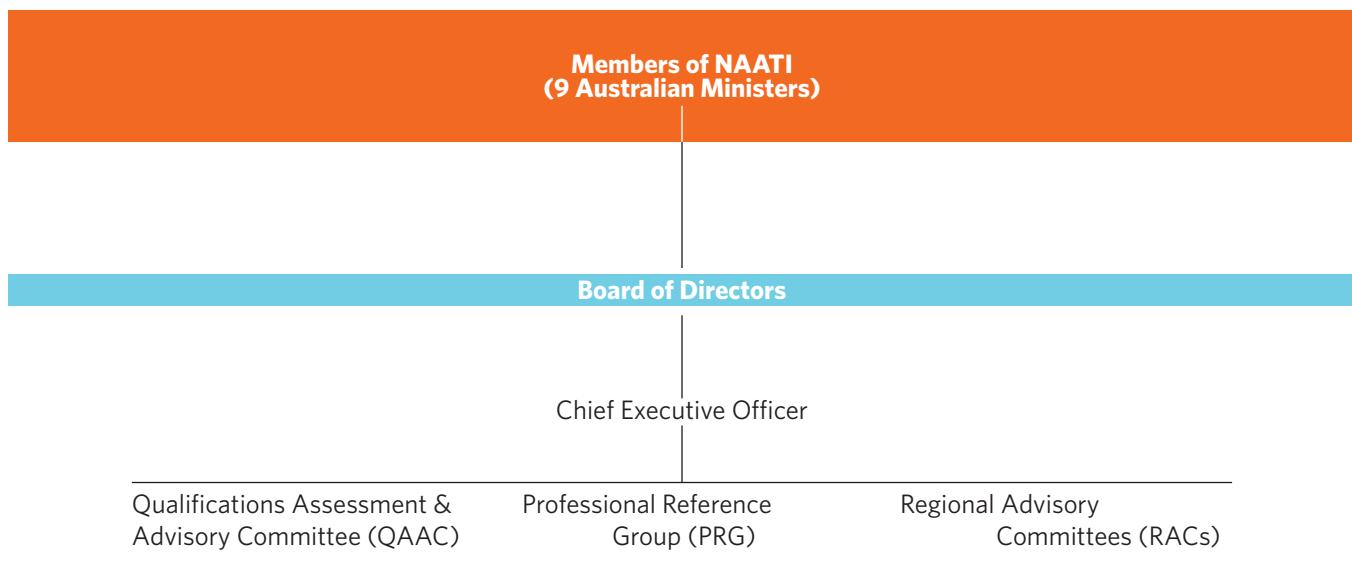
### **KPI - PEOPLE**

NAATI is regarded as an employer of choice.

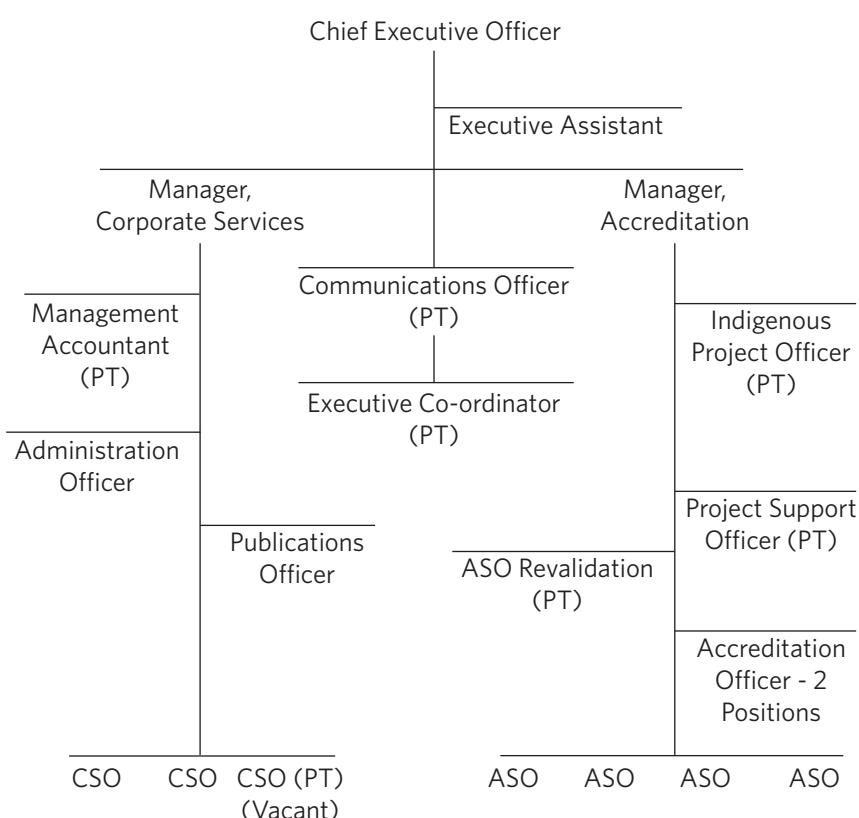
- Promoting staff well being
- Encouraging staff development
- Fostering staff satisfaction

# 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, 2014, NAATI employed 40 staff (29.2 effective full-time-positions) as shown below.



## NATIONAL OFFICE STRUCTURE



## STATE/TERRITORY OFFICES

### NSW OFFICE

NSW Manager	FT
Reception/Test Support	FT
Admin Assistant (Testing)	PT
Admin Assistant (Office Support)	PT
Reception/Admin Support	PT

### NT OFFICE

NT Manager (Vacant)	PT
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### QLD OFFICE

QLD Manager	PT
Admin Assistant	PT

### SA OFFICE

SA Manager	PT
Admin Assistant	PT

### TAS OFFICE

TAS Manager	PT
Admin Assistant	CAS

### VIC OFFICE

VIC Manager	FT
Reception/Test Support	FT
Admin Assistant (Testing)	PT
Admin Assistant (Office Support)	PT
Reception/Admin Support	PT

### WA OFFICE

WA Manager	PT
Admin Assistant/Test Support	PT
Admin Assistant (Office Support)	CAS

#### KEY

CSO = Corporate Services/Support Officer  
ASO = Accreditation Services /Support Officer

FT = Full-time

PT = Part-time

CAS = Casual

# 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, 2014 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 Fédération Internationale des Traducteurs (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 department in the Australian government where she focused on qualification recognition. Previously held academic posts in both Canada and Australia.
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, was on the steering committee for the new national VET T&I qualifications and is now involved in the review of the same. NAATI-accredited Professional Translator and Interpreter.
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 Helen Slatyer BA, RSADipTEFL, MAppLing	Translator, Lecturer, Department of Linguistics, Macquarie University, research expertise in language testing. NAATI-accredited Professional Translator.

## 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, 2014 the membership of the PRG was:

Member	Background
Ms Gail Ker (Chair) BAVT	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, Chair AUSIT QLD, 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	Past President of the New Zealand Society of Translators and Interpreters (NZSTI) and current President of the Fédération Internationale des Traducteurs (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 Service delivery with more than 24 years of combined corporate and public service experience.
Mr Ari Pappas Grad Dip Health Science Management, Dip T & Dip Welfare Studies	Executive Director 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.
Mr Bede Payne (appointed 15 April 2014)	National Campaign Director for Professionals Australia (formerly APESMA) and works with members in a range of industries including infrastructure, public transport and language services. Degrees from the University of Wollongong in commerce and creative arts. Prior to working for Professionals Australia was the National Campaign Coordinator for the Media, Entertainment and Arts Alliance (MEAA).
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 (resigned 14 April 2014)	CEO of Professionals Australia (formerly APESMA), led 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. If we have missed any changes in representation we apologise.

## AUSTRALIAN CAPITAL TERRITORY

Member Name	Organisation	Delegate
Colleen Crane	Migrant Health Unit, ACT Community Care	
Nic Manikis	Office of Multicultural Affairs	Jancye Winter
Mary Mau-Oldfield	Practitioner	
Michael Palic	Department of Foreign Affairs	
Christine Phillips	Practitioner	
Anne Stensletten	Practitioner	

## NEW SOUTH WALES

Member Name	Organisation	Delegate
Ms A Grassi <i>(Convenor)</i>	Practitioner	
Nancy Carrasco	AUSIT	
Fiona Clarke	Department of Immigration	Garry McCoy
Max Doerfler	Practitioner	
Vesna Dragoje	NSW Health, Health Care Interpreter Service	
Gary Harkins <i>(NSW Manager)</i>	NAATI NSW State Office Manager	
Karen Long	Centrelink (Dept of Human Services)	Rasa Pes
Toula Markos	TAFE NSW	Rosa Ochoa
Melissa McMahon	AUSIT NSW	Amale Hourani
Ludmila Stern <i>(NAATI Director Ex-Officio)</i>	NAATI Director	
Keith Stevens	Community Relations Commission	Devinda Kaur
Kerry Stubbs <i>(NAATI Director Ex-Officio)</i>	NAATI Director	
Mustapha Taibi	University of Western Sydney	
Cheryl Webster	Anglicare Migrant Services	Louisa McMillan
Katherine Wright	ASLIA	

## NORTHERN TERRITORY

Member Name	Organisation	Delegate
Paul Black (Convenor)	Charles Darwin University	
Frances Abbott	Royal Darwin Hospital	
Josie Guy	Aboriginal Interpreter Service	
Lava Kohaupt	Melaleuca Refugee Centre	
Aurora Quinn	ITSNT	
Judith Ventic	Centrelink	
Uta Vorst	Practitioner	

## QUEENSLAND

Member Name	Organisation	Delegate
Stephen Hinkler (Convenor)	Multicultural Affairs Queensland	
Patricia Avila	Practitioner	
Helen Armstrong	Department of Immigration	Leonie Chinn
Maximilian Brandle	Ethnic Communities Council of Queensland	
Daynan Brazil	Queensland Health	
Naomi Cameron	Settlement and Multicultural Affairs Queensland	
Grazia Catalano	Queensland Council of Social Services	
Tea Dietterich	AUSIT	Ita Szymanska
James Duncan	NAATI QLD State Office Manager	
Ling Holloway	Mater Health Services	
Sarah Hoyes	Multicultural Development Organisation	
Ugur Idles	Human Services	
Mi Ko	Southbank Institute of TAFE	
Niki Parisi	Department of Justice	
Jennifer Ryan	Mater Health Services	Ling Holloway
Yuki Sayeg	University of Queensland	
Ita Szymanska	AUSIT	
Lisa Toh	Queensland Council of Social Services	
Jason Webb	Department of Justice	

## SOUTH AUSTRALIA

Member Name	Organisation	Delegate
Mario Armiento (Convenor)	Australian Crimes Commission	
Cheryl Appelkamp	NAATI SA State Office Manager	
Mohammad Amirghiasvand	Migrant Health Service	
Tracey Bellamy	Dept of Human Services	
Ludmila Berkis	AUSIT	
Andrew Doyle	Interpreting and Translating Centre	
Ian Harmstorf	Multicultural Communities Council	
George Hatzirodos	Legal Services Commission	Alice Hall
Helen Loades	SCLA SA and Auslan Services	
Danny McAteer	Department of Immigration	
Magdalena Rowan	TAFE SA	Marina Morgan
Sarah Sanders	Dept of Immigration and Border Protection	
Adam Skuza	Multilingual	
Rachel Spencer	School of Law UniSA	Mathew Atkinson
Chelsea Turner	ASLIA SA	
Katherine Yuen	Dept of Human Services	
Yvonna Zurawska	ABC International Interpreting and Translating Services	

## TASMANIA

Member Name	Organisation	Delegate
Wanda Buza <i>(Convenor)</i>	Dept of Premier and Cabinet	Suzanne Mallick
Melanie Abbott	University of Tasmania	
Lynne Brown	Department of Immigration	Carina Luttmer
Jenny Forward	Royal Hobart Hospital	
Rebecca Lamb	Migrant Resource Centre	
Fiona Lieutier	Tasmania Police	Lee Taylor
Marie-Blandine Stephens	NAATI TAS State Office Manager	
Yabbo Thompson	Migrant Resource Centre (South)	Archana Anil
John Ward	Tasmania Police	
Niruk White	Centrelink	
Margarita Williams	Practitioner	

## VICTORIA

Member Name	Organisation	Delegate
Lyn Bongiovanni <i>(Convenor)</i>	Health (Health Interpreting)	
Ibrahim Ayzit	Dept of Human Services (Centrelink)	
George Bisas	VITS LanguageLink	Sophia Koutes
Leah Bramhill	Office of Multicultural Affairs and Citizenship	
John Chau	Victorian Police	
Kang Chiem	ASLIA	
Bulent Dellal <i>(NAATI Director Ex-Officio)</i>	NAATI Director	
Bi Yi Fang	AUSIT	
Andy Feau	NAATI VIC State Office Manager	
Abbey Howe	Department of Health	
Sedat Mulayim	RMIT	Mirana Laii
Abeselom Nega <i>(NAATI Director Ex-Officio)</i>	NAATI Director	
Marc Orlando	Monash University	Jim Hlavac
Ari Pappas	OnCall Translators & Interpreters	
Alison Thorne	TIS National	
Lauren Tyrrell	A/NAATI VIC State Office Manager	

## WESTERN AUSTRALIA

Member Name	Organisation	Delegate
Mary Gurgone <i>(Convenor)</i>	Practitioner	
Brooke Emma Buise	ASLIA Representative	
Megan Beasley <i>(NSW Manager)</i>	NAATI WA State Office Manager	Robyn Tsapazi
Tracey Bellamy	Centrelink (Dept of Human Services)	
Michela Clavenzani-Wilkins	OnCall Interpeters & Translators	
Gemechu Dembali	Centrelink (Dept of Human Services)	
Mietka Gruszka	Practitioner	
Alison Johnston & Stephen Johnston	Dept of Immigration	
Helen Maddocks	Office of Multicultural Interests	
Helen Murphy	Service Provider – Private (Interpreters International)	
Bhim Nagpal	Australian Taxation Office	
Krishna Sen	University of Western Australia	
Clair Shreeve	ASLIA Representative	
Ms C Shreeve	ASLIA Representative	

# 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, 2014 panels were being maintained for the following languages:

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





# 5

## FINANCIAL STATEMENTS

Directors' Report 30 June 2014

The directors present their report on National Accreditation Authority for Translators and Interpreters Limited (NAATI) for the financial year ended 30 June 2014.

## 1. General information

### Information on Directors

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

<b>Kerry Stubbs</b>	<b>CHAIR</b>
Qualifications	BA (Hons) MA (Hons) Graduate Certificate in Writing MAICD
Experience	CEO and Managing Director Northcott, Managing Director The Northcott Society Ltd, Director Water for Sensitive Cities CRC, Chair SpineCare Ltd, Former Executive Director of St Vincent's Hospital and Sacred Heart, Founding member and steering committee 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.
<b>Abeselom Nega</b>	
Qualifications	AFAIM CAHRI
Experience	Member of the Victorian Equal Opportunities and Human Rights Commission, a Commissioner of the Victorian Multicultural commission, Chair of the Melbourne Employment Forum (MEF), Former Chair of Federation of African Communities Councils.
<b>Assoc. Prof. Ludmila Stern</b>	
Qualifications	BA (Hons) PhD
Experience	Associate Professor at The University of NSW (UNSW), and the Convenor of the Master's degree in Interpreting and Translation studies. NAATI accredited translator and interpreter, former Chair of the NAATI Russian panel, researcher (court interpreting in international courts).
<b>Dr Bulent (Hass) Della OAM</b>	
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). Member of the Commonwealth's Australian Multicultural Council. 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.
<b>Giuseppe (Pino) Migliorino</b>	
Qualifications	BA Dip.Ed (Sec)
Experience	Founded Cultural Perspectives/DiverseWerks and CIRCA Research, sector leaders in consulting to, researching and communicating with CALD and Aboriginal and Torres Strait Islander communities in Australia. Former Executive Officer of the ECC of NSW, NSW Regional Coordinator for the Office of Multicultural Affairs, Senior Conciliator at the HREOC and Principal Policy Officer at the Ethnic Affairs Commission of NSW. Elected Chairperson on FECCA (The Federation of Ethnic Communities Councils of Australia) in October 2009 and completed that role in November 2013. Currently Hon. President of FECCA. Acknowledged expert in immigration, multicultural affairs and social policy areas relevant to diversity. Fellow of the Public Relations Institute of Australia (FPIA) and a Qualified Practicing Market Research (QPMR). Commenced term on May 15, 2014.

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

## Principal Activities

The principal activity of National Accreditation Authority for Translators and Interpreters Limited (NAATI) during the financial year 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 Company's activity occurred during the financial year. The deficit is planned investment for the future capacity of NAATI.

## Short-Term Objectives

By agreement with its Members, the company's priority short term objectives were the first three of the long term objectives listed below plus:

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

## 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.

## 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 2014

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

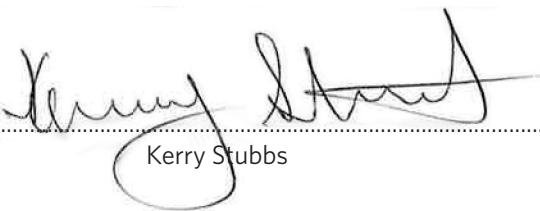
Directors' Meetings		
	Number eligible to attend	Number attended
Kerry Stubbs	9	9
Abeselom Nega	9	9
Associate Professor Ludmila Stern	9	9
Dr Bulent (Hass) Dellal OAM	9	4
Giuseppe (Pino) Migliorino	2	2

### 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: 19 September 2014

## **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 2014, 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

19 September 2014

Deakin ACT

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2014

	Note	2014 \$	2013 \$
Income	2	5,277,832	5,625,598
Employee benefits expense		(2,449,681)	(2,173,095)
Other expenses		(2,767,868)	(2,687,921)
Depreciation		(403,185)	(365,207)
<b>Profit before income tax</b>		<b>(342,902)</b>	<b>399,375</b>
Income tax expense		-	-
<b>Total comprehensive income for the year</b>		<b>(342,902)</b>	<b>399,375</b>

The accompanying notes form part of these financial statements.

Statement of Financial Position 30 June 2014

	Note	2014 \$	2013 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	4,550,914	4,973,628
Trade and other receivables	4	42,484	91,748
Other assets	6	38,220	12,195
<b>TOTAL CURRENT ASSETS</b>		<b>4,631,618</b>	<b>5,077,571</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	622,484	838,360
<b>TOTAL NON-CURRENT ASSETS</b>		<b>622,484</b>	<b>838,360</b>
<b>TOTAL ASSETS</b>		<b>5,254,102</b>	<b>5,915,931</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	711,693	787,024
Borrowings	8	46,351	104,189
Employee benefits	10	389,260	348,674
Other financial liabilities	9	253,597	453,485
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,400,901</b>	<b>1,693,372</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	8	-	27,946
Employee benefits	10	17,504	16,014
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>17,504</b>	<b>43,960</b>
<b>TOTAL LIABILITIES</b>		<b>1,418,405</b>	<b>1,737,332</b>
<b>NET ASSETS</b>		<b>3,835,697</b>	<b>4,178,599</b>
<b>EQUITY</b>			
Reserves		2,000,000	2,000,000
Retained earnings		1,835,697	2,178,599
<b>TOTAL EQUITY</b>		<b>3,835,697</b>	<b>4,178,599</b>

The accompanying notes form part of these financial statements.

Statement of Changes in Equity For the Year Ended 30 June 2014

**2014**

	<b>Retained Earnings \$</b>	<b>General Reserves \$</b>	<b>Total \$</b>
<b>Balance at 1 July 2013</b>	2,178,599	2,000,000	4,178,599
Loss attributable to members of the entity	(342,902)	-	(342,902)
<b>Balance at 30 June 2014</b>	<b>1,835,697</b>	<b>2,000,000</b>	<b>3,835,697</b>

**2013**

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

The accompanying notes form part of these financial statements.

Statement of Cash Flows For the Year Ended 30 June 2014

	Note	2014 \$	2013 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		5,749,328	5,731,758
Payments to suppliers and employees		(5,806,654)	(4,956,659)
Interest received		155,289	216,647
Interest paid		(8,933)	(17,393)
<b>Net cash provided by (used in) operating activities</b>	<b>17</b>	<b>89,030</b>	<b>974,353</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(425,961)	(432,644)
<b>Net cash provided by used by investing activities</b>		<b>(425,961)</b>	<b>(432,644)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings		(85,784)	(77,323)
<b>Net cash used by financing activities</b>		<b>(85,784)</b>	<b>(77,323)</b>
Net increase (decrease) in cash and cash equivalents held		(422,715)	464,386
Cash and cash equivalents at beginning of year		4,973,629	4,509,243
<b>Cash and cash equivalents at end of financial year</b>	<b>3</b>	<b>4,550,914</b>	<b>4,973,629</b>

The accompanying notes form part of these financial statements.

**Notes to the Financial Statements For the Year Ended 30 June 2014**

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 Amounts**

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

**(b) 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*.

**(c) 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 on a straight line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

Notes to the Financial Statements For the Year Ended 30 June 2014

**1. Summary of Significant Accounting Policies continued**

**(d) Revenue and other income**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

**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.

**Donations**

Donations and bequests are recognised as revenue when received.

**Interest revenue**

Interest is recognised using the effective interest method.

**Rendering of services**

Revenue in relation to rendering of services is recognised upon the delivery of the service to the customer.

**(e) Goods and Services Tax (GST)**

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

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

Notes to the Financial Statements For the Year Ended 30 June 2014

**1. Summary of Significant Accounting Policies continued**

**(f) Property, Plant and Equipment**

Classes of property, plant and equipment are measured using the cost or revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

**Leasehold improvements**

Leasehold improvements are measured using the cost model.

**Plant and equipment**

Plant and equipment are measured using the cost model.

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.

**Depreciation**

The depreciable amount of all property, plant and equipment, except for freehold land is depreciated on a reducing balance method from the date that management determine that the asset is available for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

**(g) 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 transaction costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

**Classification and subsequent measurement**

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties 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.

Notes to the Financial Statements For the Year Ended 30 June 2014

## 1. Summary of Significant Accounting Policies continued

Amortised cost is calculated as:

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

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

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.

Notes to the Financial Statements For the Year Ended 30 June 2014

**1. Summary of Significant Accounting Policies continued**

*(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.

*(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.

**Financial guarantees**

Where material, financial guarantees issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition. The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the Company gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

*Impairment of financial assets*

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

**Financial assets at amortised cost**

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

**Available for sale financial assets**

A significant or prolonged decline in value of an available for sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

Notes to the Financial Statements For the Year Ended 30 June 2014

**1. Summary of Significant Accounting Policies continued**

**(h) Impairment of non-financial assets**

At the end of each reporting period the Company reviews the carrying amounts 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 amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

**(i) Cash and cash equivalents**

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

**(j) Employee benefits**

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

**(k) Adoption of new and revised accounting standards**

During the current year, the following standards became mandatory and have been adopted retrospectively by the Company:

- AASB 13 *Fair Value Measurement*
- AASB 119 *Employee Benefits*
- AASB 127 *Separate Financial Statements*
- AASB 2012 9 *Amendments to AASB 1048 arising from the Withdrawal of Australian Interpretation 1039*
- AASB 2012 2 *Amendments to Australian Accounting Standards Disclosures Offsetting Financial Assets and Financial Liabilities*

The accounting policies have been updated to reflect changes in the recognition and measurement of assets, liabilities, income and expenses and the impact of adoption of these standards is discussed below.

Notes to the Financial Statements For the Year Ended 30 June 2014

**1. Summary of Significant Accounting Policies continued**

**(k) Adoption of new and revised accounting standards continued**

AASB 13 *Fair Value Measurement* does not change what and when assets or liabilities are recorded at fair value. It provides guidance on how to measure assets and liabilities at fair value, including the concept of highest and best use for non financial assets. AASB 13 has not changed the fair value measurement basis for any assets or liabilities held at fair value, however additional disclosures on the methodology and fair value hierarchy have been included in the financial statements.

AASB 119 *Employee benefits* changes the basis for determining the income or expense relating to defined benefit plans and introduces revised definitions for short term employee benefits and termination benefits.

The Company reviewed the annual leave liability to determine the level of annual leave which is expected to be paid more than 12 months after the end of the reporting period. Whilst this has been considered to be a long term employee benefits for the purpose of measuring the leave under AASB 119, the effect of discounting was not considered to be material and therefore has not been performed.

**(l) New Accounting Standards and Interpretations**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided 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 2010-7 / AASB 2012-6	30 June 2016	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 1053 - Application of Tiers of Australian Accounting Standards and amending standards AASB 2010-2, AASB 2011-11, AASB 2012-1, AASB 2012-7 and AASB 2012-11	30 June 2014	This standard allows certain entities to reduce disclosures.	The entity is not adopting the RDR and therefore these standards are not relevant.
AASB 2011-2 Amendments to Australian Accounting Standards arising from Trans Tasman convergence - Reduced Disclosure Requirements	30 June 2014	Highlights the disclosures not required in AASB 1054 for entities applying the RDR.	The entity is not adopting the RDR and therefore this standard is not relevant.

Notes to the Financial Statements For the Year Ended 30 June 2014

**1. Summary of Significant Accounting Policies continued**

**(I) New Accounting Standards and Interpretations continued**

AASB 2011-6 - Amendments to Australian Accounting Standards - Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation - Reduced Disclosure Requirements [AASB 127, AASB 128 & AASB 131]	30 June 2014	This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity comply with Australian Accounting Standards or Australian Accounting Standards Reduced Disclosure Requirements.	Since the entity does not comply with the Reduced Disclosure Regime there is no impact on the adoption of this standard.
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:  - 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 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	30 June 2014		
AASB 2012-2 - Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities [AASB 132 & AASB 7]	30 June 2014	Requires the inclusion of information about the effect or potential effect of netting arrangements.	There is no impact on disclosures as there are no offsetting arrangements currently in place.
AASB 2012-5 - Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle [AASB 1, AASB 101, AASB 116, AASB 132 & AASB 134 and Interpretation 2]	30 June 2014	AASB 1 - this standard clarifies that an entity can apply AASB 1 more than once.  AASB 101 - clarifies that a third statement of financial position is required when the opening statement of financial position is materially affected by any adjustments.  AASB 116 - clarifies the classification of servicing equipment.  AASB 132 and Interpretation 2 - Clarifies that income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction shall be accounted for in accordance with AASB 112 Income Taxes  AASB 134 - provides clarification about segment reporting.	No expected impact on the entities financial position or performance.

Notes to the Financial Statements For the Year Ended 30 June 2014

**1. Summary of Significant Accounting Policies continued**

**(I) New Accounting Standards and Interpretations continued**

AASB 2012-9 Amendment to AASB 1048 arising from the Withdrawal of Australian Interpretation 1039	30 June 2014	Removes reference to withdrawn Interpretation 1039.	No impact on the financial statements.
AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities [AASB 132]	30 June 2015	This standard adds application guidance to AASB 132 to assist with applying some of the offset criteria of the standard.	There will be no impact to the entity as there are no offsetting arrangements currently in place.

**2. Income**

	<b>2014</b> \$	<b>2013</b> \$
Test related revenue	3,234,299	3,472,017
Government grants	1,208,468	1,184,867
Other services revenue	679,775	752,067
Interest	155,290	216,647
	5,277,832	5,625,598

**3. Cash and Cash Equivalents**

	<b>2014</b> \$	<b>2013</b> \$
Cash at bank and in hand	509,315	311,108
Short-term bank deposits	4,041,599	4,662,520
	4,550,914	4,973,628

**4. Trade and Other Receivables**

<b>CURRENT</b>	<b>2014</b> \$	<b>2013</b> \$
Trade receivables	22,560	30,237
Other receivables	19,924	61,511
<b>Total current trade and other receivables</b>	<b>42,484</b>	<b>91,748</b>

**(a) Impairment of receivables**

None of the amounts receivable at 30 June 2014 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.

Notes to the Financial Statements For the Year Ended 30 June 2014

**4. Property, Plant and Equipment**

<b>PLANT AND EQUIPMENT</b>	<b>2014</b>	<b>2013</b>
	\$	\$
Furniture, fixtures and fittings		
At cost	275,085	128,149
Accumulated depreciation	(61,693)	(53,398)
<b>Total furniture, fixtures and fittings</b>	<b>213,392</b>	<b>74,751</b>
Office equipment		
At cost	50,976	76,525
Accumulated depreciation	(27,635)	(39,165)
<b>Total office equipment</b>	<b>23,341</b>	<b>37,360</b>
Improvements		
At cost	369,138	369,138
Accumulated depreciation	(351,036)	(295,665)
<b>Total improvements</b>	<b>18,102</b>	<b>73,473</b>
Technology upgrade		
At cost	459,418	1,325,654
Accumulated depreciation	(91,769)	(672,878)
<b>Total technology upgrade</b>	<b>367,649</b>	<b>652,776</b>
<b>Total property, plant and equipment</b>	<b>622,484</b>	<b>838,360</b>

Notes to the Financial Statements For the Year Ended 30 June 2014

**5. 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:

	<b>Furniture, Fixtures and Fittings \$</b>	<b>Office Equipment \$</b>	<b>Improvements \$</b>	<b>Technology Upgrade \$</b>	<b>Total \$</b>
<b>Year ended 30 June 2014</b>					
Balance at the beginning of year	74,751	37,360	73,473	652,776	838,360
Additions	181,472	1,107	-	243,381	425,960
Disposals - written down value	(13,483)	(7,880)	-	(217,288)	(238,651)
Depreciation expense	(29,348)	(7,246)	(55,371)	(311,220)	(403,185)
<b>Balance at the end of the year</b>	<b>213,392</b>	<b>23,341</b>	<b>18,102</b>	<b>367,649</b>	<b>622,484</b>

	<b>Furniture, Fixtures and Fittings \$</b>	<b>Office Equipment \$</b>	<b>Improvements \$</b>	<b>Technology Upgrade \$</b>	<b>Total \$</b>
<b>Year ended 30 June 2013</b>					
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)
<b>Balance at the end of the year</b>	<b>74,751</b>	<b>37,360</b>	<b>73,473</b>	<b>652,776</b>	<b>838,360</b>

**6. Other non-financial assets**

	<b>2014 \$</b>	<b>2013 \$</b>
<b>CURRENT</b>		
Prepayments	38,220	12,195
<b>Total other non-financial assets</b>	<b>38,220</b>	<b>12,195</b>

Notes to the Financial Statements For the Year Ended 30 June 2014

**7. Trade and Other Payables**

	2014 \$	2013 \$
<b>CURRENT</b>		
Trade payables	167,188	296,872
GST payable	40,847	(8,325)
Sundry payables and accrued expenses	131,981	194,964
Practitioner directory & test fees in advance	371,816	302,940
Other payables	(141)	575
	<b>711,691</b>	<b>787,026</b>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

**8. Borrowings**

	Note	2014 \$	2013 \$
<b>CURRENT</b>			
Secured liabilities			
Lease liability	12	46,351	104,189
<b>Total current borrowings</b>		<b>46,351</b>	<b>104,189</b>
<b>NON-CURRENT</b>			
Secured liabilities			
Lease liability	12	-	27,946
<b>Total non-current borrowings</b>		<b>-</b>	<b>27,946</b>
<b>Total borrowings</b>		<b>46,351</b>	<b>132,135</b>

Leased liabilities are secured by the underlying leased assets.

**9. Other Financial Liabilities**

	2014 \$	2013 \$
<b>CURRENT</b>		
Government grants	253,597	453,485
<b>Total other financial liabilities</b>	<b>253,597</b>	<b>453,485</b>

Notes to the Financial Statements For the Year Ended 30 June 2014

**10. Employee Benefits**

	<b>2014</b> \$	<b>2013</b> \$
<b>CURRENT</b>		
Long service leave	245,683	225,637
Provision for employee benefits	143,577	123,037
	<b>389,260</b>	<b>348,674</b>
<b>NON-CURRENT</b>		
Long service leave	17,504	16,014
	<b>17,504</b>	<b>16,014</b>

**11. Reserves and retained surplus**

	<b>2014</b> \$	<b>2013</b> \$
<b>General reserve</b>		
Opening balance	2,000,000	2,000,000
Transfers in	-	-
<b>Total reserves</b>	<b>2,000,000</b>	<b>2,000,000</b>

**(a) General reserve**

The general reserve records funds set aside for future expansion of National Accreditation Authority for Translators and Interpreters Limited (NAATI).

**12. Capital and Leasing Commitments**

**Finance lease commitments**

	<b>2014</b> \$	<b>2013</b> \$
Minimum lease payments:		
- not later than one year	47,379	94,717
- between one year and five years	-	47,379
Minimum lease payments	47,379	142,096
Less: finance charges	(1,028)	(9,961)
<b>Present value of minimum lease payments</b>	<b>46,351</b>	<b>132,135</b>

Finance leases are in place for the office fit out at Deakin.

Notes to the Financial Statements For the Year Ended 30 June 2014

### 13. Financial Risk Management

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

This note discloses the Company's objectives, policies and processes for managing and measuring these risks.

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

The Company does not speculate in financial assets.

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

#### Specific risks

- Market risk - cash flow interest rate risk
- Credit risk
- Liquidity risk

#### Financial instruments used

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

- Trade receivables
- Cash at bank
- Bank overdraft
- Trade and other payables

#### Objectives, policies and processes

The Board of Directors has overall responsibility for the establishment of National Accreditation Authority for Translators and Interpreters Ltd (NAATI)'s financial risk management framework.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions.

#### Liquidity risk

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

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. The Company maintains cash to meet its liquidity requirements for up to 30-day periods. Funding for long term liquidity needs is additionally secured by an adequate amount of committed credit facilities.

Notes to the Financial Statements For the Year Ended 30 June 2014

**13. Financial Risk Management continued**

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

The Company's liabilities have contractual maturities which are summarised below:

	Within 1 Year		1 to 5 Years	
	2014 \$	2013 \$	2014 \$	2013 \$
Finance lease obligations	47,379	94,717	-	47,379
Trade payables	582,677	510,698	-	
<b>Total</b>	<b>630,056</b>	<b>605,415</b>	<b>-</b>	<b>47,379</b>

**Market risk**

(i) Cash flow interest rate sensitivity

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 values of fixed rate financial instruments.

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

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of +2.00% and -2.00% (2013: +2.00%/-2.00%), with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions.

The calculations are based on the financial instruments held at each reporting date. All other variables are held constant.

	2014		2013	
	+2.00%	-2.00%	+2.00%	-2.00%
	\$	\$	\$	\$
<b>Cash and cash equivalents</b>				
Net results	91,018	(91,018)	95,872	(95,872)
Equity	91,018	(91,018)	95,872	(95,872)
<b>Borrowings</b>				
Net results	927	(927)	2,643	(2,643)
Equity	927	(927)	2,643	(2,643)

**Credit risk**

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

Notes to the Financial Statements For the Year Ended 30 June 2014

**13. Financial Risk Management continued**

**Credit risk continued**

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

The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

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

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

**14. 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.

**15. Key Management Personnel Disclosures**

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:

	<b>2014</b> \$	<b>2013</b> \$
Short-term employee benefits	548,013	497,966
Long-term benefits	73,011	64,620
	<b>621,024</b>	<b>562,586</b>

**16. Remuneration of Auditors**

	<b>2014</b> \$	<b>2013</b> \$
Remuneration of the auditor of the company, Hardwickes Chartered Accountants, for: - auditing or reviewing the financial report	18,500	18,500

Notes to the Financial Statements For the Year Ended 30 June 2014

**17. Cash Flow Information**

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

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

	<b>2014</b> \$	<b>2013</b> \$
Profit for the year	(342,901)	399,375
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	403,185	365,510
- net loss on disposal of property, plant and equipment	238,652	1,538
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	49,264	(21,956)
- (increase)/decrease in prepayments	(26,025)	23,202
- (increase)/decrease in income in advance	(131,012)	(27,433)
- increase/(decrease) in trade and other payables	(146,041)	214,651
- increase/(decrease) in provisions	43,908	19,466
<b>Cashflow from operations</b>	<b>89,030</b>	<b>974,353</b>

**18. Events Occurring After the Reporting Date**

The financial report was authorised for issue on September 19, 2014 by the Board of Directors.

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

**19. Company Details**

The registered office of the company is:

National Accreditation Authority for Translators and Interpreters Limited (NAATI)  
17A/2 King Street  
Deakin ACT 2600

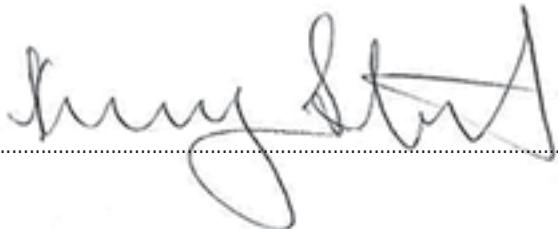
**Directors' Declaration**

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 2014 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 19 September 2014

## **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 2014, 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.

#### *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.

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

### *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 2014 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

19 September 2014

Deakin ACT