



# ANNUAL REPORT 14|15



THE KEY TO LANGUAGE DIVERSITY



# 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



2014 | 2015



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National Accreditation Authority for Translators and Interpreters Ltd

ACN 008 596 996

36th Annual Report (Financial Year 2014-2015)

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# From the Chair of the Board



The year 2014/15 was one of achievement and also continuation and consolidation of the good work of recent years. NAATI continued to design and incorporate changes to the national certification scheme while still maintaining and improving wherever possible the current system. It was a year marked by some significant developments in critical areas.

As reported previously NAATI is now deep in preparations to implement the significant changes arising from the Improvements to NAATI Testing (INT) Project. As detailed later in this report, once implemented these changes will effectively update core aspects of the national credentialing scheme. We note, like with all change, key aspects of our operation are at risk of being overtaken due to global technological developments in the translating and interpreting profession. To remain a world leader in this industry we must improve our own standards, just as we promote higher standards, in Australian translating and interpreting.

In this report, the CEO acknowledges that while NAATI's current system evolved in isolation, essentially because we were the first such system anywhere, there are now other authorities doing what NAATI does. Assuming we proceed with implementation of the INT improvements as planned, NAATI will be linked with, and collaborate with, other leading credentialing authorities. This important initiative will need NAATI and its Members to agree on how and when it can be funded, but I am confident that we all agree on the need for improvements to maintain quality, standards and system integrity for the future.

In 2014/15 Members demonstrated their support by delivering on a new three-year Funding Agreement to provide NAATI's annual government contributions foreshadowed in last year's report. We thank them for this practical change which will greatly facilitate planning and management.

Previously we have reported about NAATI's initiative to raise the standards of accreditation services, in Indigenous languages of Australia, to that closer to the standards applying with migrant languages. I am delighted to report that in 2014/15 NAATI applied for project funding through the Australian Government Indigenous Advancement Strategy program and was successful. NAATI has secured two more years of project funding to continue this excellent and progressive work with stakeholders particularly the Aboriginal Interpreter Service of the Northern Territory (AIS).

In closing I thank again my former fellow Directors who left the Board in 2014/15, Abeselom Nega and Hass Dellal. I acknowledge the ongoing work of Ludmila Stern and Pino Migliorino and welcome new Directors Mary Gurgone, Voula Messimeri and John Williams who bring valued expertise and experience to NAATI's governance. I thank also NAATI staff and note in particular the impending retirement of NAATI CEO John Beever. On behalf of the Board I would like to thank John for his leadership of NAATI over the last four years and wish him the best for his future. We would not be where we are today without his continued efforts.

Kerry Stubbs  
Chair NAATI Board of Directors





## From the Chief Executive Officer

NAATI's focus in 2014/15 was preparing to transition to the proposed new improved national certification system while maintaining the current system. Delivering quality services while looking to the future in an environment everywhere of budget limitations was a challenge but through the efforts of NAATI Directors, staff and stakeholders that challenge was met.

The year finished well in business terms with stronger than expected demand for testing resulting in NAATI posting a better than anticipated surplus. This contributed to our reserves at a critical time as NAATI prepares to implement the greatest changes to the national system since it was created in 1977 and operating in its present form since 1982. The decisions regarding Improvements to NAATI Testing (INT) Project that are to be made in 2015/16 will define the future shape and direction of the national system so it is worth reflecting on why NAATI took this initiative.

NAATI launched the INT Project to keep Australia at the forefront of the highly specialised field of awarding credentials to translators and interpreters to signify competence and currency. Although the current system is basically sound, NAATI was concerned that its methods and technology were becoming dated and it was time to benchmark NAATI against the rest of the world and against standards which did not exist when NAATI was created.

Since 1977 NAATI has delivered consistently two key outcomes, that is to provide quality assurance of translating and interpreting services to people with limited or no English-speaking skills who depend on those services and to the organisations which engage translators and interpreters. The former helps meet the access and equity policies of governments for newly arrived migrants while they become self-sufficient and learn English. The latter enables departments and agencies to engage practitioners who have demonstrated their competence and commitment to professional standards by being part of the national credentialing system. These outcomes remain important as languages change as well as the environment in which language services operate changes.

Previous annual reports have detailed how the INT Project started in 2012 when NAATI engaged experts led by Professor Sandra Hale of University of New South Wales (UNSW) to provide an independent critique of current operations and recommend improvements. Following the publication of the INT Report and Australia-wide consultations in 2013, NAATI decided it would implement most of their recommendations subject to feasibility and resources. Testing of the feasibility of proposed changes continued in 2014/15 and is expected to be largely completed in 2015/16.

One of the key learnings from the INT report was the extent to which the rest of the world is now creating certification authorities for translators and interpreters. Those familiar with the history in Australia know that NAATI is credited as being a pioneer in this field, but there are now similar authorities operating in China, Norway, the UK and Belgium to name a few. NAATI cooperates with other international organisations which face similar challenges and are developing similar solutions, which means in the translating and interpreting industry we are no longer alone.

As the retiring CEO I must acknowledge that the changes achieved in recent years have only been possible because of the leadership of the NAATI Board, the support and encouragement of NAATI's Members and the ongoing commitment of NAATI staff and advisors around the country. I thank you all.

J A Beever  
NAATI CEO





1 | MEMBERS &  
DIRECTORS

# The Members of NAATI and their Representatives

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

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

- ACT - Ms Yvette Berry MLA, Minister for Housing, Minister for Aboriginal and Torres Strait Islander Affairs, Minister for Community Services, Minister for Multicultural Affairs, Minister for Women, Minister assisting the Chief Minister on Social Inclusion and Equality
- NSW - The Hon John Ajaka MLC, Minister for Ageing, Minister for Disability Services, Minister for Multiculturalism, Deputy Leader of the Government in the Legislative Council
- QLD - Hon Shannon Fentiman MP, Minister for Communities, Women and Youth, Minister for Child Safety, Minister for Multicultural Affairs
- VIC - Hon Robin Scott MP, Minister for Finance, Minister for Multicultural Affairs

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

- Commonwealth - Mr Evan Lewis, Group Manager, Multicultural, Settlement Services and Communities Group, Department of Social Services
- TAS - Ms Wanda Buza, Assistant Director – Strategic Planning and Communications, Communities, Sport and Recreation, Department of Premier and Cabinet

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 2015 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 Attorney-General, Parliamentary Secretary to the Minister for Social Services	Mr Evan Lewis Group Manager, Multicultural, Settlement Services and Communities Group, Department of Social Services
ACT	Ms Yvette Berry MLA	Minister for Housing, Minister for Aboriginal and Torres Strait Islander Affairs, Minister for Community Services, Minister for Multicultural Affairs, Minister for Women, Minister assisting the Chief Minister on Social Inclusion and Equality	Mr Nic Manikis Director – Community Participation Group, Department of Community Services, Office of Multicultural and Aboriginal and Torres Strait Islander Affairs
NSW	The Hon John Ajaka MLC	Minister for Ageing, Minister for Disability Services, Minister for Multiculturalism Deputy Leader of the Government in the Legislative Council	Mr Hakan Harman Chief Executive Officer Multicultural NSW
NT	Hon Bess Nungarrayi Price MLA	Minister for Local Government and Community Services, Minister for Housing, Minister for Parks and Wildlife, Minister for Men's Policy, Minister for Women's Policy, Minister for Statehood	Mr David Alexander Senior Director, Language Services, Department of Community Services
QLD	Hon Shannon Fentiman MP	Minister for Communities, Women and Youth, Minister for Child Safety, Minister for Multicultural Affairs	Mr Wayne Briscoe Executive Director, Multicultural Affairs Queensland, Department of Communities, Child Safety and Disability Services
SA	Hon Zoe Bettison MP	Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Multicultural Affairs, Minister for Ageing, Minister for Youth, Minister for Volunteers	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	Ms Wanda Buza Assistant Director, Strategic Planning and Communications, Communities, Sport and Recreation
VIC	Hon Robin Scott MP	Minister for Finance, Minister for Multicultural Affairs	Mr Hakan Akyol Director Office of Multicultural Affairs & Citizenship (DPC)
WA	Hon Dr Michael (Mike) Nahan MLA	Treasurer, Minister for Energy, Minister for Citizenship and Multicultural Interests	Ms Rebecca Ball Executive Director Office of Multicultural Interests

# The Board of Directors



## **Ms Kerry Stubbs**

Kerry Stubbs was appointed to the NAATI Board of Directors on March 1, 2010 and as the Chair on November 15, 2010. Ms Stubbs is CEO and Managing Director of Northcott and 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 with 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 (1988) 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 Giuseppe (Pino) Migliorino**

Pino Migliorino was appointed to the NAATI Board of Directors on May 15, 2014. Mr Migliorino 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 Culture and Indigenous Research Centre Australia (CIRCA) 20 years ago and this group of companies are sector leaders in consulting, researching and communicating with Culturally and Linguistically Diverse (CaLD) and Aboriginal and Torres Strait Islander communities in Australia. Prior to working in the private sector, Mr Migliorino held important positions in the third sector and in government including Executive Officer of the Ethnic Communities Council (ECC) of NSW; NSW Regional Coordinator for the Office of Multicultural Affairs; Senior Conciliator at the Human Rights and Equal Opportunities Commission (HREOC) and Principal Policy Officer at the Ethnic Affairs Commission of NSW. After over 30 years of ethnic community involvement and working in multicultural affairs across three sectors, Mr Migliorino was elected Chairperson on the Federation of Ethnic Communities Councils of Australia (FECCA) in October 2009 and completed that role in November 2013. Mr Migliorino is now the Hon. President of FECCA and is an acknowledged expert in immigration, multicultural affairs and social policy areas relevant to diversity. He has a BA and Dip. Ed (Secondary), is a Fellow of the Public Relations Institute of Australia (FPRIA) and a Qualified Practicing Market Researcher (QPMR). Mr Migliorino's term expires on May 14, 2017.



### **Dr Bulent (Hass) Dellal OAM**

Hass Dellal was appointed to the NAATI Board of Directors on September 1, 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 Special Broadcasting Services (SBS) and to the Commonwealth's Australian Multicultural Council. Dr Dellal's term expired on October 31, 2014. Subsequent to his departure from the NAATI Board, Dr Dellal was awarded an Officer of the Order of Australia (AO) Queen's Birthday Honours in June 2015.



### **Associate Professor Ludmila Stern**

Ludmila Stern was appointed to the NAATI Board of Directors on March 1, 2010. Before embarking on an academic career, Dr Stern worked as an interpreter and translator. She was the founder and the first Convenor of the NAATI-approved Master's degree in Interpreting and Translations Studies at the University of New South Wales (UNSW) (2005-2010) for which she was awarded the 2010 Dean's Award and the Vice Chancellor's Award for Teaching Excellence. Dr Stern resumed the role of Convenor in 2014 and 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 (ICTY) and the International Criminal Court (ICC)). The author of articles on issues of interpreting in national and international courts, Dr Stern has been a consultant and an educator of interpreters and users for Australian and international courts and other organisations (Office of the Director of Public Prosecutions (DPP), Bar Association, National Judicial College of Australia (NJCA), Judicial Commission, ICC, ICTY). Dr Stern was Chair and examiner of the NAATI Russian panel. Dr Stern's term expires on November 30, 2016.

### **Mr John Williams PSM**



John Williams was appointed to the NAATI Board of Directors on September 1, 2014. Previously Mr Williams had joined the Department of Immigration in Melbourne in 1964 where he gained extensive senior management experience before retiring in December 2008. Mr Williams worked in the National Office in Canberra and as State Director in South Australia (1991 to 1995), Western Australia (1998 to 2002) before his final assignment as State Director in Victoria from 2002 to his retirement in December 2008. Mr Williams' extensive overseas appointments include serving in the Australian High Commission London from 1973 to 1975; the Australian Embassy in Belgrade from 1975 to 1977 and 1983 to 1985; the Australian Embassy in Cairo from 1978 to 1979; the Australian Consulate Cape Town from 1979 to 1982. In 1986 Mr Williams took a short-term appointment to the Australian Embassy Bangkok. He was then appointed as the Regional Migration Director to the Australian High Commission in Kuala Lumpur where he served from 1987 to 1991 and from 1995 to 1998 he was the Regional Migration Director at the Australian Consulate General in Hong Kong. Mr Williams was extensively involved with multicultural and consular communities in his assignments both overseas and in Australia. While working in Australia he built strong working relationships with other government agencies at the Federal and State level. He served on the National Australia Day (Victorian) Committee. With over 40 years of service, Mr Williams has a wealth of experience and high level corporate experience. Mr Williams was awarded a Public Service Medal (PSM) in the Queen's Birthday Honour list in 2008 in recognition of his work with Australia's multicultural communities. Since retiring from the Public Service, Mr Williams has established his own consultancy focusing on helping multicultural communities better connect with and access services within society. Mr Williams served as a Director and Deputy Chair of the Victorian Interpreting and Translation Service (VITS) from April 2012 until April 2015 and also Chaired VITS' Audit and Risk Management Committee. He is a Director of the SpiritWest Foundation Board of the Western Bulldogs Football Club. Mr William's term expires on August 31, 2017.

### **Ms Voula Messimeri AM**



Voula Messimeri was appointed to the NAATI Board of Directors on November 1, 2014. She is Chief Executive Officer of Australian Greek Welfare Society (AGWS), past Chair of the peak multicultural national body, the Federation of Ethnic Communities' Councils of Australia (FECCA). She has served in leadership positions on a number of community management bodies and on Boards such as RMIT University Council and the RMIT Training Board, a controlled entity of RMIT University. Ms Messimeri continues to serve on the Victorian Interpreting and Translating Service (VITS) Board, now as Deputy Chairperson and the Rockwell Foundation. She has served on Ministerial State and Federal advisory structures across diverse areas, including health, ageing, income support, media and was a member on the Australian Multicultural Advisory Council as well as a Patron of In Touch Inc. Multicultural Centre against Family Violence. She was inducted into the Victorian Honour Roll of Women and recognised under the Order of Australia for her contribution to refugees, migrants and women. Ms Messimeri's term expires on October 31, 2017.

### **Ms Mary Gurgone**

Mary Gurgone was appointed to the NAATI Board of Directors on November 1, 2014 and has been the National Director for Fortis Consulting since 2009, named as one of the top 30 Management Consulting firms in Western Australia, as published by WA Business News. She migrated to Australia from Italy and has a lifelong commitment to cross-cultural and cross linguistic communication. Ms Gurgone has a Master of Business, teacher training and vocational training qualifications, Bachelor of Arts (English and Italian), and NAATI accreditation as a professional translator and interpreter. She is an educator and leader, promoting high standards in interpreting and translating. Her commitment encompasses: the introduction of translator courses and specialist short courses in interpreting into the vocational education sector in Western Australia; National presidency of the Australian Institute of Interpreters and Translators Inc (AUSIT) in the early nineties; State President of AUSIT WA (1989-2002) and a Fellow of AUSIT; Member of the Federation Interpreters and Translators (FIT) Human Rights Committee 1998-2000; Member of a variety of Board and Committees related to Culturally and Linguistically Diverse (CaLD) matters. Ms Gurgone is passionate about quality in translating and interpreting and has worked tirelessly for the translating and interpreting profession as an educator and as part of her extra-curricular activities as well as maintaining a career in government for over three decades. Roles have included leadership in education, training, evaluation, audit and policy. As Director of Policy and Planning she led the national review of Overseas Trained Nurses and contributed to change of national policy. Ms Gurgone continues to lead strategic national projects related to Australian Multiculturalism. Some examples are with the Cultural Diversity workshops for senior management with the Australian Aged Care Quality Agency and the award winning Culture Communication and Relationship at Work (CCRW). True to her migrant background, Ms Gurgone volunteers as Chair of the Zonta House Women's Refuge Board where migrants and Aboriginal women are a growing proportion of the clients. She has also completed the Australian Institute of Company Directors Course. Ms Gurgone's term expires on October 31, 2017.

### **Mr Abeselom Nega**

Abeselom Nega was appointed to the NAATI Board of Directors on August 31, 2005. He is the CEO of iEmpower, a highly regarded youth services organisation. Previously, Mr Nega was the State and General Manager of AMES Employment, which employed over 380 staff and with a budget of over \$45 Million. He has served as a senior executive in public, community and private sector based organisations. He is currently a Board Member of the Victorian Equal Opportunities and Human Rights Commission (VEOHR), and also a Commissioner of the Victorian Multicultural Commission (VMC) and the current Chair of the Melbourne Employment Forum (MEF) which has over 70 organisational memberships. Mr Nega is interested in facilitating meaningful opportunities for young people from disadvantaged backgrounds through partnerships with the public, private and community sector based organisations. Mr Nega is also a member of numerous professional bodies. Mr Nega's term expired on August 31, 2014, and he became the longest serving NAATI Board Member.





# 2 | THE YEAR IN REVIEW

# Accreditation

The 2014/15 financial year saw continued high demand for NAATI accreditation services.

The highlights included:

## **Improvements to the Certification system**

- audited 5% of Revalidation applications with no situations where the audit raised concerns about the integrity of the information provided
- awarded 31 credentials under the new Deaf Interpreter Recognition pathway
- awarded six Conference Interpreter accreditations based on the new Advanced Standing pathway available from 1 July 2014
- published a discussion paper about options for a transition to Keyboarded Translator Assessment

## **NAATI Projects**

- continued work on the Northern Territory Aboriginal Interpreter Service and Prime Minister and Cabinet (PM&C) funded projects to improve access to NAATI accreditation tests for Indigenous interpreters. For details (refer to page 18)
- planning and consultations continued for the Phase 2 of the Improvements to NAATI Testing Project including commencing work on the job analyses that will form the foundations of the new certification system. For details see next page.

## **Monitoring of Examiner performance**

- completed analyses of marking performance on a language-by-language basis against four criteria – pass/fail rate, third marking rate, pass/fail agreement rate, average difference between the examiners
- provided examiner panels with written feedback on marking performance
- targeted, language-specific professional development sessions conducted for twelve language panels

## **Quality assurance of Approved Courses**

- continued work to revise and update the Higher Education and Vocational Education versions of Guide to Approval of Courses in Translating and Interpreting and supporting application forms
- investigated irregularities in the delivery and assessment processes at NAATI-approved courses
- implemented an improved assessment material review process
- designed and readied for implementation of a new assessment material substitution policy for all NAATI approved institutions to come into effect from 1 July 2015
- conducted site visits and maintained ongoing monitoring of NAATI approved institutions

## **Outlook for the Future**

Much of the work being undertaken is with an eye on the Improvement to NAATI Testing Project and the significant change 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 INT Project.

# Improvements to NAATI Testing (INT) Project

## **Project Background**

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. In late 2012, Improvements to NAATI Testing: Development of a conceptual overview for a new model for NAATI standards, testing and assessment (the INT Report) was submitted to NAATI and the report was published on the NAATI website in early 2013. The INT Report made 17 recommendations including proposing a new model for the credentialing system. NAATI's response to the report recommendations was informed by a consultation process (March to May 2013) involving practitioners, professional groups, educators, employers and government departments. Observations from these consultations and NAATI's response to the INT Report recommendations, including how the national accreditation system for translators and interpreters might change subject to the availability of resources, were published in November 2013, NAATI INT Project Discussion Paper. In June 2014 the Board decided that Phase 2 of the INT Project would need to be conducted over two financial years.

## **Project Update Phase 2**

To support progress of Phase 2 of the INT Project, the Subcommittee of the Board which guided Phase 1 has been re-convened. Changes to NAATI's staff structure were implemented with the creation of two new senior National Management positions: Manager - Accreditation Operations and Manager - Development. This re-arrangement of staff responsibilities enables the Manager - Development, to focus on INT Project activities.

In February 2015 NAATI convened a Trainers Symposium in Canberra to engage with stakeholders involved in educating and training translators and interpreters about the INT Project. Some academic stakeholders expressed disappointment that the INT Project had not progressed more quickly, however it was acknowledged that some progress had been made. NAATI considers that given the complexity of implementing changes to standards, testing and assessment it is important to take the time needed to manage these changes effectively.

NAATI's proposal to form an Australian 'mirror committee' has been approved by Standards Australia. This will enable Australia to participate in International Organization for Standardization (ISO) processes relating to creating guidelines and standards applicable to translators and interpreters.

NAATI staff in conjunction with external researchers have also commenced work on the job analyses, identifying the knowledge, skills and attributes that will form the basis of the new certification scheme (Recommendations 6, 7 and 11 of the INT Report).

In the final quarter of 2014/2015 NAATI published the first two editions of INT E-news. This resource provides a monthly update on the INT Project and is distributed electronically to over 450 stakeholders and published on the NAATI website. NAATI implemented a registration of interest process relating to research to inform the components of the INT Project. NAATI also commissioned and published the Keyboarded Translation Assessment Discussion Paper (Recommendation 8 of the INT Report).

# Revalidation

The Revalidation process brings translating and interpreting into line with other professions in ensuring professional standards are maintained and enhanced. It also:

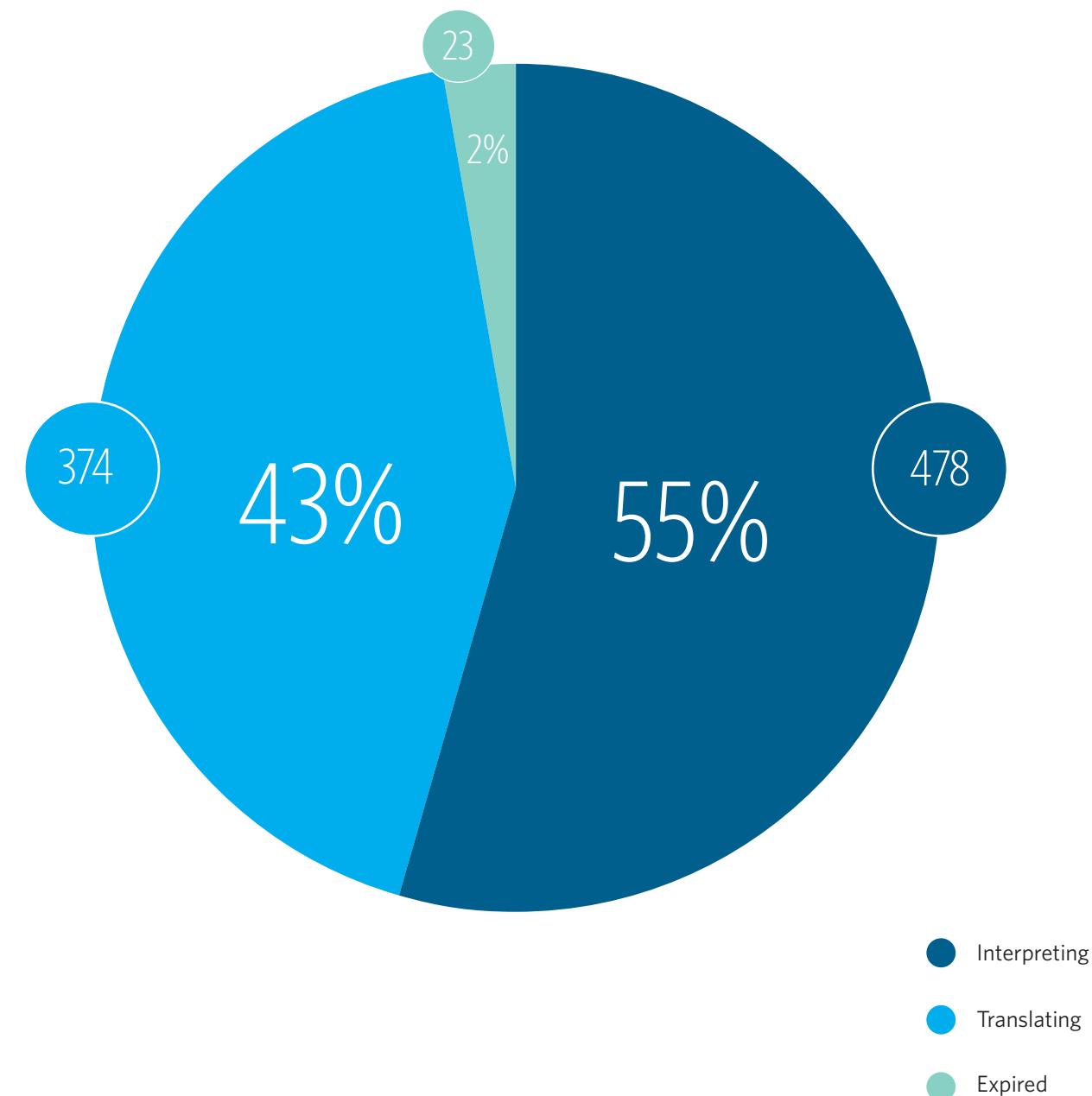
- retains the high level of currency and competency in the profession
- fosters long-term sustainability and integrity of the profession
- demonstrates to the industry a practitioner's commitment to ethical behaviour
- enhances work opportunities among agencies who commit to giving preference to practitioners who retain currency

Although the criteria to be granted Revalidation have not been changed since it was introduced in 2007, the logbooks used for record keeping and the Professional Development Catalogue have been updated, based on feedback from the industry and practitioners, during this period.

The 2014-2015 financial year saw a substantial increase in the volume of applications for revalidation however this increase was expected as this period required many practitioners to revalidate for the second time since the revalidation program was introduced.

NAATI processed a total of 664 applications and granted Revalidation to 852 credentials. 23 credentials expired during the period.

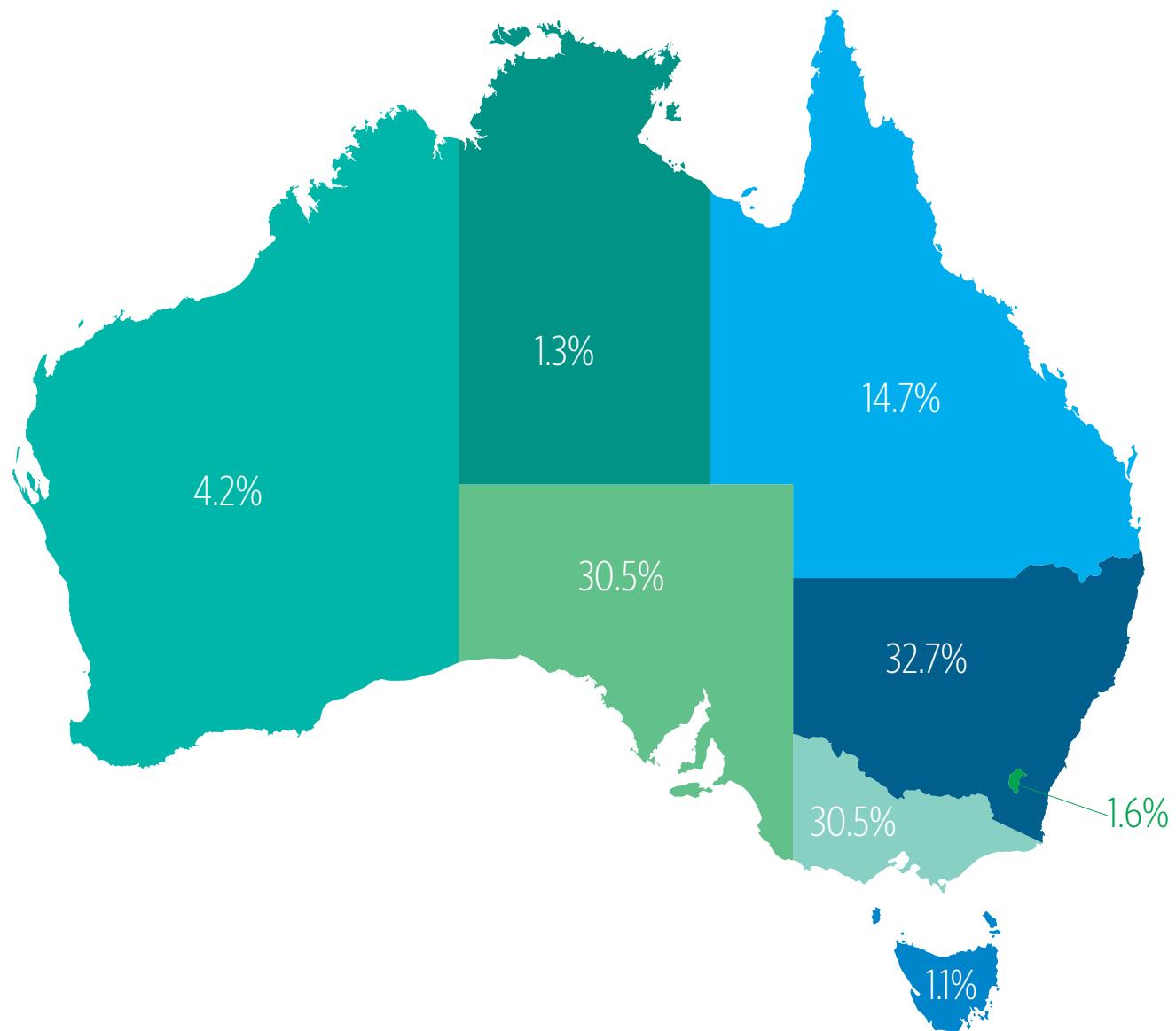
## Credentials Revalidated



The following table represents the demographic profile of the revalidated credentials:

Location of Credential	Number Revalidated	%
ACT	14	1.6%
NSW	279	32.7%
NT	10	1.3%
QLD	125	14.7%
SA	43	5%
TAS	9	1.1%
VIC	260	30.5%
WA	36	4.2%
Overseas	76	8.9%

These numbers are not surprising given that NSW and Victoria have the largest volume of candidates applying for accreditation via testing and approved course mechanisms.



# Indigenous Interpreting

## Project Overview

Since 2012 NAATI has received project funding to improve access to the national credentialing system for Indigenous interpreters. In 2014/15 NAATI received project funding from the Northern Territory Aboriginal Interpreter Service (NTAIS) and the Department of the Prime Minister and Cabinet (PM&C) to continue this important and immensely valuable work. Key achievements from these two projects are detailed below. In March 2015 NAATI was advised that it was successful in its application for funding through the PMC's Indigenous Advancement Strategy (IAS) Grant Funding Round 2015. This means that NAATI will be able to continue this work through 2015/16 and 2016/17.

## Project partners or linkages

Throughout the year NAATI worked closely with the NTAIS, the Kimberley Interpreting Service Aboriginal Corporation (KISAC) and the Wangka Maya Pilbara Aboriginal Language Centre (WMPALC) to develop new testing materials and convene accreditation, Revalidation and examiner workshops (see below).

In June 2015 NAATI and the NTAIS convened a meeting in Alice Springs of stakeholders from the Indigenous Interpreting industry to discuss improving the use of technology to deliver services in Indigenous communities. Stakeholders from the Northern Territory, Western Australia and Queensland were involved and opportunities for further collaboration across state/territory boundaries were canvassed.

## Resource development

In order to extend the opportunity for Indigenous language interpreters to be accredited, additional test materials needed to be developed for languages spoken in the Northern Territory, Queensland and Western Australia. During this year new Paraprofessional level (PPI) level tests and Professional level (PI) level tests were developed in 18 Indigenous languages.

### NTAIS project:

- completion of the first Training Manual for Indigenous candidates sitting a PI level Interpreter Test. The manual will be used by the NTAIS to train a number of PPI accredited interpreters who work at the NTAIS
- seven new PI level tests for Roper Kriol, Djambarrpuyngu, Eastern Arrernte, Warumungu, Ngaanyatjarra, Warlpiri and Murrinh-Patha were finalised
- twelve new PPI level tests for Maung, Bararra, Anindilyakwa and Modern Tiwi were recorded

### PMC project:

- thirteen PPI level tests for Kimberley and Pilbara languages in Western Australia were recorded and work continued on the maintenance of test material for Kimberley Kriol and Walmajarri
- sample PI level test material was developed for Kriol and Walmajarri; and PI tests for Yumplatok were recorded

## Workshops

NAATI convenes test preparation workshops and examiner training workshops. During this year, five workshops were undertaken for Indigenous test candidates in seven Indigenous languages in Western Australia and Queensland.

### Queensland

- workshop to accredit Yumplatok (Torres Strait Creole) interpreters held in February 2015
- workshop for Wik-Mungkan interpreters held in October 2014

### Western Australia

- workshop with KISAC to accredit Martu Wangka and Ngaanyatjarra interpreters, May 2014
- workshop with KISAC to accredit Kriol and Miriwoong interpreters living in the East Kimberley region, March 2015
- workshop with WMPALC to accredit Nyangumarta interpreters, April 2015
- NAATI examiner workshop for Nyangumarta examiners, April 2015
- NAATI examiner workshop for Kriol and Walmajarri examiners May 2015

## Interpreter accreditation

During the year ten new PPI level interpreter accreditations were achieved (an additional four are still pending examination). Accreditations were achieved in Martu-Wangka, Ngaanyatjarra, Kimberley Kriol, Nyangumarta and Yumplatok/Torres Strait Creole.

## Examiner Training

Ten examiners were trained in the following languages: Kriol, Walmajarri, Yumplatok/Torres Strait Creole, Nyangumarta, Ngaanyatjarra and Martu Wangka

# States and Territories

The State and Territory offices of NAATI continued to provide regional access to NAATI's services throughout the year, as well as supporting a variety of significant initiatives undertaken by their Regional Advisory Committees (RACs).

The major activities of the State and Territory offices include: offering accreditation testing; providing preparatory workshops for candidates; distribution of test-related products; offering personal advice and assistance to candidates; and building relationships with the translating and interpreting profession and related stakeholders in the region.

State and Territory offices participated in technological upgrades and system improvements as part of NAATI's overall commitment to improved products and services.

# Corporate Services and Business Development

The 2014/15 year continued to be a challenge for the Corporate Services functions of NAATI. Some of the main activities and services are;

## **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 more Senior Management capabilities to the National Office by the recruitment of a contract position Manager Accreditation Operations, this enabled the current Manager Accreditation to focus attention on managing the Improvement to NAATI Testing Project (INT)
- continued planning and development of the ePortal and further integration with the database
- implementation of some of the recommendations outlined in the IT strategic review which was conducted in 2013/14, and
- a recruitment process was initiated by the NAATI Board of Directors to source a new CEO as a result of Mr John Beever indicating his desire to retire at the end of the financial year

## **System for Accreditation Management (SAM) database**

Enhancements and modifications to SAM continue to be focussed on effectiveness and access. All of the enhancements and developments within SAM undergo vigorous user testing prior to release.

## **Online Directory of Accredited and Recognised Translators and Interpreters**

The Directory continues to be a valuable source for locating translator and interpreter services in Australia. The ability for practitioners to manage their own listing via the ePortal has continued to be successful.

## **Online Verification Tool**

The online credential verification system, which is accessible on the website, continues to be a useful tool for organisations and other end users of translation and interpreting services to enable the verification of individuals' credentials.

## **Outlook for the future**

The 2015/16 year already has indications of another challenging period with the expectations of a new CEO coming on board, other developments include;

- continuation of review and enhancement of the organisation's functions and capabilities
- implementation of more recommendations from the Information Technology Strategy, such as implementation of a more extensive Disaster Recovery Plan
- development of a new NAATI website to incorporate easier access to our online services via hand held devices such as tablets and smartphones
- continue recruitment and training of specialist staff
- NAATI establishment of a Social Media presence
- hardware and infrastructure refresh/rollout at Lease end, this is a major activity project and is conducted in all NAATI offices





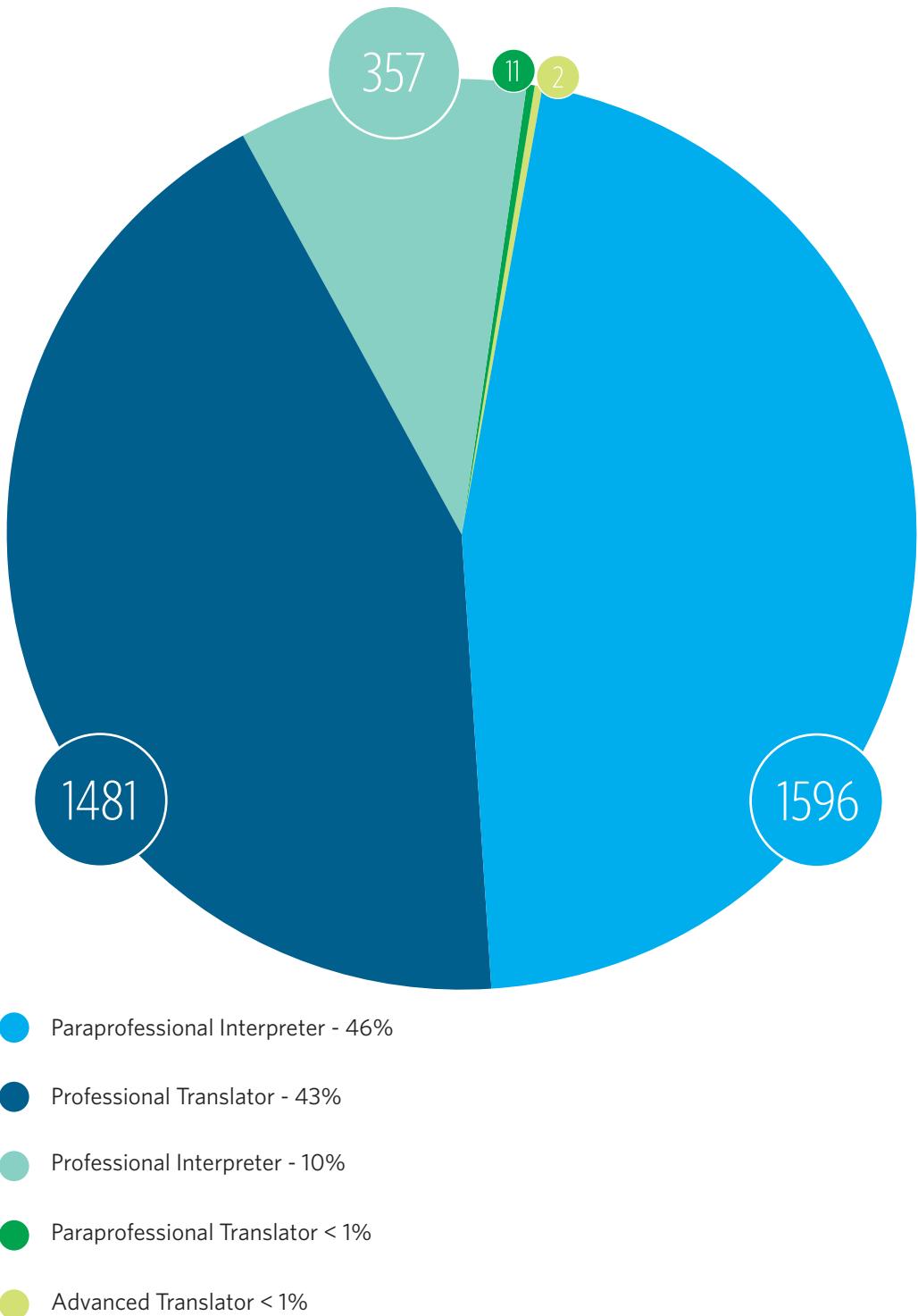
# 3 | BUSINESS PERFORMANCE

# Credentialing

The 2014/15 financial year saw continued high demand for NAATI accreditation with some of the highlights listed below:

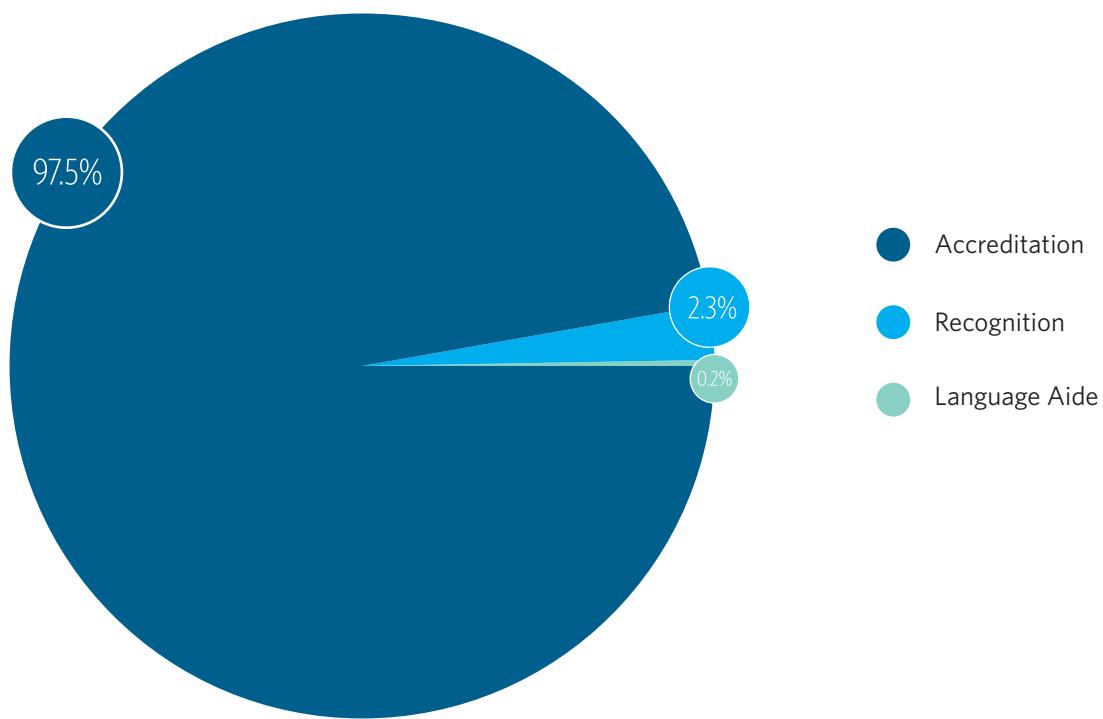
- NAATI received 4982 new applications during the year
- there were 3453 accreditation tests conducted during the period (a 6% increase on the previous year) including 6 language aide assessments
- quarterly testing sessions for Paraprofessional Interpreting for Hazaragi, Vietnamese and Chinese languages continued to be in high demand with each session in the financial period booked out
- overseas accreditation testing activity through the 2014/15 was higher than for any period in the last five years with 17 tests conducted during the financial year
- NAATI awarded 2785 accreditations based on completion of a NAATI-approved course in the period. These accreditations represented 69% of the 3991 total awarded

## Levels of Accreditation sought through Testing



## Credentialing Outcomes

NAATI issued 3991 credentials during the year. These credentials encompassed 3889 Accreditations at various levels, 94 Recognitions (generally where testing in the language is not yet available) and 8 Language Aides.



Break down of the credentialing outcomes:

CREDENTIALS	TESTING	COURSE	O/S QUAL	OTHER	TOTAL
<b>ACCREDITATIONS</b>					
<b>Professional</b>					
Conference Interpreter	N/A	2	6	N/A	8
Advanced Translator	0	0	0	N/A	0
Sub-Total	0	2	6	0	8
<b>Paraprofessional</b>					
Interpreter	60	122	N/A	N/A	182
Translator into English	103	104	1	N/A	208
Translator into LOTE	420	1732	11	N/A	2163
Sub-Total	583	1958	12	0	2553
<b>TOTAL ACCREDITATIONS</b>					
	1086	2785	18	0	3889
<b>RECOGNITIONS</b>					
Interpreter	N/A	N/A	N/A	82	82
Translator into English	N/A	N/A	N/A	7	7
Translator into LOTE	N/A	N/A	N/A	5	5
Total Recognitions	0	0	0	94	94
<b>LANGUAGE AIDE</b>					
	8	N/A	N/A	N/A	8
<b>TOTAL CREDENTIALS</b>					
	<b>1094</b>	<b>2785</b>	<b>18</b>	<b>94</b>	<b>3991</b>

## Language Accreditations

By 30 June 2015 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 Non	Hindi	Mandarin	Slovene	Yindjibarndi
Croatian	Hungarian	Martu Wangka	Somali	
Czech	Indonesian	Modern Tiwi	Spanish	
Danish	Italian	Mongolian	Swahili	

### Test Preparation Activities

- delivery of 96 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 20 new courses
- approval of 15 new tertiary courses; re-approval of 31 courses
- the number of NAATI-approved courses increased to 54 across 21 institutions
- there were 15 NAATI-approved courses available in translation, 24 in interpreting and 15 in a combination of translation and interpreting
- currently there are 23 language-streams approved within translation courses and 63 language streams within interpreting courses, encompassing 51 and 123 course/language combinations respectively
- NAATI continued to monitor approved courses to ensure that the conduct of the courses and the exit standards of graduates meet NAATI's requirements, investigating any complaints that may have arisen

# Financial Performance

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

The year saw an increase in total revenue of 18.9% (\$999,881) accompanied by containment of expenditure at previous levels. Government revenue represented 19.5% of total income, a fall from 22.9% in the previous period. The net result for the period was an operating surplus of \$616,450, representing a significant turn around from the previous year which reported an operating loss of (\$342,901).

The turn around in operating results was due to a combination of NAATI's internal cost savings during the year, and increased project and operating revenue.

NAATI achieved cost savings throughout the year and implemented a number of measures in the latter part of the year to achieve further on-going savings.

# Outlook

The focus and priorities for NAATI in 2015/16 will revolve around strengthening the core capabilities required to deliver on its mission of setting and maintaining high national standards in translating and interpreting to meet the changing needs and demography of the culturally and linguistically diverse Australian society. The pursuit of the mission is in consultation with the Members of NAATI, being the governments of Australia.

NAATI aims to be a respected and recognised leader in the provision of accreditation services for translators and interpreters, providing quality services and being responsive to the individuals and organisations which benefit from NAATI's services. The NAATI strategic plan lists a series of strategies over the next three years to achieve this goal. Collectively, these strategies are aimed at improving system integrity, process efficiency, financial sustainability and service delivery. The work in 2015/16 will be critical in laying the foundations that will enable these goals to be met.

NAATI will continue to draw on the collective expertise and advice of its many partners and stakeholders. The contributions and feedback from service delivery organisations and professional bodies in the industry is critical to on-going system improvement. In particular, NAATI looks forward to the continued support and input provided by the Professional Reference Group (PRG), the Qualifications Assessment and Advisory Committee (QAAC) and the respective Regional Advisory Committees (RAC).

NAATI will continue the Revalidation of accreditations in 2015/16 and progress the Improvements to NAATI Testing (INT) Project, which will include a major consultation exercise in the second half of the year. NAATI will also continue to progress the Indigenous Advancement Strategy, working with stakeholders to improve access to accreditation for Indigenous interpreters.





# 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

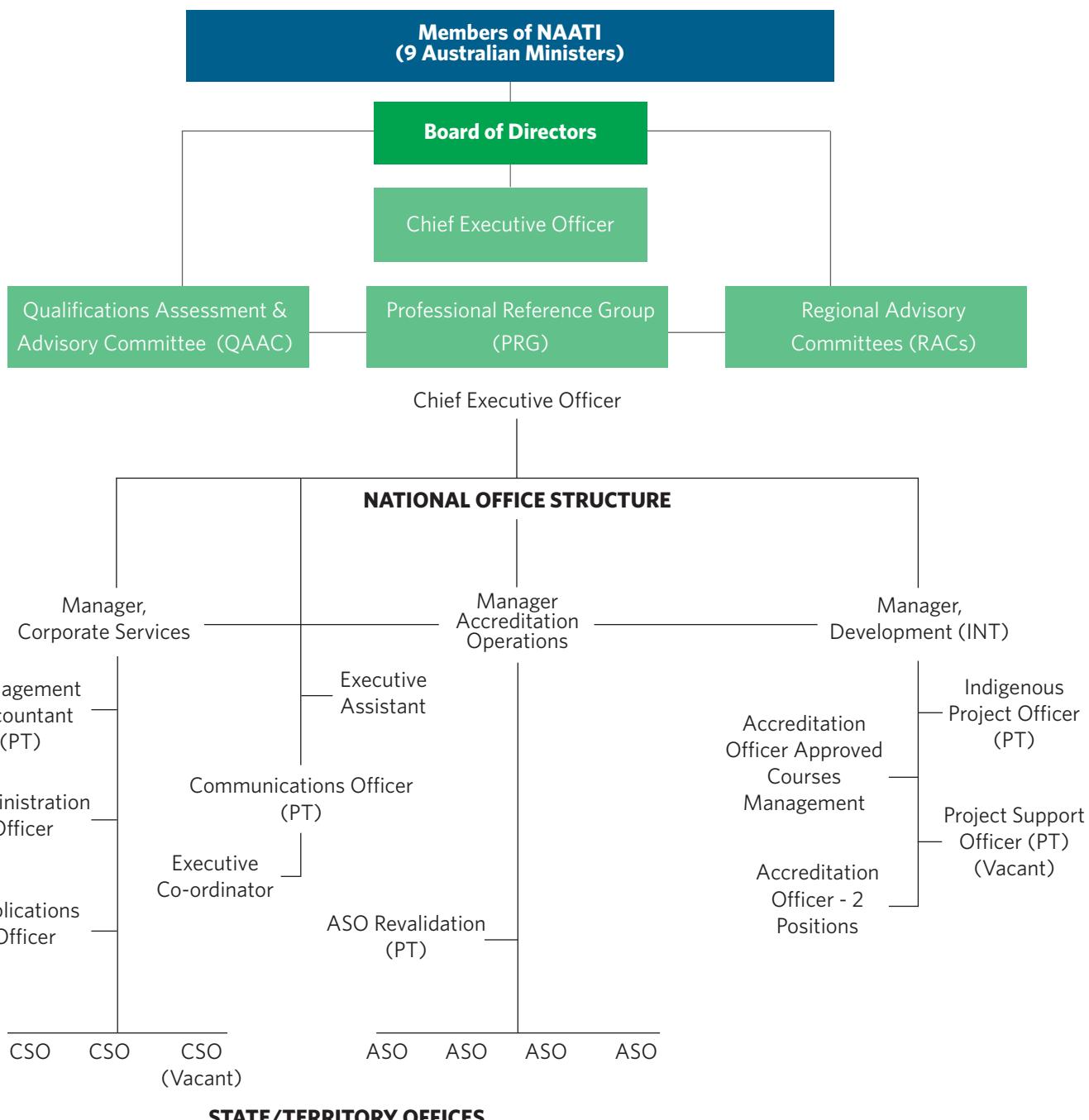
### **KPI - PEOPLE**

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 located 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, 2015, NAATI employed 41 staff (31.3 effective-full-time-positions) as shown below.



**KEY**  
**CSO** = Corporate Services/Support Officer  
**ASO** = Accreditation Services /Support Officer  
**FT** = Full-time  
**PT** = Part-time  
**CAS** = Casual

<b>NSW OFFICE</b>	<b>TAS OFFICE</b>
NSW Manager	FT TAS Manager
Reception/Test Support	FT Admin Assistant
Admin Assistant (Testing)	PT
Admin Assistant (Office Support)	PT VIC Manager
Reception/Admin Support	PT Reception/Test Support
	PT Admin Assistant (Testing)
	PT Admin Assistant (Office Support)
	PT Reception/Admin Support
<b>NT OFFICE</b>	
NT Manager (Vacant)	PT
<b>QLD OFFICE</b>	
QLD Manager	PT WA Manager
Admin Assistant	PT Admin Assistant/Test Support
<b>SA OFFICE</b>	
SA Manager	PT
Admin Assistant	PT

# 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 2015 the membership of the QAAC was:

Member	Background
Ms Anna Grassi (Chair) BA	Vocational Education and Training (VET) sector programs and systems and representative of Paraprofessional courses in Australia.
Mr Adolfo Gentile BA, Dip Tert Ed, MEdAdmin, FAUSIT (Deputy Chair)	Former Professor and 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 and 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, translating and interpreting educator, experience with service provision. NAATI accredited Advanced Translator and Interpreter.
Ms Margaret Proctor BScN, MScN (Toronto Canada)	Margaret has expertise in international qualifications and their comparison to Australian qualifications. She has held positions in both a portfolio department of the Australian government and 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 running her own business. Magdalena has been involved in writing curricula for interpreting and translating, was on the steering committee for the new national Vocational Education and Training (VET) translating and interpreting qualifications and is now involved in the review of the same. She is also involved in the remote delivery of the Diploma of Interpreting in Aboriginal languages. NAATI accredited Professional Translator and Interpreter.
Ms Yuki Sayeg MA(AppL), MLitSt., BA (Hons), Graduate Certificate in Conference Interpreter Training (Geneva), AIIC Member	Lecturer, 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).
Dr Helen Slatyer BA, RSADipTEFL, MAppLing, PhD	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, 2015 the membership of the PRG was:

Member	Background
Ms Gail Ker (Chair) BAVT	Currently CEO at Access Community Services. Ms Ker's experience in providing innovative service solutions for newly arrived entrants and migrants has been recognised nationally and she has been appointed to various board and positions including but not limited to, Migration Council of Australia, Settlement Council of Australia, Multicultural Communities Council Gold Coast, SBS, Member, Refugee Resettlement Advisory Council (RRAC).
Ms Sam Berner B.EdSc, 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), Member of ASLIA.
Ms Patricia Flanagan	National Manager of the Multicultural Services Branch in the Australian Government's Department of Human Services (DHS). Tricia trained as a Social Worker, studied Business Administration, has worked in the community sector and has worked 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 International Federation of Translators (FIT). NAATI Accredited Professional Interpreter.
Mrs Barbara McGilvray BA (Melb), MA (Syd), FAIIT	Literary and film translator. Foundation member and Fellow of AUSIT; foundation member of the Australian Association for Literary Translation (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 (resigned 10.06.15)	National Campaign Director for Professionals Australia 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 BA Aboriginal Community Management and Development. Grad Dip Indigenous Research and Development.	Director of the Aboriginal Interpreter Service (AIS) in the Northern Territory.

# Regional Advisory Committees

Regional Advisory Committees (RACs) are established in most 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 where relevant. Participation in the RAC is on a nomination basis and individuals receive no remuneration for their time.

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 all the participants of the RACs in all states, these are people who contribute in many ways to committee activity during the year by offering their advice and expertise.

NAATI values the contacts established and maintained through the voluntary participation of members on RAC committees.

# 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, 2015 panels were being maintained for the following languages:

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







# 5 | FINANCIAL STATEMENTS

The directors present their report on National Accreditation Authority for Translators and Interpreters Limited (NAATI) for the financial year ended 30 June 2015.

## 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	Ms 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's term on the NAATI Board expires 30 November 2017.
<b>Abeselom Nega</b>	
Qualifications	AFAIM CAHRI
Experience	Mr Abeselom Nega is Chair of the Audit and Risk Management Committee of the Victorian Equal Opportunities and Human Rights Commission, Chair of the Melbourne Employment Forum (MEF), Former Chair of Federation of African Communities Councils. Mr Nega's term on the NAATI Board ended 31 August 2014.
<b>Assoc. Prof. Ludmila Stern</b>	
Qualifications	BA (Hons) PhD
Experience	Before embarking on an academic career, Dr Stern worked as an interpreter and translator. She was the founder and the first Convenor of the NAATI-approved Master's degree in Interpreting and Translations Studies at UNSW (2005-2010), for which she was awarded the 2010 Dean's Award and the Vice Chancellor's Award for Teaching Excellence. Dr Stern resumed the role of Convenor 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, Dr Stern has been a consultant and an educator of interpreters and interpreter users for Australian and international courts and other organisations (DPP, Bar Association, NJCA, Judicial Commission, ICC, ICTY). Dr Stern was Chair and examiner of the NAATI Russian panel. Dr Stern's term on the NAATI Board expires 30 November 2016.

## Information on directors continued

### Dr Bulent (Hass) Dellal OAM

#### Qualifications

Doctor of Social Science honoris causa, RMIT University A.C.M.M

#### Experience

Dr Bulent Dellal is 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). Mr Dellal's term on the NAATI Board ended 31 October 2014.

### Giuseppe (Pino) Migliorino

#### Qualifications

BA Dip.Ed (Sec)

#### Experience

Mr Pino Migliorino 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. 20 years ago Pino founded Cultural Perspectives/DiverseWerks and CIRCA Research. This group of companies are sector leaders in consulting to, 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 the third sector and 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. After over 30 years of ethnic community involvement and working in multicultural affairs across three sectors Pino was elected Chairperson on FECCA (The 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's term on the NAATI Board expires 14 May 2017.

### John Williams PSM

#### Experience

Mr John Williams PSM joined the Department of Immigration in Melbourne in 1964. He had extensive senior management experience before retiring in December 2008. John worked in the National Office in Canberra and as State Director in South Australia (1991 to 1995), Western Australia (1998 to 2002) before his final assignment as State Director in Victoria from 2002 to his retirement in December 2008. John's extensive overseas appointments include serving in the Australian High Commission London from 1973 to 1975; the Australian Embassy in Belgrade from 1975 to 1977 and 1983 to 1985; the Australian Embassy in Cairo from 1978 to 1979; the Australian Consulate Cape Town from 1979 to 1982. In 1986 John took a short-term appointment to the Australian Embassy Bangkok. He was then appointed as the Regional Migration Director to the Australian High Commission in Kuala Lumpur where he served from 1987 to 1991 and from 1995 to 1998 he was the Regional Migration Director at the Australian Consulate General in Hong Kong. John was extensively involved with multicultural and consular communities in his assignments both overseas and in Australia. While working in Australia he built strong working relationships with other government agencies at the Federal and State level. He served on the National Australia Day (Victorian) Committee. With over 40 years of service, John has a wealth of experience and high level corporate experience. John was awarded a Public Service Medal (PSM) in the Queen's Birthday Honour list in 2008 in recognition of his work with Australia's multicultural communities. Since retiring from the Public Service, John has established his own consultancy focusing on helping multicultural communities better connect with and access services within the community.

## Information on directors continued

John served as a Director and Deputy Chair of the Victorian Interpreting and Translation Service (VITS) from April 2012 until April 2015 and also Chaired VITS' Audit and Risk Management Committee. He is a Director of the SpiritWest Foundation Board of the Western Bulldogs Football Club. Mr Williams was appointed to the NAATI Board on 1 September 2014 for a 3 year term.

### Mary Gurgone

#### Experience

Ms Mary Gurgone is the National Director, Fortis Consulting. She migrated to Australia from Italy, and has a lifelong commitment to cross-cultural and cross linguistic communication. Mary has a Master of Business, teacher training and vocational training qualifications, Bachelor of Arts (English and Italian), and NAATI accreditation as a professional translator and interpreter. She is an educator and national and state leader promoting high standards in interpreting and translating. Her commitment spans: the introduction of translator courses and specialist short courses in interpreting into the vocational education sector in Western Australia, National presidency of AUSIT in the early nineties, State President of the AUSIT WA (1989-2002) and a Fellow of AUSIT, Member of the Federation Interpreters and Translators (FIT) Human Rights Committee 1998-2000, Member of a variety of Board and Committees related to Culturally and Linguistically Diverse (CaLD) matters. Mary is passionate about quality in translating and interpreting and has worked tirelessly for the T/I profession as an educator and as part of her extracurricular activities. She had a career in government for over three decades. Roles have included leadership in education, training, evaluation, audit and policy. As Director of Policy and Planning she led the national review of Overseas Trained Nurses and contributed to change of national policy. Since 2009, Mary has been the National Director of Fortis Consulting, named as one of the top 30 Management Consulting firms in Western Australian the annual Book of Lists – published by WA Business News which profiles 12,000 companies across 58 industries, in order of scale. Mary continues to lead strategic national projects related to Australian Multiculturalism. Some examples are with the Cultural Diversity workshops for senior management with the Australian Aged Care Quality Agency and the award winning Culture Communication and Relationship at Work (CCRW). True to her migrant background, Mary volunteers as Chair of the Zonta House Women's Refuge Board where migrants and Aboriginal women are a growing proportion of the clients. She has also completed the Australian Institute of Company Directors Course. Mary was appointed as a NAATI Director 1 November 2014 for a 3 year term.

### Voula Messimeri AM

#### Experience

Ms Voula Messimeri is CEO of Australian Greek Welfare Society (AGWS), past Chair of the peak multicultural national body, the Federation of Ethnic Communities' Councils of Australia (FECCA). She has served in leadership positions on a number of community management bodies and on Boards such as RMIT University Council and the RMIT Training Board, a controlled entity of RMIT University. Voula continues to serve on the VITS Board, now as Deputy Chairperson, the Rockwell Foundation and was appointed on the NAATI Board in 2014. She has served on Ministerial State and Federal advisory structures across diverse areas, including health, ageing, income support, media and was a member on the Australian Multicultural Advisory Council. Voula is Patron of In Touch Inc. Multicultural Centre against Family Violence. She was inducted into the Victorian Honour Roll of Women and recognised under the Order of Australia for her contribution to refugees, migrants and women. Ms Messimeri was appointed to the NAATI Board on 1 November 2014 for a 3 year term.

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.

## **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 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 the 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 appropriation of funds in each jurisdiction

## Performance measures

The company measures performance through monitoring benchmarks in respect of:

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

## Meetings of directors

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

	Directors' Meetings	
	Number eligible to attend	Number attended
Kerry Stubbs	4	4
Abeselom Nega	-	-
Assoc. Prof. Ludmila Stern	4	4
Dr Bulent (Hass) Dellal OAM	1	1
Mr John Williams PSM	4	4
Mary Gurgone	4	4
Voula Messimeri AM	3	3
Giuseppe Migliorino	4	4

## 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 2015 has been received and can be found on page 7 of the financial report.

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

Director: .....

Kerry Stubbs

Dated this 14th day of August 2015

## **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 2015, 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

14 August 2015

Deakin ACT

	Note	2015 \$	2014 \$
Other income	2	6,277,713	5,277,832
Employee benefits expense		(2,744,006)	(2,449,681)
Other expenses		(2,574,050)	(2,767,868)
INT expenses		(53,945)	-
Depreciation		(193,505)	(403,185)
<b>Profit before income tax</b>		<b>616,450</b>	<b>(342,902)</b>
Income tax expense		-	-
Other comprehensive income, net of income tax		-	-
<b>Total comprehensive income for the year</b>		<b>616,450</b>	<b>(342,902)</b>

The accompanying notes form part of these financial statements.

	Note	2015 \$	2014 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	5,244,845	4,550,914
Trade and other receivables	4	291,740	42,484
Other assets	6	22,708	38,220
<b>TOTAL CURRENT ASSETS</b>		<b>5,559,293</b>	<b>4,631,618</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	468,402	622,484
<b>TOTAL NON-CURRENT ASSETS</b>		<b>468,402</b>	<b>622,484</b>
<b>TOTAL ASSETS</b>		<b>6,027,695</b>	<b>5,254,102</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	991,202	711,693
Borrowings	8	-	46,351
Employee benefits	10	436,328	389,260
Other financial liabilities	9	120,647	253,597
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,548,177</b>	<b>1,400,901</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits	10	27,371	17,504
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>27,371</b>	<b>17,504</b>
<b>TOTAL LIABILITIES</b>		<b>1,575,548</b>	<b>1,418,405</b>
<b>NET ASSETS</b>		<b>4,452,147</b>	<b>3,835,697</b>
<b>EQUITY</b>			
Reserves	11	2,000,000	2,000,000
Retained earnings		2,452,147	1,835,697
<b>TOTAL EQUITY</b>		<b>4,452,147</b>	<b>3,835,697</b>

The accompanying notes form part of these financial statements.

**2015**

	<b>Retained Earnings \$</b>	<b>General Reserves \$</b>	<b>Total \$</b>
<b>Balance at 1 July 2014</b>	1,835,697	2,000,000	3,835,697
Profit attributable to members of the entity	616,450	-	616,405
<b>Balance at 30 June 2015</b>	<b>2,452,147</b>	<b>2,000,000</b>	<b>4,452,147</b>

**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>

The accompanying notes form part of these financial statements.

	Note	2015 \$	2014 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		6,562,472	5,749,327
Payments to suppliers and employees		(5,888,017)	(5,806,654)
Interest received		118,766	155,289
Interest paid		-	(8,933)
<b>Net cash provided by/(used in) operating activities</b>	<b>20</b>	<b>793,221</b>	<b>89,029</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(52,940)	(425,961)
<b>Net cash provided by used by investing activities</b>		<b>(52,940)</b>	<b>(425,961)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings		(46,351)	(85,783)
<b>Net cash used by financing activities</b>		<b>(46,351)</b>	<b>(85,783)</b>
Net increase/(decrease) in cash and cash equivalents held		693,930	(422,715)
Cash and cash equivalents at beginning of year		4,550,914	4,973,629
<b>Cash and cash equivalents at end of financial year</b>	<b>3</b>	<b>5,244,844</b>	<b>4,550,914</b>

The accompanying notes form part of these financial statements.

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

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

Comparatives are consistent with prior years, unless otherwise stated.

### **Basis of Preparation**

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

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

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

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

### **(a) Income Tax**

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

### **(b) 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 the period.

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.

### **(c) 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 Company 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).

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

### **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.

### **Other income**

Other income is recognised on an accruals basis when the Company is entitled to it.

### **(d) 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 payable 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.

### **(e) Property, Plant and Equipment**

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

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.

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

### **(e) Property, Plant and Equipment continued**

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.

#### **Depreciation**

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the assets useful life to the Company, commencing when the asset is ready for use.

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

### **(f) Financial instruments**

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

#### *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 an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

#### *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.

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

### **(g) Impairment of non-financial assets**

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

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

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

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

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

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

### **(h) Cash and cash equivalents**

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

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

### **(i) Employee benefits**

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

Employee benefits expected to be settled more than 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.

### **(j) New Accounting Standards and Interpretations**

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

**1. Summary of Significant Accounting Policies continued****(j) New Accounting Standards and Interpretations continued**

Standard name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments (December 2014) and associated Amending Standards	1 January 2018	These Standards will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and include revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting. The key changes that may affect the company on initial application of AASB 9 and associated Amending Standards include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non financial items. Should the company elect to change its hedge accounting policies in line with the new hedge accounting requirements of AASB 9, the application of such accounting would be largely prospective.	The directors anticipate that the adoption of AASB 9 will not have an impact on the company's financial instruments.

**2. Income**

	2015 \$	2014 \$
Test related revenue	4,093,429	3,234,299
Other services revenue	855,107	679,775
Government grants	1,223,927	1,208,468
Interest	118,766	155,289
	6,291,229	5,277,831

**3. Cash and cash equivalents**

	<b>2015</b>	<b>2014</b>
	\$	\$
Cash at bank and in hand	347,432	509,315
Short-term bank deposits	4,897,413	4,041,599
	<b>5,244,845</b>	<b>4,550,914</b>

**4. Trade and other receivables**

<b>CURRENT</b>	<b>2015</b>	<b>2014</b>
	\$	\$
Trade receivables	262,932	22,560
Other receivables	28,808	19,924
<b>Total current trade and other receivables</b>	<b>291,740</b>	<b>42,484</b>

**Impairment of receivables**

None of the amounts receivable at 30 June 2015 are considered impaired.

**5. Property, plant and equipment**

<b>PLANT AND EQUIPMENT</b>	<b>2015</b>	<b>2014</b>
	\$	\$
<b>Furniture, fixtures and fittings</b>		
At cost	265,037	275,085
Accumulated depreciation	(94,799)	(61,693)
<b>Total furniture, fixtures and fittings</b>	<b>170,238</b>	<b>213,392</b>
<b>Office equipment</b>		
At cost	22,723	50,976
Accumulated depreciation	(6,207)	(27,635)
<b>Total office equipment</b>	<b>16,516</b>	<b>23,341</b>
<b>Improvements</b>		
At cost	369,138	369,138
Accumulated depreciation	(369,138)	(351,036)
<b>Total improvements</b>	<b>-</b>	<b>18,102</b>
<b>Technology upgrade</b>		
At cost	501,032	459,418
Accumulated depreciation	(219,384)	(91,769)
<b>Total technology upgrade</b>	<b>281,648</b>	<b>367,649</b>
<b>Total property, plant and equipment</b>	<b>468,402</b>	<b>622,484</b>

## 5. Property, plant and equipment continued

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

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

Year ended 30 June 2015	Furniture, Fixtures and Fittings \$	Office Equipment \$	Improvements \$	Technology Upgrade \$	Total \$
Balance at the beginning of year	213,392	23,341	18,102	367,649	622,484
Additions	-	3,700	-	49,240	52,940
Disposals - written down value	(4,367)	(7,091)	-	(2,059)	(13,517)
Depreciation expense	(38,787)	(3,434)	(18,102)	(133,182)	(193,505)
<b>Balance at the end of the year</b>	<b>170,238</b>	<b>16,516</b>	<b>-</b>	<b>281,648</b>	<b>468,402</b>

Year ended 30 June 2014					
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>

## 6. Other non-financial assets

	2015 \$	2014 \$
Prepayments	22,708	38,220
<b>Total other non-financial assets</b>	<b>22,708</b>	<b>38,220</b>

**7. Trade and other payables**

	<b>2015</b> \$	<b>2014</b> \$
<b>CURRENT</b>		
Trade payables	136,034	167,188
GST payable	134,433	40,847
Sundry payables and accrued expenses	233,803	131,981
Practitioner directory & test fees in advance	484,483	371,816
Other payables	2,451	(141)
	<b>991,204</b>	<b>711,691</b>

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

**8. Borrowings**

	<b>2015</b> \$	<b>2014</b> \$
<b>CURRENT</b>		
Secured liabilities		
Lease liabilitysecured	12	-
<b>Total current borrowings</b>	<b>-</b>	<b>46,351</b>

Leased liabilities are secured by the underlying leased assets.

**9. Other Financial Liabilities**

	<b>2015</b> \$	<b>2014</b> \$
<b>CURRENT</b>		
Government grants	120,647	253,597
<b>Total other financial liabilities</b>	<b>120,647</b>	<b>253,597</b>

**10. Employee Benefits**

	2015 \$	2014 \$
<b>Current liabilities</b>		
Long service leave	293,893	245,683
Provision for employee benefits	142,435	143,577
<b>436,328</b>		<b>389,260</b>

	2015 \$	2014 \$
<b>Non-current liabilities</b>		
Long service leave	27,371	17,504
<b>27,371</b>		<b>17,504</b>

**11. Reserves and retained surplus**

	2015 \$	2014 \$
<b>General reserve</b>		
Opening balance	2,000,000	2,000,000
<b>2,000,000</b>		<b>2,000,000</b>

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****(a) Finance Leases**

	2015 \$	2014 \$
Minimum lease payments:		
- not later than one year	-	47,379
<b>Minimum lease payments</b>	<b>-</b>	<b>47,379</b>
Less: finance charges	-	(1,028)
<b>Present value of minimum lease payments</b>	<b>-</b>	<b>46,351</b>

The finance lease for the office fit out at Deakin was finalised during the financial year.

### **13. Financial Risk Management**

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

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

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 - currency risk, interest rate risk and price 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**

Risk management is carried out by the Company's audit risk management committee, which was established during the year, under the delegated power from the Board of Directors. The committee has primary responsibility for the development of relevant policies and procedures to mitigate the risk exposure of the Company, these policies and procedures are then approved by the risk management committee and tabled at the board meeting following their approval.

Specific information regarding the mitigation of each financial risk to which the Company is exposed is provided below.

#### **Liquidity risk**

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

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Company maintains cash 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.

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.

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

### 13. Financial Risk Management continued

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

	Not later than 1 month		1 to 3 months		3 months to 1 year		1 to 5 years	
	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$
Trade payables	506,721	582,677	-	-	-	-	-	-
<b>Total</b>	<b>506,721</b>	<b>582,677</b>	-	-	-	-	-	-

#### Market risk

##### (i) Interest rate risk

The Company is exposed to interest rate risk as funds are borrowed at floating and fixed rates. Borrowings issued at fixed rates expose the Company to fair value interest rate risk.

The Company's policy is to minimise interest rate cash flow risk exposures on long term financing. Longer term borrowings are therefore usually at fixed rates. At the reporting date, the Company is exposed to changes in market interest rates through its bank borrowings, which are subject to variable interest rates.

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% (2014: +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 and economist reports.

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

	2015		2014	
	+2.00%	-2.00%	+2.00%	-2.00%
<b>Cash and cash equivalents</b>				
Net results	104,897	(104,897)	91,018	(91,018)
Equity	104,897	(104,897)	91,018	(91,018)

#### Credit risk

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

Credit risk arises from cash and cash equivalents, 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. Members' Guarantee

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

## 16. 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:

	2015 \$	2014 \$
Short-term employee benefits	558,081	548,013
Long-term benefits	86,859	73,011
Directors remuneration	39,848	27,184
	<b>684,788</b>	<b>648,208</b>

### Other key management personnel transactions

For details of other transactions with key management personnel, refer to Note 19: Related Party Transactions.

## 17. Remuneration of Auditors

	2015 \$	2014 \$
Remuneration of the auditor of the parent entity, Hardwickes, for: - auditing or reviewing the financial statements	18,500	18,500
<b>Total</b>	<b>18,500</b>	<b>18,500</b>

## 18. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2015 (30 June 2014: None).

## 19. Related Parties

### (a) The Company's main related parties are as follows:

#### (i) Key management personnel:

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

**19. Related Parties continued**

For details of remuneration disclosures relating to key management personnel, refer to Note 16: Interests of Key Management Personnel (KMP).

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

- (ii) *Other related parties include close family members of key management personnel and entities that are controlled.*

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

**(b) Transactions with related parties**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

**20. Cash Flow Information****Reconciliation of result for the year to cashflows from operating activities**

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

	<b>2015</b>	<b>2014</b>
	\$	\$
Profit for the year	616,450	(342,901)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	193,505	403,185
- net loss on disposal of property, plant and equipment	13,514	238,652
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	(249,257)	49,264
- (increase)/decrease in prepayments	15,512	(26,025)
- increase/(decrease) in income in advance	(20,284)	(131,012)
- increase/(decrease) in trade and other payables	159,279	(146,042)
- increase/(decrease) in employee benefits	64,502	43,908
<b>Cashflow from operations</b>	<b>793,221</b>	<b>89,029</b>

## **21. Events Occurring After the Reporting Date**

The financial report was authorised for issue on 14 August 2015 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.

## **22. 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

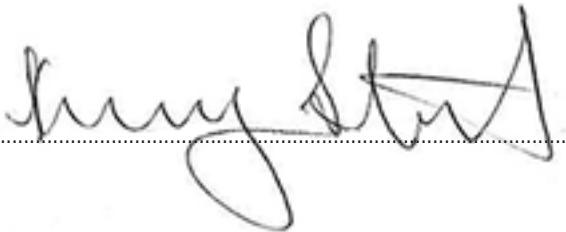
The principal places of business is the same as the registered office.

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 9 to 26, 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 2015 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 .....

A handwritten signature in black ink, appearing to read "Henry Stow". The signature is fluid and cursive, with a prominent 'H' at the beginning and a 'w' at the end.

Dated this 14th day of August 2015

## **Independent Audit 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 2015, 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 Audit 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 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Hardwickes  
Chartered Accountants

*Hardwickes*  
*R Johnson*

Robert Johnson FCA  
Partner

Deakin ACT

Dated this 14th day of August 2015

