

ACCREDITATION: SUPPORTING THE
DELIVERY OF HEALTH & SOCIAL CARE

ANNUAL
REPORT | 2015



ACCREDITATION: Supporting the delivery of Health and Social Care

The theme of this year's Annual Report is the theme of World Accreditation Day 2015 and reflects the importance of accreditation in supporting the delivery of health and social care.

Accreditation of the organisations that are performing their tasks ensures a consistent and reliable approach, and provides confidence that the service providers are meeting the needs of the consumer and the community.

Quotations that appear in this Annual Report are from entries in NATA's 2015 World Accreditation Day competition in which members expressed their opinion about how accreditation delivers confidence in the health and social care sectors. The quotations represent their personal opinion.

NOTICE OF MEETING

The 2015 Annual General Meeting of the National Association of Testing Authorities, Australia ("NATA") will be held at NATA's Sydney Office, 7 Leeds Street, Rhodes NSW 2138 on 14 October 2015, commencing at 12:00 pm AEDT.

Members may also attend by video conference to NATA's Adelaide (Unit 1, 13-15 King William Road, Unley SA 5061), Brisbane (628 Ipswich Road, Annerley QLD 4103), Melbourne (Level 1, 675 Victoria Street, Abbotsford VIC 3067) and Perth (Business Centre, 2A Brodie Hall Drive, Bentley WA 6102) offices.

In addition, a Webinar service will be available for Members to participate in the meeting.



Jennifer Evans
Chief Executive Officer
7 September 2015

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"The welfare of our population is something that cannot be undermined or underestimated.

As a nation, we are renowned for our Australian "mateship". That is, the ingrained nature of Australians to look out for one another. With regards to the testing services provided for health and social care, the quality of the information we give those who need it is crucial. The accreditation process, from application to approval (and subsequent maintenance of your accreditation) teaches those involved how important it is to ensure their workplace is operating to the highest standard. There are individuals and families relying on accurate information; one test result can be life changing.

"It takes a village to raise a child" – and it takes dedication and commitment to help those in need, and the personnel who work in those facilities which support these needs understand this. Accreditation facilitates our ingrained support for each other in the best possible way: There is no substitute for quality."

Jessica Tunnage

Laboratory Manager

Northern Co-operative Meat Company

CHAIR'S OVERVIEW



Alastair Ross AM

“The delivery of the operation and financial results reflect the hard work and dedication of the NATA staff.”

Welcome to the 30 June 2015 Annual Report for the National Association of Testing Authorities, Australia (NATA).

Financial year 2015 was a year of challenges, changes, and achievements.

The subdued economy affected our members to a varying extent and posed the challenge to NATA of ensuring that accreditation added value by improving our services and staying within the budget.

The Commonwealth Government's initiative on reduction of 'Red Tape' to eliminate unnecessary regulations provided NATA with the opportunity to demonstrate our expertise in assisting our members to improve quality and operational efficiency and highlight our unique role in promoting accreditation as a community benefit.

The other major change was the change to our Constitution as a result of the members' vote in October 2014. The new Constitution allows direct election of directors by members.

Other key features of the changes included:

1. The discontinuation of NATA Council

2. A Board of seven Directors with:

- four positions reserved for nominations from Member organisations only;
- three positions available to nominations from Stakeholder organisations and Member organisations;

- Member organisations' nominations extended beyond the Authorised Representative, to include other employees, officers, and representatives; and
- all positions elected by Authorised Representatives of Member organisations.

3. Stakeholder engagement and engagement with the membership preserved in the Objectives of the Association.

The first election of two new directors by members under the revised Constitution will take place in September this year.

Financial year 2015 was also a year of solid operational performance and favourable financial results. NATA achieved its Charter of Services targets for its operation, delivered the modest, targeted Budget surplus, implemented Stage 1 of the important Accreditation Information Management System (AIMS) project, and completed the main Objectives in the Strategic Plan for Financial Years 2013 to 2015.

The pleasing result and solid performance in 2015 reflect our commitment to continuous improvement and steady progress towards our objective of becoming a high performance organisation. As a not for profit organisation, the achievement of the financial surplus target is reassuring as it protects our reserve.

NATA also successfully completed an evaluation of our MRA signatory status by APLAC in March 2015. As well as covering NATA's ISO/IEC 17025 based fields of testing, calibration, inspection and reference materials producers, for the first time our evaluation included Medical Testing and Proficiency Testing Scheme Providers.

The completion of Stage 1 of AIMS is an important milestone. AIMS is one of the most complex and pervasive systems and organisational transformation projects that NATA has undertaken in recent years. When AIMS is completed, it should provide more efficient back office administration, greater utilisation of mainstream technology and infrastructure, and better interface with our members, stakeholders, and the public.

Financial year 2015 marks the end of the final year in the current Strategic Plan 2013-15, and during the year the Board worked extensively with management to develop the 2016-18 Strategic Plan (Plan). The six pillars of the Plan are:

- 1) Leadership and Profile
- 2) Stakeholder Engagement
- 3) Operational Excellence
- 4) People
- 5) Innovation and Technology
- 6) Growth and Security

The focus of the Plan is the continuation of our investment in stakeholder engagement particularly with respect to our 3,000 strong volunteers who devote their time as Technical Assessors and/or members of various technical committees.

The Plan will focus on deploying technology to assist our staff and volunteers to do their job more efficiently. The implementation of AIMS and other technology initiatives should also mean that our members, stakeholders and the public will find it easier and faster in doing business and dealing with NATA. The underlying theme of the new Plan continues to be delivering best practice and cost effective accreditation services and complementary activities in the national and public interest.

As I foreshadowed at the 2013 Council Meeting, the Board has engaged investment expertise to advise on appropriate investment of the proceeds from the sale of NCSI. I am pleased to advise that in relation to this advice, NATA has purchased a commercial property at Camberwell, Melbourne. This process has taken over 12 months to allow sufficient time for analysis, evaluation of alternatives, and due diligence.

The Board is confident that this important investment will provide a good location for our Melbourne office and generate steady income in years to come. We expect to relocate our Melbourne office from its leased premises in Abbotsford to the new premises in Camberwell before the end of this year.

NATA Board members serve on a voluntary basis for a three year term. The two retiring directors whose term expires at the conclusion of the forthcoming AGM are Messrs Paul Trotman and David Gray. On behalf of the Board I thank Paul and David for their contributions to NATA and the Board, and farewell them with our best wishes.

The successes and achievements outlined in this Annual Report not only reflect the hard work of everyone at NATA but also set a sound foundation for delivering the goals and objectives encompassed in the new Strategic Plan.

The Board and I, on behalf of the members sincerely thank NATA management and staff for their commitment, dedication and professionalism.

Also on behalf of the Board of NATA I wish to thank my fellow Technical Assessors and Committee members, who voluntarily share their knowledge and experience to make possible the exceptional standard of accreditation delivered by the Association.

Finally, I also thank all of my colleagues on the NATA Board for their commitment, dedication and wise counsel in what has been another eventful and successful year for the organisation.

Alastair Ross AM
NATA Chair

CHIEF EXECUTIVE OFFICER'S OVERVIEW



Jennifer Evans

“This has
been a year of
achievements
and deliveries
for our annual
operational
and financial
results.”

The 2014-15 financial year has seen the achievements of goals, delivery of significant initiatives, excellent progress on long term projects, and the completion of the Strategic Plan 2013-15.

As a member owned not-for-profit organisation, NATA's principal goals are delivering efficient accreditation services to its members and promoting accreditation as a public benefit for the community. Our focus is on providing accreditation services to members that add value to their business, and enhancing our communication and engagement with stakeholders.

Our financial surplus in 2014-15 is \$215,000 which is slightly ahead of the \$214,000 budget target but lower than the \$269,000 surplus for 2013-14. While our surplus and budget target are modest in relation to our \$27M annual revenue and expenditure, it is nevertheless important that we deliver the budget surplus target each year in order to build up the reserve for securing the future.

In accordance with the investment policy framework approved by the Board, we invested our accumulated reserves in the purchase of a commercial office building in Camberwell, Melbourne. As detailed in the audited accounts, settlement for the purchase occurred in July 2015. We will relocate our Melbourne office to Camberwell in late November. It is a milestone for our Melbourne office after operating out of leased offices for over 30 years. We are confident that the saving in our rental expenses and the rental income from external tenants should provide NATA with steady annual investment return and potential capital gain over the medium to long term.

The major focus and achievements for service quality and process improvement in 2014-15 include significant progress with our project to restructure Scopes of Accreditation, the continuing investment in the skills development of our staff, and the appointment of Training Coordinators to manage the training of our Lead Assessors.

We believe these are important initiatives to ensure compliance with our internal competence standards, and improve the quality and consistency of our service to members.

We have achieved the overall target of the Charter of Services (CoS) and all but one of the individual service targets. As noted in last year's report, NATA had implemented more demanding service targets for our CoS with faster turnaround times. The financial year 2014-15 is the second full year with the enhanced CoS targets and it is pleasing to see that we have been able to deliver the higher level of service on a consistent basis.

I am also pleased to advise that we have completed Stage 1 of the Accreditation Information Management System (AIMS) project and we are making good progress in Stage 2 of this important project.

The AIMS project represents a major investment of NATA's financial and management resources and an organisational transformation undertaking. The project involves an overhaul of the major business processes in NATA's operations to gain the maximum benefit from integrating the technology and administration system to the way that we deliver our services to our members and dealing with our stakeholders.

This project is scheduled to be completed in two years' time and we expect significant improvement in our operational efficiency, turnaround time, and technology infrastructure. The end result to our members, stakeholders, and the public should be improved service quality, a more competitive pricing, a better experience in dealing with NATA, and more effective engagement.

We continued to build on the robust foundation of our Stakeholders Engagement plan in 2014-15. Major achievements in the domestic economy included the renewal of the Memorandum of Understanding (MOU) with the Victorian Government and our participation in the Australasian Procurement and Construction Council's Construction Product Quality Working Group that released the guidance document "Procurement of Construction Products – A guide to achieving compliance in September 2014".

NATA is a signatory to the International Laboratory Accreditation Cooperation (ILAC) and Asia Pacific Accreditation Cooperation (APLAC) Mutual Recognition Arrangements (MRAs) and one of the key events for NATA during the year was the evaluation for continued signatory status held on 22 - 27 March 2015. Evaluations are held every four years, the process being very similar to an assessment with a team of peers from other accreditation bodies reviewing our accreditation processes.

We are very pleased with the successful outcome of the evaluation. The evaluation team has recommended a continuation

of our signatory status for testing, calibration, inspection and reference materials producers and an extension of signatory status for medical testing and proficiency testing scheme providers. The final report will be tabled at the APLAC MRA Council for approval early next year.

A key international activity is the revision of the ISO/IEC 17025:2005 "General requirements for the competence of testing and calibration laboratories" by ISO/CASCO Working Group (WG) 44 and ISO/IEC 17011 "Conformity assessment - General requirements for accreditation bodies accrediting conformity assessment bodies" by ISO/CASCO Working Group (WG) 42.

NATA plays a significant role in these important reviews by having our executives on both Working Groups. I have the honour of representing ILAC on WG 42. Our General Manager, Compliance and Governance represents Standards Australia on WG 42 while our General Manager, Operations and Technical represents Standards Australia on WG 44. These two projects will continue in 2015-16 with the publication date of the revised standards anticipated to be 2017.

During the year, the Board worked closely with management to develop the Strategic Plan 2016-18 for the next three financial years. As you will see from the Strategic Plan section, the next three financial years will be pivotal in the transformation of NATA into a performance based organisation that will focus on meeting members' requirements with quality service and supporting their needs with an

agile and responsive organisation, and providing our stakeholders and community with relevant support and advocacy.

This has been a year of achievements and deliveries for our annual operational and financial results. It is also a year of good progress on our strategic pathway to transform NATA into an organisation that is efficient and competitive in providing service, effective advocacy relevant to the needs of our members and stakeholders, and also responsive to their expectation in this fast changing environment.

As the Chief Executive, I am proud of NATA's heritage as a not for profit organisation and also an accreditation community supported by its large number of volunteers who devote their time and share their expertise as Technical Assessors, members of committees or as Board members.

The achievements of NATA are a combined result of the hard work and dedication of our staff, our Board members and the volunteers. On behalf of all the members and stakeholders, I thank all the staff and volunteers for their support in 2014-15. I also would like to thank our Board for their support and confidence in me and the management team.

Jennifer Evans
Chief Executive Officer

WHO WE ARE

What we do

NATA is a key part of Australia's technical infrastructure that is responsible for setting standards, ensuring conformance, and assessing competence. Our role serves the national and public interest by ensuring that member facilities are competent to provide consistently reliable testing, calibration, measurement and inspection data to government, industry and the wider community.

NATA's expert independent third-party assessments help our customers identify and manage risk, increase community confidence and trust, and facilitate trade.

In short, NATA is the authority that assesses technical competence of our member facilities in carrying out testing, calibration, measurement and inspection. It also provides confidence to the customers of our member facilities that their services and products are reliable and consistent.

The authority in accreditation

Though largely self-funded, NATA has memoranda of understanding with the Australian Government and several state and territory governments.

We are recognised by the Australian Government as the national authority for accrediting test and measurement laboratories and reference material producers, and as a peak body for accrediting inspection bodies and proficiency testing scheme providers.

NATA is also recognised by the Australian Government as the compliance monitoring authority for the OECD Principles of GLP.

The Commonwealth Government uses NATA-accredited facilities wherever possible and encourages state and territory governments and other instrumentalities to do likewise.

Our service

NATA is dedicated to providing a high quality, innovative and flexible service to its members. In so doing we build confidence in both the Association and its stakeholders which include members, their customers and the broader national and international community.

NATA's key role is to enhance the public good by providing assurance that its members are technically competent and reliable.

NATA is committed to maintaining its position as Australia's national accreditation authority by delivering real, tangible value.

What we will be

We are working towards becoming more responsive, innovative and customer-focused. This will allow us to remain competitive in a changing market and a less certain economic environment.

We will be innovative in creating new business approaches to help our customers capitalise on their technical competence.

We will continue to influence and promote policy in relation to technical competence assessment, both within Australia and internationally.

We are also aware of the importance of building on NATA's long track record through continuous quality improvement, such as by providing ongoing high quality staff training.

Our objectives

We will support our customers with effective and efficient accreditation services that promote their growth. As the national accreditation authority, NATA will be recognised as a contributor to Australia's international trade and interest.

Our public interest role will be understood and supported by the community. We will consult stakeholders on key issues so they are committed to our goals and contribute to our success. We will achieve our public interest goals and meet stakeholders' expectations.

Our business model will be innovative and provide quality services that meet customers' needs at a competitive price. Our practices, systems and technology will adapt to better serve our stakeholders.

Our prudent financial structure will underpin a sound financial foundation that is consistent with NATA's status and meets our future needs. Our staff will be motivated and skilled, committed to high performance and achieving NATA's goals.

Our services

NATA provides a range of services in addition to accreditation. These include training courses in laboratory management, auditing, microbiological quality control, and laboratory management systems.

The Association maintains a public database of accredited facilities, and publishes a range of technical documents covering laboratory practice and evaluation, as well as publishing NATA News, a bi-monthly magazine for members.

NATA is represented in international fora and in the development of international standards related to accreditation. It also promotes its member facilities to domestic and foreign consumers.

What we believe

To be of value to our customers, we must remain competent, impartial, fair, responsive and efficient.

To do this we have a culture that attracts and retains high-calibre staff who care about our customers and about the broader community that relies on the results of our members' technical competence in the conduct of their business.

Our Technical Assessors

NATA's work and reputation rely to a great extent on the thousands of industry experts who generously give their time to participate in technical assessments and technical committees. To them we offer our thanks and appreciation.

International services

NATA provides a range of training and advisory services to overseas clients. These range from conducting individual training courses to playing a key role in the establishment of new accreditation bodies.

Our staff

NATA employs around 200 staff in Sydney (head office), Melbourne, Brisbane, Adelaide and Perth.

NATA people share a commitment to work for the public good. We have a strong belief that we can make a difference through applying our core skills in technical assessment.

Our members

NATA is a not-for-profit, government-endorsed company operating as an association owned by its members. These consist of more than 3,000 facilities in Australia and around 50 in other economies.

What is NATA accreditation?

Accreditation is a means of determining, formally recognising and promoting the competence of facilities to perform specific types of testing, measurement, calibration and inspection against the relevant national and international standards.

Key elements of the NATA accreditation process include:

- Ongoing, on-site assessment of staff and facilities;
- Assessment teams consisting of Lead Assessors (NATA staff members) and Technical Assessors (peers) who have a sound understanding of the tests, measurements, inspections or other activities for which accreditation is sought or held;
- Evaluation of both management systems and technical processes;
- A focus on demonstrated and practical competence;
- A cooperative, constructive approach; and
- A strong foundation for ongoing quality improvement.

NATA provides accreditation for a wide range of facilities in such areas as pathology, diagnostic imaging, environmental analysis, food, water, pharmaceuticals, concrete, asbestos, toxicology, electrical equipment, IT, biotechnology, and many more.

We currently offer accreditation in a number of programs:

- Laboratory Accreditation
- Inspection Body Accreditation
- Reference Material Producers Accreditation
- Proficiency Testing Scheme Providers Accreditation
- Medical Testing Accreditation
- Research & Development Accreditation
- Medical Imaging Practice Accreditation
- Sleep Disorders Services Accreditation

A photograph of a laboratory environment. In the foreground, a gloved hand holds a petri dish containing a grid of small, dark, circular samples. A yellow pipette tip is positioned above the dish. In the background, several other petri dishes are visible, some stacked. The image is overlaid with a large, diagonal white shape that tapers towards the bottom right, creating a modern, graphic design element.

STATEMENT OF CORPORATE INTENT

NATA'S ROLE

NATA's role is to:

- Provide, in the national interest, accreditation and supporting services which meet the needs of stakeholders and facilitate the domestic and international recognition and acceptance of our members' products and services;
- Be the national authority for the accreditation of testing and calibration laboratories and reference materials producers, a peak authority for the accreditation of inspection bodies and proficiency scheme providers, and the national authority responsible for monitoring compliance with the OECD Principles of Good Laboratory Practice; and
- Promote and contribute to the science and practice of accreditation, testing and inspection, both nationally and internationally.

In providing its services, NATA aims to:

- Treat our members and other stakeholders honestly, fairly and professionally;
- Provide timely access to qualified staff;
- Give timely and accurate advice and information;
- Avoid any potential conflicts of interest of our staff, voluntary Technical Assessors, technical committee members, and others involved in our services;
- Maintain confidentiality (within the provisions of NATA Rules) of any document, information or process entrusted to us;
- Conduct our accreditation services in compliance with international codes of best practice;
- Provide a range of effective training programs to support our members and Technical Assessors in activities relevant to NATA's role;
- Help our members promote the values and significance of accreditation; and
- Provide a forum for members of NATA to explore issues of interest or special needs.

STRATEGIC DIRECTIONS 2016 - 2018



Our Vision

NATA accreditation is the assurance of competence and a foundation for confidence that provides benefits to, and enhances the health, well-being and safety of Australia and Australians by:

- identifying competent providers of testing, measurement, inspection and related activities;
- providing an assurance of the quality of these activities to those who engage the services of competent providers and to the community generally; and
- enabling the acceptance internationally of the results of these activities thereby facilitating trade and the exchange of technical data.

“Our staff have the technical knowledge, customer service skill and motivation to deliver quality service to our clients.”

NATA Strategic Plan 2016-2018

This is the Strategic Plan (Plan) of NATA for the three financial years commencing 1 July 2015 (financial year 2016) to 30 June 2018 (financial year 2018). This Plan is reviewed and updated annually and covers the medium to long term goals and objectives of NATA.

The Plan was approved by the Board on 10 June, 2015.

Our Mission

To deliver best practice and cost effective accreditation services and complementary activities in the national and public interest.

Strategic Plan Summary

1) Leadership and Profile

NATA's role and contribution are recognised and valued with respect to:

- the improvement in public safety, productivity, and technical infrastructure in Australia; and
- the representation of Australia's interest in the international accreditation community and promotion of trade through reduction in technical barriers to trade.

2) Stakeholder Engagement

NATA will continue to provide accreditation programs and related activities that meet the needs of our stakeholders.

Our stakeholders will continue to support our goals and remain engaged in their commitment to NATA. We will achieve this through consultation and collaboration with our stakeholders on key issues in a transparent and efficient manner.

3) Operational Excellence

We will deliver a quality service at a reasonable cost using an innovative business model that meets clients' needs and will be responsive to their future requirements.

4) People

Our staff have the technical knowledge, customer service skills and motivation to deliver quality service to our clients.

Our volunteer Technical Assessors and committee members are recognised for their technical expertise and valued for their contributions to NATA and the community.

Our people, both staff and volunteers, have an appropriate mix of skill, experience and expertise, and are maintained by effective succession planning.

5) Innovation and Technology

We will maintain a contemporary technology infrastructure to support the interface with stakeholders, clients, volunteers, and the community.

We will deploy technology to support product innovation, transform business process, and enable improvements in service delivery.

NATA people will be equipped with appropriate technology and support to enhance their contribution to NATA's objectives.

6) Growth and Security

We will develop and maintain functional capability and operational capacity to meet the needs and growth of stakeholders and customers, and provide opportunity for our people

A prudent risk management framework will be maintained to manage risk.

We will maintain a sound financial structure and adequate reserve to secure NATA's future.

PERFORMANCE 2014-15

"Health care facilities participating in an independent, external accreditation assessment process provide surety to their clients, health organisation and their community. Accredited facilities provide evidence of regulatory compliance to the specifically designed national and international standards. Furthermore, facilities which promote analysis of their monitoring of outcome, performance indicator and efficiency reporting, demonstrate their commitment to promoting service delivery and continuous quality improvement."

Rachel Prall

Quality & Service Development Officer
Statewide Bone Marrow Transplant Service

Charter of Service Outcomes

The Charter of Service describes NATA's aims in servicing the needs of its clients in a timely and effective manner.

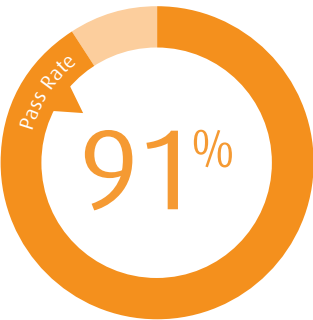
In our Accreditation Activities we aim to:

- Conduct an advisory visit within four weeks of receipt of a request for such a visit;
- Provide a formal report of our findings from an on-site advisory visit within two weeks of the visit. (For Medical Testing laboratories Medicare Australia requires NATA to provide a special report within one week);
- Conduct an assessment of an applicant's facility within eight weeks of receipt of an application form and appropriate supporting documentation;
- Provide an initial report, or oral briefing, of our findings at the conclusion of each on-site assessment, re-assessment or variation (including signatory interview) visit;
- Provide a final report of our findings for each on-site assessment, reassessment, or variation (including signatory interview) visit within four weeks of the visit;
- Conduct a desk-top variation within two weeks of receipt of a written request and appropriate supporting documentation;
- Conduct a variation (including signatory interview) visit within four weeks of receipt of a written request and appropriate supporting documentation;
- Review and report on submissions received from applicants following assessments and members following re-assessments or variation (including signatory interview) visits within four weeks of receipt of the information;
- Confirm the granting of accreditation of an applicant facility within four weeks of confirmation of appropriate remedial action; and
- Confirm a member's accreditation status within two weeks of confirmation of remedial action. When requested, for special commercial or other needs of a member, best endeavours will be made to confirm the accreditation status as soon as possible.

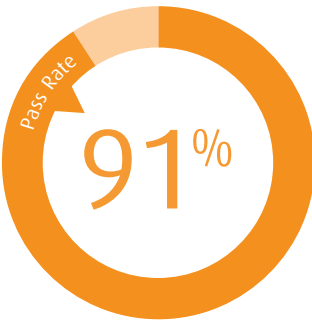
Main Entrance

Main Entrance

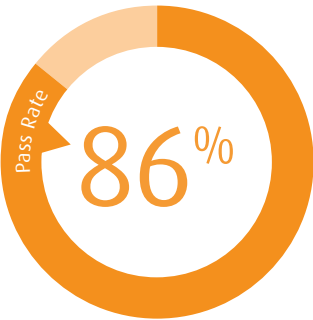
SERVICE STANDARDS



SERVICE STANDARD 1
Conduct an Advisory Visit within specified time frame.
Total processes: 121



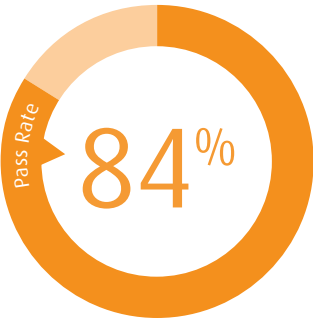
SERVICE STANDARD 2
Formal Report provided to customer within specified timeframe after on-site Advisory Visit.
Total processes: 120



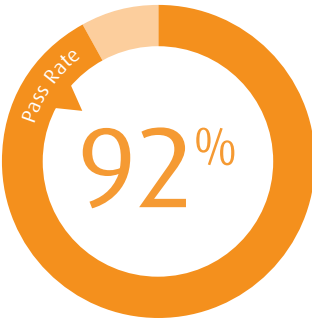
SERVICE STANDARD 3
Assessment conducted within specified timeframe from receipt of application and appropriate supporting documentation.
Total processes: 256



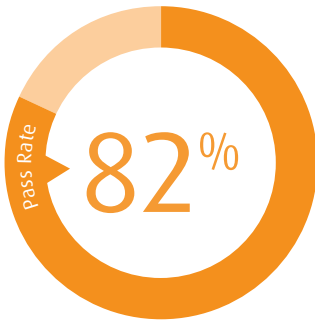
SERVICE STANDARD 4
Initial report or oral briefing provided at conclusion of on-site visit.
Total processes: 2522



SERVICE STANDARD 5
Final report provided for on-site assessment(s), reassessment(s) and variations (including signatory interviews) within specified timeframe, relative to Field of testing.
Total processes: 2714



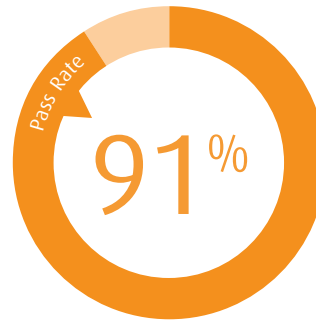
SERVICE STANDARD 6
Desk-top variation conducted within specified timeframe from written request of application and appropriate supporting documentation.
Total processes: 509



SERVICE STANDARD 7

Conduct variations (including signatory interviews) within specified timeframe from written request of application and appropriate supporting documentation.

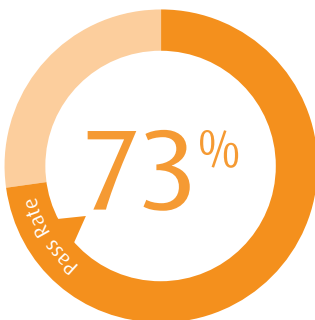
Total processes: 294



SERVICE STANDARD 8

Review and report of submissions following on-site assessment(s), reassessment(s) and variations (including signatory interviews) within specified timeframe.

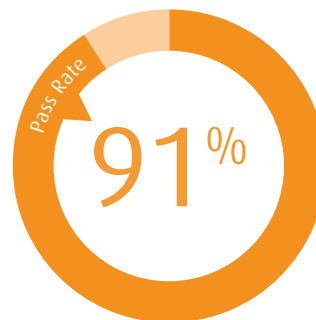
Total processes: 4128



SERVICE STANDARD 9

Confirm granting of accreditation of an applicant facility within specified timeframe after confirmation of appropriate remedial action.

Total processes: 187



SERVICE STANDARD 10

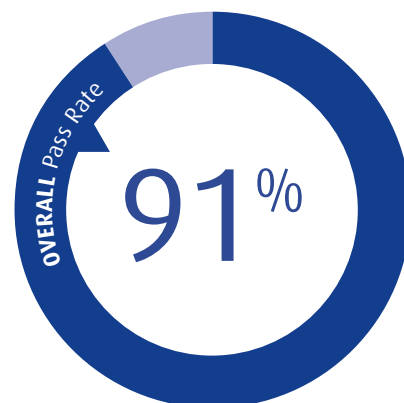
Confirm member's accreditation status within specified timeframe after confirmation of appropriate remedial action.

Total processes: 2255

NATA's performance in the 2014-15 year achieved an overall success rate of... **91%**



...against a target of no less than **90%** as set by the Board of Directors.





TECHNICAL, OPERATIONAL AND QUALITY MATTERS

"Accreditation requires that a service provider meets high level standards in the provision of their service. This is especially important in the delivery of health and social care as the recipients are often vulnerable and dependent. Patients generally have little knowledge of what should constitute desirable practice but they can rest content knowing that accredited care providers will have watchdog organisations assuring quality.

Health and social health professionals may have limited knowledge outside of their field of expertise and yet rely on other professionals to do their part in the care journey of the patient. Thus everybody, care giver or receiver can have confidence that an accredited system should deliver what they need and expect-care delivered to world class standards."

Greg Palmer

Laboratory Manager, SA Pathology

NATA continues to benefit from the valuable input of its volunteer technical committees and Technical Assessors. Reports from our various sectors provide information on the extent of this activity. Our success in maintaining our International Laboratory Accreditation Cooperation (ILAC) and Asia Pacific Laboratory Accreditation Cooperation (APLAC) signatory status and thus international recognition is due, in no small part, to the contributions made by these volunteers. NATA therefore extends its thanks to its committee members and Assessors and their supportive organisations for their ongoing contributions to NATA and Australia's national accreditation and measurement infrastructure.

Chairs of the Accreditation Advisory Committees meeting

An update on activities was provided at the meeting of the Chairs of the Accreditation Advisory Committees (CAAC) on 30 October 2014. This included 2013 post CAAC meeting initiatives - identifying the overlaps in assessment activities based on a set of identified industry groups; progress on the revision of Scopes of Accreditation; assessment approaches, accreditation criteria and ultimately the technical inputs required to support NATA's activities.

Projects

NATA has developed a new tabular format for presentation of Scopes of Accreditation. The new Scope format will provide a more consistent and detailed presentation of information based on industry activities whilst enabling potentially one Scope to be created per member regardless of the number of standards for which accreditation is held. Additionally, the new format will enhance search capabilities.

A project has been established to review NATA's technical structure to establish an "outward facing" accreditation service based on industry activities as part of the reformat of Scope. For example, 'food & agribusiness' and 'environmental' covering parts of 'Biological Testing' and 'Chemical Testing'.

The Scope's framework will also provide information on other key activities / initiatives such as defining Assessor competencies, how assessment effort is determined and how application documents and NATA's technical committees may be structured.

It is anticipated that the revised Scopes of Accreditation will go live and be made publicly available at the time of the implementation of the new Accreditation Information Management System (AIMS).



Asia Pacific Laboratory Accreditation Cooperation evaluation

NATA is a signatory to the ILAC and APLAC Mutual Recognition Arrangements (MRAs). Our signatory status is evaluated every four years by APLAC (the recognised ILAC regional cooperation body in the Asia Pacific region) and includes international peers in a process very similar to an assessment.

The APLAC four yearly evaluation of NATA was held on 22 - 27 March 2015. A highly favourable evaluation outcome was achieved with only one non-conformance identified together with five concerns and seven comments.

The evaluation team's recommendations included a continuation of signatory status for testing, calibration, inspection and reference materials producers and an extension of signatory status for medical testing and proficiency testing scheme providers.

The final report will be tabled at the APLAC MRA Council in January 2016.

Revision of ISO/IEC 17025

In October 2014, ISO/CASCO Working Group (WG) 44 accepted a work plan to review ISO/IEC 17025:2005 "General requirements for the competence of testing and calibration laboratories." Standards Australia is the Australian ISO member on WG44 and is represented by NATA's General Manager, Operations and Technical.

The first meeting of ISO/CASCO by NATA's General Manager, Operations and Technical Working Group 44 was held on 10 - 12 February 2015 in Geneva, Switzerland. The first draft of the revised standard follows the set format prescribed by ISO/CASCO. The second meeting was held in June 2015 at which specific changes to the standard were considered. The standard will not be released for public comment until the committee draft has been approved. It is anticipated that stakeholders will have opportunity to provide feedback in the second half of 2015 once the draft is made available.

Revision of ISO/IEC 17011

ISO/IEC 17011 "Conformity assessment - General requirements for accreditation bodies accrediting conformity assessment bodies" is the standard against which signatories to the ILAC and APLAC MRAs are evaluated. This standard is also in the process of being revised by WG42 with NATA's CEO representing ILAC on the WG and NATA's General Manager, Compliance and Governance representing Standards Australia.

Training Coordinators

NATA has developed a new role of Training Coordinator. This role is responsible for coordinating training activities of NATA's accreditation staff, including new staff, staff returning from extended leave and cross trainees. The aim of introducing the position is for a consistent approach in training delivery to be achieved independent of the fields and/programs in which they work.

Four staff have been appointed to the position of Training Coordinator.

Australian Commission on Safety and Quality in Health Care

In April 2014, NATA received approval from the Australian Commission on Safety and Quality in Health Care (ACSQHC) to provide assessments to the National Safety and Quality Health Service (NSQHS) Standards under the Australian Health Services Safety and Quality Accreditation (AHSSQA) Scheme. From July 2014, NATA commenced offering accreditation to the NSQHS Standards to pathology laboratories and their associated collection services, medical and diagnostic imaging services, and sleep disorders services. This activity is offered to complement existing NATA accreditation.

Risk based approach to "Best Practice"

On 1 August 2014, Deloitte conducted a workshop for NATA senior management to provide an overview of its management practice, risk management, and client engagement process. Deloitte led a discussion on how these processes could be adapted by NATA.

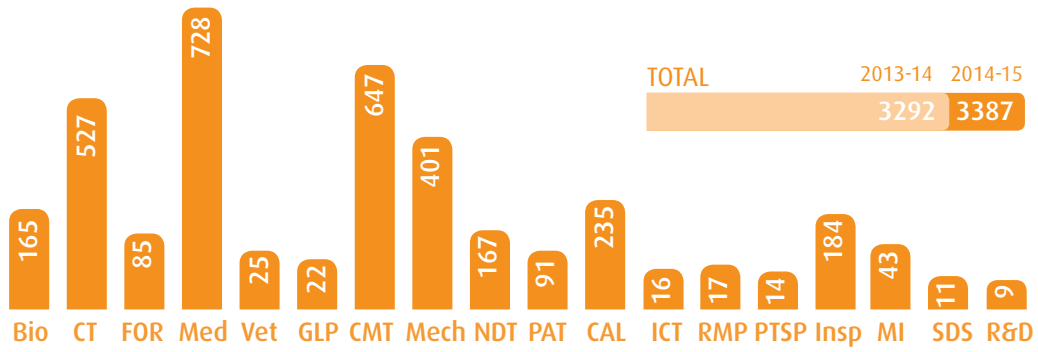
Subsequent to the Deloitte workshop, a NATA Working Group (WG) was established from a number of the attendees (involving a mix of Sector Managers, Accreditation Managers, the Operations Manager and those personnel involved in corporate and government stakeholder engagement, corporate governance and the operations and technical aspects of the organisation).

The aim of the WG was to review the outcome from the workshop and identify improvement recommendations to policies and practices in relation to our risk based approach to Best Practice dealing with core business activities i.e. delivery of assessment activities.

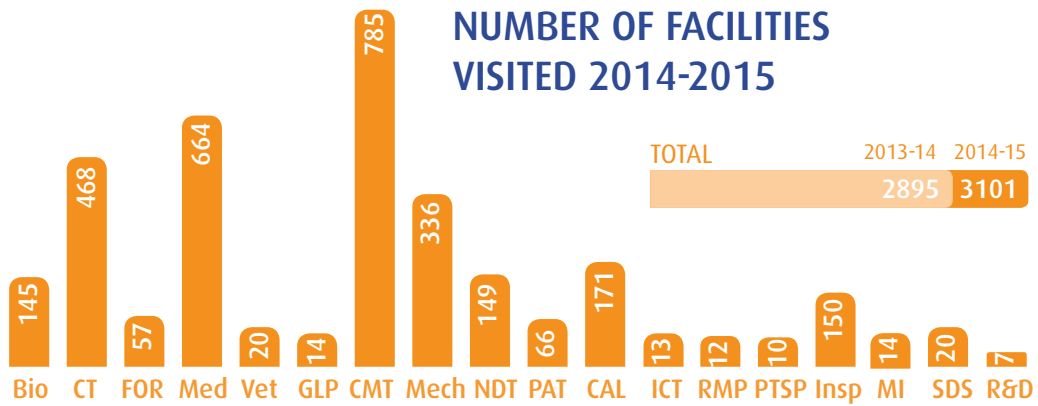
Field and program updates

As can be seen from the following statistics NATA continues to grow at a moderate rate primarily in the number of accredited units. The biggest growth continues to be attributed to the existing Infrastructure area (CMT, MECH and NDT), the Inspection program and our new Sleep Disorder Services program. Our existing Calibration field also experienced a growth rate of over 5% in the last 12 months.

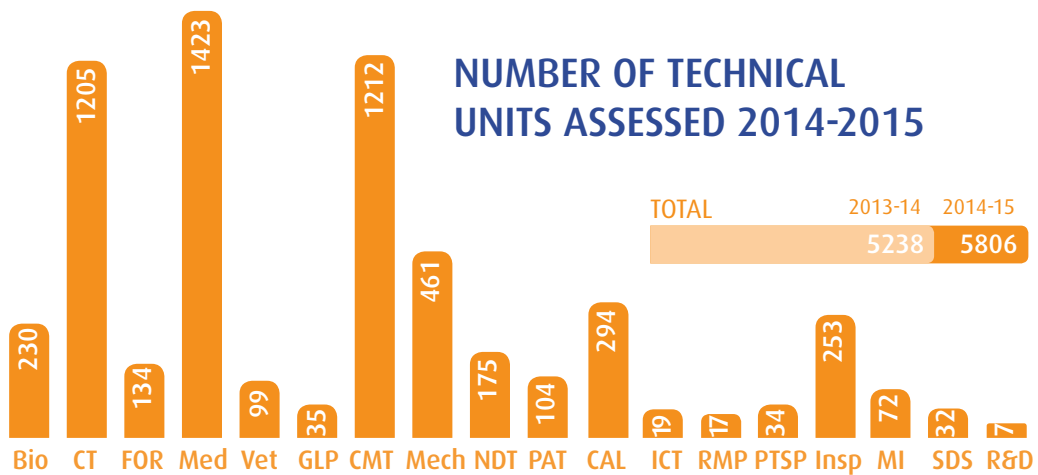
NUMBER OF ACCREDITED SITES 2014-2015



NUMBER OF FACILITIES VISITED 2014-2015



NUMBER OF TECHNICAL UNITS ASSESSED 2014-2015



Learning & Development (L&D)

Technical staff training

In the period 2014 / 2015 the following training was completed with L&D input:

Nonconformance writing and reporting workshop	11 Nov 2014
Report reviewer workshop	5 May 2015
Coaching workshop	5 Feb 2015

Calibration and Measurement

Traceability presentation	4 March 2015
Case study on Non conformance scenarios	Distributed May 2015

The Role of the Lead Assessor (ROLA) course for new staff was held twice during the financial year.

Case study on regular nonconformance scenarios was a follow up initiative to the nonconformance workshop to ensure consistency amongst staff. We now send the operations staff scenarios twice per year. They have to decide if the issue is a non-conformance and, if so, write it up as if in a report. The results are discussed at Accreditation Manager (AM) team meetings and at the AM meeting. Good examples are posted at the internal training section on the Intranet.

Technical Assessors

Technical Assessors continue to be trained in face-to-face and on-line courses. In this year, 18 face-to-face Technical Assessor Development Program (TADP) were run, attended by 159 Technical Assessors. Eight Technical Assessors participated in the on-line TADP.

The face-to-face and on-line TADP course content has been revised along with the Assessor Information Guidance document. The contents have been brought up to date and the focus of the training changed to emphasise the importance of the Technical Assessor gathering evidence of compliance and non compliance.

New work

The Training Coordinators have been reviewing the induction training and are suggesting training modules to be developed to assist with induction of new staff. There will be many of these modules to be developed with the assistance of the Training Services Group.





SECTOR AND PROGRAM REPORTS 2014-15

"Through the approval to function in accordance with prescribed standards and practices accreditation encourages accountability and responsible behaviour."

Andrew Fernandez

QA Officer, Morris McMahon

Reports from the five sectors and the programs of Proficiency Testing Scheme Providers, Reference Material Producers and Research and Development are presented below.

Calibration Sector

In May 2015 the Reference Material Producers (RMP) and Proficiency Testing Scheme Providers (PTSP) Accreditation Advisory Committees (AACs) held a joint AAC meeting to explore the parallels between the two programs, such as the planning, homogeneity testing, stability testing, packaging, labelling and reporting of results as applicable to each program. While both of these programs have unique technical requirements, the technical competencies or disciplines of the accredited facilities are very similar and thus expertise as found on both of the AACs is complementary. The combined meeting proved to be very productive and interactive with the added benefit of providing access to a larger group of expertise during discussion of technical issues.

The main technical issues discussed during the AAC meeting covered adoption of APLAC and ILAC criteria into NATA's accreditation publications, obtaining a reference property value from a proficiency testing round robin, and providing a certified reference material for a non SI unit property value. The committees also discussed the outcome of the recent APLAC evaluation of NATA with the PTSP program being recommended for addition to NATA's signatory status to the APLAC Mutual Recognition Arrangement (MRA).

In February 2015 Mr Fergus Dun of GrainCorp Operations Ltd joined the RMP AAC bringing his technical expertise in grain production and the agricultural industry to the committee.

Calibration

The Calibration AAC held its third meeting in November 2014. Main topics for discussion included:

- the revision of NATA's general criteria and guidance documents relating to calibration, measurement traceability and test equipment;
- the revision of ILAC policy (ILAC P14) covering the accreditation of calibration service providers;
- technical issues that arise during assessments with regard to test method, reference standards and proficiency testing requirements; and
- the restructuring of the Scopes of Accreditation as part of the tabular scope project.

New Members who joined the Calibration AAC in March 2015 include Mr Don Zhao of ACM Laboratory (Dimensional Metrology), Mr Anthony Bergen of Photometric Solutions International P/L and Dr Dimitrios Georgakopoulos of the National Measurement Institute (Electrical Metrology).

SECTOR AND PROGRAM REPORTS

Proficiency Testing Scheme Providers

In addition to the running of a joint AAC meeting with the RMP program in May 2015, the PTSP AAC held its 22nd AAC meeting in September 2014. Main topics of discussion during the meeting covered the possibility of combining the pool of technical expertise across RMP and PTSP, the significant revision of the categories of schemes utilised in the Scopes of Accreditation and how to assess the technical competency of subcontractors who contribute to the quality of the accredited schemes.

In August 2014 NATA published a new listing of categories of proficiency testing schemes for PTSP. Prior to this new publication the program had been utilising the classes of test derived by the testing fields which in practice was not a good fit for the PTSP program due to the differences between testing and being a provider of PT schemes. The new categories for PTSP designed for PT schemes follow the industry groups identified by NATA as the core activities to be used in the tabular scope project. These activities are structured on the user groups of accredited services (Agriculture, Environment, Health, etc.).

New members joining the PTSP AAC in the past 12 months include Ms Raluca Iavetz of the National Measurement Institute (Chemical Proficiency Testing), Ms Kim Richards of the National Serology Reference Laboratory and Ms Karina Budd of the Australian Government Department of Agriculture National Residue Survey.

Information and Communications Technology Testing

The ICTT AAC held its 5th meeting in September 2014 at which Dr David Manfield was proposed as the new Chair with Steven Newland as the Vice Chair. The main technical issues discussed during the AAC meeting covered important developments in the software testing industry with particular focus on:

- The NEHTA CCA scheme for eHealth software compliance which is moving towards an industry enabled model;
- New Protection Profiles being developed for the Security Evaluation Program (AISEP);
- Significant developments in the AS/NZS and ISO/IEC Standards utilised in software testing;
- Testing laboratories operating in the 'cloud'. This presents challenges when assessing conformance to ISO/IEC 17025 as this standard is structured around having a physical test laboratory;
- The restructuring of the scopes of accreditation as part of the tabular scope project.

New members who joined the ICTT AAC in June 2014 were Dr David Manfield of vPerformance Pty Ltd and Dr Tafline Ramos of K.J. Ross & Associates.

NATA workshops on Metrological Traceability and Calibration

During the past 12 months the workshops on calibration and measurement traceability were continued to assist all Lead Assessors to have the knowledge and understanding needed to apply NATA's criteria when assessing these aspects of the standards. Topics presented at the workshops included:

- Calibration: What is it?
- A process of comparison: Metrological Traceability
- What to look for in a Calibration Report
- NATA Policy on measurement traceability
- ILAC Policy on measurement traceability

NATA plans to hold a condensed version of these workshops at the upcoming members meetings.

Stakeholder Engagement

Engagement with key stakeholders and Members serviced by NATA's Calibration sector continues to be a high priority with a combination of one-to-one meetings and participation in various external workshops and conferences. This includes participation in both APLAC and ILAC Calibration technical committees, the Legal Metrology Regulation Reform Workshop and attendance at the Metrology Society of Australasia conference to name a few.

Clinical Services Sector

NATA/ASA Sleep Disorders Services Accreditation Program

The Sleep AAC has seen some changes in the Committee during 2014-2015, with Prof David Hillman and Dr Andrew Thornton stepping down and A/Prof Anne Marie Southcott and Dr Denise O'Driscoll being appointed.

The Sleep AAC thanks Prof David Hillman and Dr Andrew Thornton for their contributions.

The AAC continues to meet regularly to discuss issues related to the interpretation of the ASA Standard for Sleep Disorders Services. As a number of clarifications have been provided on various elements of the Standard, the Standard is now under review. It is expected that the revised Standard will be available in late 2015, with an implementation period to be advised.

There are currently twenty-six sites which are accredited for the provision of sleep services. The number of enquiries from services that are looking at gaining accreditation under the program also continues to grow.

As sleep disorders affect approximately 10% of Australians, the increasing interest in accreditation of sleep services ensures that a growing number of Australians can have confidence that their sleep study is provided by an organisation which has demonstrated that they are performing their studies at appropriate standards, in a safe environment and producing reliable and dependable data.

SECTOR AND PROGRAM REPORTS

RANZCR/NATA Medical Imaging Accreditation Program

A number of changes to the Medical Imaging AAC have occurred during 2014-2015. Mr Peter Slattery and Dr Glenn McNally, both long-standing members of the committee, have resigned, with A/Prof Susan Campbell Westerway and Ms Lynne Ingram being appointed. The AAC thanked Mr Peter Slattery and Dr Glenn McNally for their contributions and is due to meet later this year.

Teleradiology is one topic in imaging which has led to several robust discussions between various sectors of the imaging community, with opinion divided.

Tele-health, whether this be analysing patient data, reporting results, or providing patient consultations, is a rapid area of growth. With increasing IT capabilities nationally, the provision of tele-health is being observed across most areas of health, including sleep services and pathology, providing new challenges to both NATA's staff and Assessors alike.

Diagnostic Imaging Accreditation Scheme

The Diagnostic Imaging Accreditation Scheme (DIAS) is mandatory accreditation that links the payment of Medicare benefits for imaging services to a facility's compliance with the DIAS Practice Accreditation Standards. NATA is one of three approved accreditors.

The DIAS Practice Accreditation Standards were recently revised and approved by the Minister of Health.

The 2015 DIAS Standards have seen no change to the 15 Standards, however, some significant changes to the evidence required to comply with each of these Standards have been made. The focus of these changes has largely been to:

- Align relevant sections to the National Safety and Quality Health Service Standards; and
- Increase requirements that directly affect patient safety, including additional requirements for monitoring patient radiation dose.

It is anticipated that these changes will be implemented from 1 January 2016.

NATA will be rolling out a number of information modules which describe the new requirements. These modules are educational tools, designed to increase the practice's understanding of these requirements in a timeframe which will allow changes to be made to existing practice prior to their accreditation date.

Infrastructure Sector

Accreditation Advisory Committee (AAC) activity

The Construction Materials AAC and Mechanical Testing AAC each met during the year, with a summary of outcomes for each of these meetings subsequently made available on the NATA website.

During the year, Brian Richardson and Leslie Dickenson were appointed to the Performance and Approvals Testing (PAT) AAC. The retirement of John Greenham and David Gray from the PAT AAC, as well as the retirement of Richard Lake from the Non-destructive Testing (NDT) AAC committee is acknowledged, with thanks extended for the work they performed during their respective terms of appointment.

Technical developments

The transfer to the Infrastructure Sector of technical responsibility for the PAT area of testing activities has resulted in some rationalisation of existing test categories across the PAT and Mechanical areas. Also, in order to better align with other testing fields, inclusion of values for 'least uncertainty of measurement' is no longer a standard aspect of scope expression within the PAT area.

Stakeholder engagement

Mechanical Testing / Performance and Approvals Testing

NATA continued to be involved in various activities relating to imported and locally manufactured building products, including the Construction Product Alliance initiative (sponsored by the Australian Industry Group) and the WaterMark scheme (operated by the Australian Building Codes Board). NATA also published the Building Products User Guide, which is designed to assist users of NATA accredited test reports within this sector.

NATA conducted a technical exchange forum in Shanghai, China during the year, in conjunction with the national laboratory accreditation body in China. This forum involved both accreditation body and testing laboratory personnel and addressed the testing of certain electrical equipment items for the Australian market.

Construction Materials

Following the Memorandum of Understanding entered into with Queensland Department of Transport and Main Roads in 2013, a similar agreement has now been signed with Roads and Maritime Services (NSW). The agreement is designed to facilitate the exchange of information between both organisations in cases where the integrity of road infrastructure may be compromised.

NATA delivered a technical webinar for CMT Technical Assessors on three separate occasions during the year and presented a technical forum for CMT laboratory staff during the 2015 Meeting of Members and Assessors in Perth.

Non-Destructive Testing

NATA maintains a strong relationship with the Australian Institute for Non-destructive Testing (AINDT) and delivered a Technical Evening for the NSW Branch of the AINDT.

The oil and gas sector is especially important to the NDT sector and NATA accepted an invitation to present a paper during the 2015 Australian Oil and Gas conference held in Perth.

Inspection Sector

Technical developments

The 2014 – 2015 financial year saw the completion of the roll-out of ISO/IEC 17020:2012. Assessment against the revised Standard commenced in July 2013 and concluded in January 2015. A mandatory ILAC document P15 for implementation by accredited inspection bodies was released in April 2015 and will be implemented over the 2015-16 financial year.

The Inspection AAC met in November 2014 with most time invested in reviewing the technical developments described above. In addition, a common Inspection-Mechanical Testing application document for lifting gear has been drafted.

Stakeholder engagement

NATA staff have participated in a number of industry meetings including: a number of Standards Australia committee meetings such as ME-001 for pressure equipment, EL-023 for electrical systems in underground mining applications, ME-067 for the approval of electrical equipment for hazardous areas and the local implementation; the Australian Mobile Telecommunications Association Radio Frequency (AMTA RF) Assessor meeting and fall-arrest harness forum. A NATA-specific presentation was made at the Welding Technology Institute of Australia (WTIA) Pressure Equipment forum in Sydney in March 2015.

Life Sciences Sector

Biological Testing

Two meetings of the AAC have been held. The 31st meeting in July 2014 and 32nd meeting in May 2015. New members joining the Committee include Mr Peter Cross in the area of plant pathology and Ms Karen Longstaff in the area of pharmaceutical testing.

The Committee discussed the emerging technology of Massively Parallel Sequencing and agreed to work with other AACs to ensure consistency of accreditation criteria.

A review of accreditation criteria has been undertaken and following internal review a new version of the Application Document will be published.

The Committee were interested in the NATA's ongoing stakeholder development activities and provided a number of suggestions for opportunities for further engagement with our stakeholders.

The criteria for accreditation remain largely unchanged. The criteria for staff qualifications and experience for facilities engaged in export meat testing have been revised to reflect that required in other areas of testing.

Biological Testing Annexes G and H will be withdrawn and the information they contain republished as NATA Technical Circulars. This move reflects the applicability of these criteria to fields and programs other than Biological Testing.

NATA Policy Circular 11 concerning metrological traceability continues to attract attention from accredited facilities. NATA has undertaken a number of specific engagements related to questions arising from the need to demonstrate traceability in the measurements and results generated.

There are a number of drivers for stakeholder engagement but the common theme is communication. To remain relevant NATA must understand the needs of its stakeholders. This is achieved through a series of planned engagements with regulators and specifiers, our accredited facilities and their customers.

In the Agribusiness and food and beverage space NATA has undertaken engagements with the Department of Agriculture under the Deed of Agreement and Memorandum of Understanding. Similarly and in line with current agreements, meetings have been held with the Departments of Health in Victoria, New South Wales, South Australia, Northern Territory and Western Australia. Engagements have also been undertaken with retailers in the food and beverage industry in recognition of their need to ensure assessment activities related to the provision of safe food are appropriate and meeting industry needs.

SECTOR AND PROGRAM REPORTS

Chemical Testing

The Chemical Testing AAC is due to meet in August 2015. The Committee membership remains unchanged. Since the last Annual Report NATA has discontinued technical groups supporting the CTAAC. Technical advice in specific areas is now sought from technical experts appointed for five years following a call for expression of interest.

The Committee has been active in discussing the continued challenges of testing for asbestos in bulk samples. Stakeholder engagement in this area is also continuing and NATA is seeking to ensure communication occurs among all stakeholders in this area including accredited facilities, regulators, environmental consultants and their customers.

Stakeholder engagement has occurred in the Agribusiness and food and beverage sectors related to imported foods and the environmental sectors.

Medical Testing

In May 2015, the 25th meeting of the Medical Testing AAC (MTAAC) was held. Prof Tec Yee Khong was appointed as Chair for an initial five year period at the March NATA Board meeting. Prof Khong chaired the MTAAC for the first time in May.

Dr P Hogan was renominated by RCPA to continue as the Immunopathology RCPA representative. The NATA Board approved Dr Hogan's extension for a further two year term at the March Board meeting.

A key focus of MTAAC is on strategic developments in terms of new and emerging risks and opportunities. This includes the assessment approach for new molecular methodologies such as Massively Parallel Sequencing which will require further engagement with the RCPA. Additionally, the assessment approach for the morphological disciplines such as Histopathology, Haematology Morphology and Immunopathology have been redefined.

Since 1 July 2013, facilities have been assessed to the revised Standard, ISO 15189:2012 and this continues with approximately 70% of accredited facilities converted. There have been no major issues with the implementation of the new version of ISO 15189.

The new four year Medical Testing surveillance model began on 1 July 2013. There has been an integrated approach to the implementation with reassessments and surveillance visits conducted in quarterly blocks. The new type of on-line activity

began from 1 July 2014. The on-line activity, however, was substantially revamped in January 2015 and the request for information streamlined and directed to focus on trying to identify risks. The feedback has been more positive due to the change.

The NSW Health Point of Care Testing (PoCT) program is progressing with the first hub supporting 20 peripheral Emergency Departments accredited in October 2014.

As has occurred in other fields and programs falling under the Life Sciences Sector, the biggest technical demand in 2014/15 has been with the assessments of new techniques for molecular pathology: Massively Parallel Sequencing. This is particularly challenging as the amount of data generated is many times greater than previously encountered and the applications are also very diverse. The first facility was accredited for Whole Exome Sequencing in January 2015.

Extensive engagement with Medical Testing stakeholders and Members has occurred during the past twelve months with respect to the revision and renewal of existing agreements and also important public health related issues.

Forensic Science

The Forensic Science Accreditation Advisory Committee (FSAAC) held its 22nd meeting on 27 May 2015. This meeting welcomed a number of new members to the committee across a variety of disciplines, as follows:

- Dr Michael Collins from the National Measurement Institute representing Controlled Substances;
- Dr Dimitri Gerostamoulos from the Victorian Institute of Forensic Medicine representing Toxicology;
- Ms Pam Scott from Forensic Science Service, Tasmania representing Forensic Biology
- Ms Alexandra Lucca had her term extended covering Parentage Testing;
- Dr Chris Pearman has been nominated by the Senior Managers of Australian and New Zealand Forensic Science Laboratories (SMANZFL) to represent the views of laboratory directors. Dr Pearman will continue his role as Chair of the AAC.

Departing members of the committee include Dr Olaf Drummer (Toxicology) and Dr Colin Priddis (Controlled Substances).

Due to the departure of Dr Priddis, Mr John Doherty was elected as the replacement Deputy Chair for the committee.

The committee reviewed and approved the Forensic Science Application Document following its latest extensive review and public comment.

The committee also agreed to revise the classes of test within Forensic Science and to begin a review of Policy Circular 40 – Forensic Operations Module.

Engagements within Forensic Science continue to focus on jurisdictional engagements and technical engagements with SMANZFL and the associated Specialist Advisory Groups (SAGs). Additional engagements with relevant Commonwealth departments and agencies also remain a priority.

Veterinary Testing

The Veterinary Testing Accreditation Advisory Committee (VTAAC) last met on 11 September 2014 for their 15th meeting. During this meeting, Dr Kevin Doyle was welcomed as the new representative from the Australian Veterinary Association. In the time since the meeting Dr Jane Oakey (Molecular Biology) and Dr Sue Jaensch (Clinical Chemistry) have departed the committee. New members of the committee are as follows:

- Dr Nick Moody from the Australian Animal Health Laboratory representing Molecular Biology;
- Dr David Paynter from Regional Laboratory Services representing Clinical Chemistry;
- Prof Mary Barton has had her term extended representing Microbiology.

The committee discussed the appropriate levels of supervision expected for each laboratory category with the outcome to review and amend the current Veterinary Testing Application Document.

Veterinary Testing is utilising Policy Circular 42 – Accreditation of ‘Branch’ Sites to aid in the accreditation of new sites managed by accredited veterinary facilities.

Engagement on issues related to animal health, export and biosecurity continues with the Department of Agriculture and relevant State Chief Veterinary Officers.

Engagements with the Sub-Committee on Animal Health Laboratory Standards (SCAHLs) continued until this sub-committee of Animal Health Committee (AHC) was disbanded in early 2015. As a result of this, the engagement strategy for previous participants of SCHALS has been revised.

GLP Program

There have been no changes in the criteria used for assessments in the GLP Program.

No new facilities have entered the program, however, there are two new applicant facilities and two active enquiries relating to pharmaceutical and medical device studies.

Research & Development

The Research and Development (R&D) Program continues to develop and expand. This financial year the Australian Phenomics Facility at the Australian National University was granted accreditation to the requirements of ISO/IEC 17025 (2005) and AS/ISO 15189 (2012), interpreted for research using the CITAC Guide G2 Quality Assurance for Research and Development and Non-Routine Analysis (1998). The facility manages and conducts research into developing, characterising, supplying and archiving mouse models of human disease. The Australian Phenome Bank (APB), a biorepository and databank focused on the collection of mouse models, is also included in the Scope of Accreditation.

Additionally, the R&D accreditation of another facility has been expanded to include research projects conducted in accordance with the OECD Principles of Good Laboratory Practice but where the OECD Council Decision on the Mutual Acceptance of Data is not applicable.

Further facilities are undergoing accreditation and there are over thirty active enquiries covering a wide spectrum of research activities.

Stakeholder engagement, networking and participation in conferences and seminars throughout the year, have contributed to raising awareness of the R&D Program and its role in serving the national and public interest by ensuring that research facilities are able to provide consistently reliable and reproducible ‘data’ to government, industry and the wider community.



BUSINESS UNIT REPORTS 2014-15

"Accreditation creates a proactive approach to creating accuracy and continuity in our caregivers to enhance our organisation."

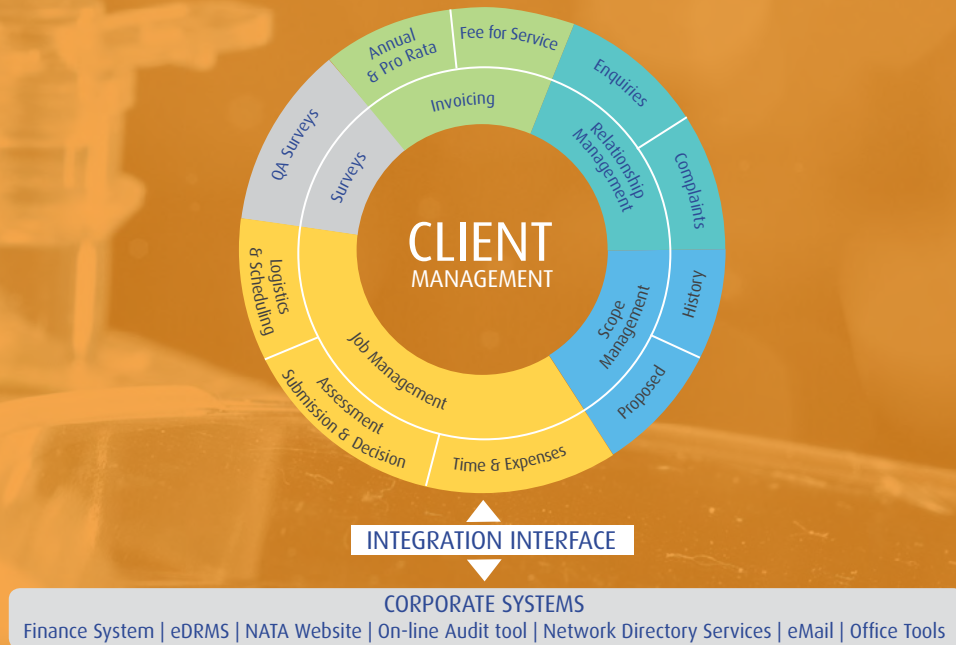
Karen Shell
St John of God Health Care

INFORMATION COMMUNICATIONS TECHNOLOGY

In 2014-2015 the initial development of the new CRM, enquiries, and compliance modules for the Accreditation Information Management System (AIMS) project were completed. This project will see a number of legacy ICT systems replaced over the next two years with a single integrated solution capable of managing all of NATA's Accreditation activities.

The next stage of development will deliver a new standardised tabular structure and taxonomy for Scopes of Accreditation as well as establishing the resource management and annual invoicing modules.

The Diagram illustrates the scope of the project:



ICT's other major milestones for the year included the upgrade of NATA's email system to MS Exchange 2010, an increase to the capacity of our electronic document and records management system (eDRMS) and the upgrade of our virtualised server management environment.

BUSINESS UNIT REPORTS

International

NATA continues to be involved and represented in the activities of the international accreditation community. This is made possible by the ongoing funding support by the Department of Industry's Support for Industry Service Organisations (SISO) program.

SISO funding enables NATA staff to participate in relevant international standards meetings. As forecast last year, revisions of ISO/IEC 17025 (General requirements for the competence of testing and calibration laboratories) and ISO/IEC 17011 (Conformity assessment-General requirements for accreditation bodies accrediting conformity assessment bodies) have now begun.

Both of these standards are significant to the accreditation community as a whole and ISO/CASCO has a new and focussed approach to standards revision and approval. Therefore the publication date for the revised standards are expected to be in late 2016 or early 2017.

NATA also continues to attend the international technical committee dealing with medical laboratory standards (ISO/TC 212). Work continues in regard to the revision of the point-of-care testing standard.

Senior NATA staff also attend relevant International Laboratory Accreditation Cooperation (ILAC) and Asia Pacific Laboratory Accreditation Cooperation (APLAC) meetings. NATA's Chief Executive has been appointed as APLAC's first Quality Manager. The General Manager International also continues to hold the Chair of the International Accreditation Committee through which international accreditation policies are prepared. NATA staff are also members of the ILAC Executive.

NATA continues to provide the ILAC and APLAC Secretariats. These are provided through negotiated deeds of agreement and are fully funded by ILAC and APLAC members.

NATA is continuing its work with our Chinese counterpart, CNAS (China National Accreditation Service) to address quality issues around imported building products. The past year has included an exchange session between Chinese and Australian experts in the electrical products testing area. This proved to be a very positive interaction and as a result of the discussion, there are likely to be a number of Technical Information Sheets issued by the Electrical Regulatory Authorities Council in the future.

This activity is also being assisted through SISO funding.

NATA is also working with JAS-ANZ to provide relevant information in an easily accessible form to support Australian users of test reports from foreign laboratories.

Training Services Group

The past financial year saw NATA Training Services Group (TSG) deliver a total of 125 courses were delivered by TSG both internally and externally.

NATA core courses accounted for 60 of the 125 courses delivered for the financial year:

- Understanding NATA's ISO/IEC 17025 Requirements
- Internal Audits
- Understanding ISO 15189 – Accreditation Requirements for Medical Laboratories
- Quality Management in the Laboratory
- Laboratory Assessor / Lead Assessor

TSG also delivered in-house courses (courses specifically customised to meet the needs of the organisation). Of these in-house courses, two specially customised Laboratory Assessor / Lead Assessor courses were delivered overseas in Singapore and Papua New Guinea while a Quality Management in the Laboratory and Understanding NATA's ISO/IEC 17025 Requirements training course were held in Sydney for participants from the National Institute of Environmental Research, Korea Republic.

Eighteen Technical Assessor Development Program (TADP) courses were also held (in face to face format) while an additional eight participants completed the online TADP course. In total 159 Technical Assessor were trained.

The total number of participants trained over the financial year was 1,356, approximately a 15 percent increase from the 13-14 FY figures.

TSG constantly strives to reinvigorate the content and design of its core courses to ensure our stakeholders receive quality outcomes from our training courses. Most notably the Laboratory Assessor / Lead Assessor training course has been re-designed and now offers Exemplar certification.

Additional courses are planned to be scheduled in regional areas in order to deliver our services nationwide.

BUSINESS UNIT REPORTS

Stakeholder Engagement

Engaging with stakeholders is the means by which NATA can ensure that accreditation delivers what is required by our members and relevant to both the national interest and the benefit of the Australian public. Relevance assures the sustainability of NATA accreditation and growth into new activities that will deliver benefits to the nation's prosperity.

1. Strategic Plan Objective

Stakeholder engagement is a significant strategic objective for NATA and it is critical for both sustainability of NATA's existing programs and as an avenue for growth. The stakeholder engagement strategy allows NATA to engage with its members, key Commonwealth and State Government Departments and Agencies, corporate organisations, private industry specifiers and Industry Associations in a prioritised and coordinated manner.

To ensure that NATA's engagements with stakeholders are effective and provide a mechanism to build sound relationships, keep abreast of issues in a timely fashion and deliver relevant accreditation services, the information generated from stakeholder engagement activities is reviewed and analysed to assess current trends and risks. Outcomes of this analysis then become input to the operations of NATA to ensure our output is responsive to changing and emerging needs.

2. Industry and Government Engagement

A proper understanding of the role NATA plays in achieving policy and regulatory objectives by Commonwealth and State Government agencies is critical in securing their support and recognition. Hence the focus of recent engagement activity has been to build and reinforce this understanding and at the same time discern any issues that might undermine confidence in NATA-accredited infrastructure.

Additionally the national focus on trade relationships and agreements means that the efficacy of the accreditation system and its ability to deliver confidence in export related testing, measurement and inspections services is a key focus of specific government related engagements.

For example, biannual briefings are provided to staff of the Department of Foreign Affairs and Trade on a range of trade-related activities. An outcome of this has been the opportunity for NATA to present at the twice-yearly DFAT Trade Policy Course which now includes a session on standards and conformance infrastructure. Up to 100 participants from DFAT and other Commonwealth Agencies attend so it represents a good opportunity to build a basic awareness of how accreditation can contribute to trade facilitation.

NATA's ongoing program to build relationships with identified private sector specifiers and industry associations continues. Whilst engagement in the areas of: environment; road construction; electrical safety; health care and major infrastructure facilities in the resources sector continues, there is a significant focus on both food safety and construction and building products.

In the area of food safety NATA is currently engaging with NMI, FSANZ, Department of Agriculture, Dairy Food Safety Victoria and a number of industry bodies and organisations

to consider how best NATA can assist in strengthening Australia's food safety issues. Food testing has an important role to play in providing the necessary data to support food quality and safety, which in turn assists a predictable and safe international trade of food products.

NATA is also working with industry addressing concerns with the quality of imported construction and building products. NATA's involvement in the Australian Industry Group Construction Products Alliance Working Groups and the work with the Australian Procurement and Construction Council, all underpin this approach.

Associated with this project, a NATA team is working with foreign accreditation bodies to consider ways of strengthening MRA arrangements, in an attempt to address issues surrounding the quality of products imported into Australia.

NATA continues to meet with both industry and state road authority representatives, to address issues and concerns that exist within that sector and at the same time add greater value to the industry.

The conduct of stakeholder fora provides an effective means of engaging with a wide range of stakeholders on a specific topic. These events draw together regulators, NATA facilities and industry representatives, as end-users of accredited facilities, to consider issues of common concern. The fora provide the opportunity to maintain ongoing dialogue with all stakeholders and to meet NATA's obligation under the MOU with the Commonwealth.

3. NATA Member Engagement

There continues to be ongoing engagement with a wide cross section of NATA members, with focus on road construction, health care, food, veterinary science and environmental protection.

A program of Members Meetings, Quality Fora, etc., in all States and Territories for the 2014-15 and 2015-16 financial years has been established, providing an opportunity for members and Assessors to talk to NATA staff outside the Assessment setting.

This level of engagement, outside the scheduled accreditation cycle, allows NATA to maintain existing relationships and to build new ones. This approach ensures the ongoing relevance of its accreditation programs and allows expansion into new areas that are genuinely in the national interest and have the potential to deliver public benefit.

4. Professional Bodies

Significant effort continues to be invested in establishing, maintaining and extending relationships with a number of key strategic professional and industry bodies. Such bodies include: The Royal College of Pathologists Australasia (RCPA), Australian Association of Nuclear Medicine Specialists (AANMS), Australian Industry Group, Australian Consumer Federation, Australian Land and Groundwater Association (ALGA), Housing Industry Association (HIA), Australian Institute of Non Destructive Testing (AINDT), to name a few.

5. Summary

Stakeholder engagement activities require careful planning in respect of timing, appropriate personnel contact, awareness of changes in policy settings, latest industry trends and a raft of other contextual issues. The existing tools currently utilised – the Stakeholder Relations Committee, Business Intelligence Framework, the Annual Contact Plan and preparatory/reporting processes – continue to serve their purpose well.



TECHNICAL ASSESSORS HONOURED

"Health and Social care is a primary factor in governance of any nation. As an end user of the system, each individual relies on the robustness of the system."

Harpreet Vohra

Flow Cytometry Specialist, Australian National University

NATA relies on the knowledge and experience of its 3,000 volunteer Technical Assessors to provide its services to members and the community.

During the 2014-15 year many of these highly-skilled individuals achieved recognition in their fields. The two featured here represent the exceptional calibre of all the dedicated Technical Assessors giving their support to NATA.



Chris Murray

Chris Murray recently retired as a Technical Assessor for Biological Testing. Chris joined the Technical Assessor pool in 1982 with expertise in food, pharmaceutical and water microbiology and in the following 33 years undertook 72 assessment activities.

Chris was also popular with IANZ and has crossed the Tasman several times as well as making trips to participate in assessments with other accreditation bodies in economies including Singapore and Hong Kong.

Chris was a long standing member of the Australian Standards microbiology methods committees and this is not uncommon for some of our more experienced and long standing assessors. With such a depth of experience it is not surprising that Chris was asked to participate in some of our more challenging assessments which he did with determination and good humour. In retirement, Chris has continued working as a consultant microbiologist.

NATA recognises Chris over three decades of unpaid service. Thank you Chris for all your hard work.



Paul Titterton

Paul Titterton studied Metallurgy at Sydney Technical College and completed a Metallurgy Certificate(revised) in 1979. Subsequently, he completed short courses at Sydney Technical College in advanced metallographic sample preparation, investment casting, electro optic devices, scanning electron microscopy and X-Ray fluorescent spectrometry on electro optic devices. He also completed magnetic particle inspection and liquid penetrant inspection courses in 1993.

Paul commenced as a trainee metallurgist at Sydney Technical College in 1977 and has worked in commercial and private test and R&D laboratories. He has also been involved in Laboratory Management roles continuously since 1987.

He was approved as NATA signatory in 1981 and has held signatory approval in Mechanical Tests on all Alloys, Metallography, Corrosion Tests, Analysis of Steels, Cast irons, Nickel, Chromium and Cobalt alloys and Mechanical tests on various products and assemblies.

In 1993, Paul commenced as a NATA Assessor in mechanical testing covering metals and metal products, welds, lifting gear, tensioning and staying systems, fibre rope cordage, springs and energy absorbing devices, threaded fasteners, rubber, plastics, motor vehicle safety tests, seat belts and similar devices, mechanical testing equipment, metallographic tests on all alloy groups, coatings, corrosion tests, timber and timber products, environmental tests, hand tools, locksets, scaffolding, fire extinguishers, force measurement, force measuring devices and geofabrics. To date, Paul has participated in over 135 assessments both domestically and overseas. In addition, in 2003, Paul Commenced as NATA Assessor in Inspection. Thank you Paul for all your hard work.

DIRECTORS' REPORT

NATIONAL ASSOCIATION OF TESTING AUTHORITIES, AUSTRALIA AND CONTROLLED ENTITY

A.B.N 59 004 379 748

Financial Report – 30 June 2015

The parent entity, National Association of Testing Authorities, Australia (NATA) is incorporated as a company limited by guarantee and not having a share capital under the provisions of the *Australian Charities and Not-for-profits Commission Act 2012*.

The Directors present the financial report on the parent entity and its controlled entity, Proficiency Testing Australia (PTA), which are together referred to in this report as the consolidated group, for the year ended 30 June 2015 and report as follows:

Directors

The names of and other information on the Directors in office during or since the end of the year are as follows. The Directors were in office for this entire period unless otherwise stated.



Mr AM Ross AM
Chair (since 2011)

Year appointed: 2003

Qualifications and experience:

BAppSci, MAppSci (Research), FAIMS, Grad Dip Bus Admin

Director, National Institute of Forensic Science

Special responsibilities:

Member of Audit and Risk Committee



Mr MB Callanan
Vice Chair (since 2011)

Year appointed: 1998

Qualifications and experience:

City & Guilds Advanced Fdry Practice, AINDT Technologist, Member BINDT

Director, Littoral Zone Pty Ltd

Special responsibilities:

Nil



Dr GG Hogg
Director

Year appointed: 2008

Qualifications and experience:

BVSc, MVS, BMedSci, BMBS, FRACP, FRCPA, JD, GDLP

Director, ITS Public Health R & D Pty Ltd

Special responsibilities:

Member of Audit and Risk Committee

Member of ILAC Laboratory Committee



Mr DR Turner
Director

Year appointed: 2004

Qualifications and experience:

BE, MEngSc, MBA, FIEAust
Director, Engineering, Testing and Certification Centre/Simtars, Department of Natural Resources and Mines, Queensland Government

Special responsibilities:

Chair of Audit and Risk Committee



Mr P Trotman
Director

Year appointed: 2014

Qualifications and experience:

BA, Master of Public Policy
General Manager – Coal & Minerals Productivity, Department of Industry & Science, Australian Government

Special responsibilities:

Nil



Dr JJ Patroni
Director

Year appointed: 2012

Qualifications and experience:

BSc (Hons), PhD
Manager, Industry, and Innovation Division, Department of Commerce, Western Australia Government

Special responsibilities:

Nil



Mr DA Gray
Director

Year appointed: 2014

Qualifications and experience:

Principal, DG Market Solutions

Special responsibilities:

Nil

DIRECTORS' REPORT

Principal Activities

The principal activity of the consolidated group during the financial year was the organisation of a national accreditation service to meet the needs of government, industry, commerce and the community by the accreditation of testing laboratories and related services, throughout the Commonwealth of Australia and elsewhere. These activities include alignment with the parent entity's short and long term objectives as detailed below by providing independent assurance of technical competence through a proven network of best practice industry experts for customers who require confidence in the delivery of their products and services.

Short and Long Term Objectives

The short term objectives of the parent entity are to promote and provide accreditation and related services which underpin the quality of a range of products and services in business, industry and government, both in Australia and internationally. The consolidated group's work increases community confidence and trust in a facility's services, mitigates risk, improves tendering success and facilitates trade.

The long term objectives of the parent entity are:

- a. To promote and contribute to the quality of testing, inspection and related services in Australia.
- b. To promote national testing, inspection, calibration and related services to meet the needs of science, industry, trade, commerce, government and matters related to national interest.
- c. To promote the science and practice of testing, inspection, calibration and related services for the benefit of Australia and for the benefit of trade and commerce.
- d. To provide appropriate accreditation services to facilitate acceptance of Australian products and services within Australia and internationally.
- e. To provide international recognition of accredited laboratories' and accredited service facilities' reports and certificates through Mutual Recognition Arrangements with appropriate bodies located in other countries.

To achieve these objectives the parent entity has adopted the following strategies:

- **Stakeholder Engagement** - the parent entity considers the contribution from its stakeholders as its major strength and engages stakeholders in relevant issues so that we can move forward with joint commitment to reaching agreed goals.
- **Business Model and Innovation** - the parent entity continues to review its business model to ensure the best fit within NATA's and our clients' needs and that it provides quality services at competitive prices.
- **Growth** - the parent entity is committed to sustainable growth to provide opportunities for innovation and foster creative thinking. The parent entity will grow the number of technical units it assesses for technical competence, training, and related services that meet industry's current and expected needs.
- **Professional leadership** - the parent entity is committed to promoting accreditation as public good and has a network of contacts and partnerships that help it to be aware and influence the latest policy, political and technological developments in each sector at both national and international levels.
- **Staff** - the parent entity employs staff with specialized skills across a range of disciplines and has developed a corporate culture that attracts, develops and retains high performing staff who believe accreditation is a public good and who care about the customer as well as the broader community.
- **Finance** - the parent entity is committed to securing and maintaining a sound financial foundation to ensure sustainability.

Performance is measured through a set of key performance objectives (KPO's) that are reported to the Board on a regular basis.

Meetings of Directors

The number of meetings each Director was eligible to attend and actually attended during the financial year is summarised as follows:

	Eligible	Attended
AM Ross	5	5
MB Callanan	5	5
DA Gray	5	3
GG Hogg	5	5
JJ Patroni	5	5
P Trotman	5	5
DR Turner	5	5

Limitation of Members' Liability

The parent entity is incorporated under the *Australian Charities and Not-for-profits Commission Act 2012* as a company limited by guarantee. If the parent entity is wound up, its constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the parent entity. At 30 June 2015 the number of members was 3,387 and their collective liability was \$67,740.

Independence Declaration

The auditor's independence declaration as required under subdivision 60-C section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* for the year ended 30 June 2015 has been received and can be found on the following page, which forms part of the Directors' report.

Signed in accordance with a resolution of the directors:



DR Turner
Director



MB CALLANAN
Director

Sydney, 16 September 2015

Auditor's Independence Declaration Under S60-40 of the Australian Charities and Not-for-profits Commission Act 2012 to the Directors of National Association of Testing Authorities, Australia

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015 there has been:

- (a) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



Stewart Brown
Chartered Accountants



R.J. McGee
Partner

16 September 2015

REPORT OF THE AUDIT AND RISK COMMITTEE

The Audit and Risk Committee (the Committee) is established by the Board to assist the Board in the risk management and compliance with legislative and regulatory requirements of the NATA Group. The terms of reference are reviewed periodically.

Membership

The membership of the Committee is made up of three Board members. The Chair of the Committee is a Committee member who is not the Chair of the Board. The Committee members were re-appointed by the Board on 10 June 2015.

During the year ended 30 June 2015 and to the date of this report, the Committee comprised:

Chair: Mr David Turner.

Members: Mr Alastair Ross (Chair of the Board) and Dr Geoff Hogg.

Meetings

The Chief Executive Officer, the General Manager, Business Services and Chief Finance Officer, and external auditor, StewartBrown, Chartered Accountants, are invited by the Committee to attend its meetings. When appropriate, the Committee may invite other staff to attend its meeting to address specific issue. The Committee may also discuss and consider relevant issues with the external auditor in the absence of management or other parties.

The Committee met four times during the year ended 30 June 2015.

Main activities of the Committee

The Committee serves as an advisory body to the Board in managing the compliance risks, financial risks, and operational risks of NATA and its subsidiary, Proficiency Testing Australia (Consolidated Entity). The Committee does not have executive power, supervisory functions or decision making authority in relation to the operations of the Consolidated Entity.

The role of the Committee lies in its review and oversight capacity and includes:

- Enhancement of the risk management strategy and internal control framework;
- Improving the objectivity, accuracy, and reliability of externally published financial information;
- Assisting the NATA Board comply with all legislative and other obligations; and
- Monitor and review the performance of external auditor.

The Committee's focus is on the accuracy, completeness and validity of statutory financial reports and the monitoring of financial, compliance, and operational risk. The Committee has unrestricted access to all staff through the normal governance protocol, and can request external advice on specific matters.

External Auditor

The Committee monitors the performance of the external auditor and ensures that there is adequate support and unrestricted access to staff for the external auditor in carrying out its duties.

The Committee also reviews the auditor's policy in upholding its professional ethics, integrity and managing conflicts of interest to ensure its objectivity and independence.

StewartBrown, Chartered Accountants, has been the auditor of the Consolidated Entity for many years. The Committee considers the relationship with the auditor effective and remains satisfied with the performance of the auditor. Therefore, the Committee has recommended to the Board that the auditor be re-appointed.



DR Turner

Chair of the Audit and Risk Committee

16 September 2015.

STATEMENT OF FINANCIAL POSTION

AS AT 30 JUNE 2015

		Consolidated Group		Parent Entity	
		2015	2014	2015	2014
	Note	\$	\$	\$	\$
ASSETS					
Current assets					
Cash and cash equivalents	6	21,893,771	18,487,537	21,426,966	18,061,986
Trade and other receivables	7	4,102,444	2,225,903	3,820,284	1,975,963
Financial assets	8	-	4,074,215	-	4,074,215
Total current assets		<u>25,996,215</u>	<u>24,787,655</u>	<u>25,247,250</u>	<u>24,112,164</u>
Non-current assets					
Property, plant and equipment	9	4,687,550	5,221,686	4,615,424	5,144,707
Intangible assets	10	851,390	555,502	850,408	555,502
Total non-current assets		<u>5,538,940</u>	<u>5,777,188</u>	<u>5,465,832</u>	<u>5,700,209</u>
TOTAL ASSETS		<u>31,535,155</u>	<u>30,564,843</u>	<u>30,713,082</u>	<u>29,812,373</u>
LIABILITIES					
Current liabilities					
Trade and other payables	11	5,430,279	5,150,418	4,961,215	4,685,162
Provisions	12	1,382,000	1,225,000	1,273,000	1,137,000
Total current liabilities		<u>6,812,279</u>	<u>6,375,418</u>	<u>6,234,215</u>	<u>5,822,162</u>
Non-current liabilities					
Provisions	12	1,526,221	1,240,850	1,468,221	1,194,850
Total non-current liabilities		<u>1,526,221</u>	<u>1,240,850</u>	<u>1,468,221</u>	<u>1,194,850</u>
TOTAL LIABILITIES		<u>8,338,500</u>	<u>7,616,268</u>	<u>7,702,436</u>	<u>7,017,012</u>
NET ASSETS		<u>23,196,655</u>	<u>22,948,575</u>	<u>23,010,646</u>	<u>22,795,361</u>
EQUITY					
Retained earnings		11,872,156	11,624,076	11,686,147	11,470,862
Reserves	13	11,324,499	11,324,499	11,324,499	11,324,499
TOTAL EQUITY		<u>23,196,655</u>	<u>22,948,575</u>	<u>23,010,646</u>	<u>22,795,361</u>

The accompanying notes form part of these financial statements

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2015

		Consolidated Group		Parent Entity	
		2015	2014	2015	2014
	Note	\$	\$	\$	\$
Revenue	4	28,979,209	27,627,444	27,449,540	26,053,051
Other income	4	14,139	2,492	14,139	2,492
		<u>28,993,348</u>	<u>27,629,936</u>	<u>27,463,679</u>	<u>26,055,543</u>
Expenses					
Accreditation		(3,422,999)	(3,144,537)	(2,924,651)	(2,615,263)
Administration expenses		(5,389,489)	(5,337,149)	(5,210,604)	(5,174,599)
Business development and planning		(244,538)	(128,779)	(233,352)	(122,483)
Consultancy and training		(219,922)	(237,470)	(219,922)	(237,470)
Depreciation and amortisation	5	(832,304)	(932,623)	(815,743)	(916,858)
Salaries and employee benefits		(18,636,016)	(17,461,621)	(17,844,122)	(16,720,181)
		<u>(28,745,268)</u>	<u>(27,242,179)</u>	<u>(27,248,394)</u>	<u>(25,786,854)</u>
Profit before income tax		248,080	387,757	215,285	268,689
Income tax expense		-	-	-	-
Profit for the year		248,080	387,757	215,285	268,689
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		<u>248,080</u>	<u>387,757</u>	<u>215,285</u>	<u>268,689</u>

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2015

	Consolidated Group			Parent Entity		
	Retained Earnings	Asset Realisation Reserve	Total	Retained Earnings	Asset Realisation Reserve	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2013	11,236,319	11,324,499	22,560,818	11,202,173	11,324,499	22,526,672
Comprehensive income						
Profit for the year	387,757	-	387,757	268,689	-	268,689
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	<u>387,757</u>	<u>-</u>	<u>387,757</u>	<u>268,689</u>	<u>-</u>	<u>268,689</u>
Balance at 30 June 2014	<u>11,624,076</u>	<u>11,324,499</u>	<u>22,948,575</u>	<u>11,470,862</u>	<u>11,324,499</u>	<u>22,795,361</u>
Balance at 1 July 2014	11,624,076	11,324,499	22,948,575	11,470,862	11,324,499	22,795,361
Comprehensive income						
Profit for the year	248,080	-	248,080	215,285	-	215,285
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	<u>248,080</u>	<u>-</u>	<u>248,080</u>	<u>215,285</u>	<u>-</u>	<u>215,285</u>
Balance at 30 June 2015	<u>11,872,156</u>	<u>11,324,499</u>	<u>23,196,655</u>	<u>11,686,147</u>	<u>11,324,499</u>	<u>23,010,646</u>

The accompanying notes form part of these financial statements


STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2015

		Consolidated Group		Parent Entity	
		2015	2014	2015	2014
	Note	\$	\$	\$	\$
Cash flows from operating activities					
Receipts from members, customers and government		31,264,421	31,598,994	29,659,453	29,821,360
Payments to suppliers and employees		(30,013,586)	(28,876,053)	(28,458,720)	(27,342,036)
Interest received - other		720,727	833,663	714,343	831,859
Net cash flows from operating activities		<u>1,971,562</u>	<u>3,556,604</u>	<u>1,915,076</u>	<u>3,311,183</u>
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		92,728	79,620	68,182	53,248
Purchase of property, plant and equipment		(367,851)	(333,984)	(329,403)	(285,160)
Purchase of intangible assets		(310,155)	(543,747)	(308,846)	(543,747)
Purchase of available-for-sale financial assets		-	(4,000,000)	-	(4,000,000)
Proceeds from sale of available-for-sale financial assets		4,049,950	-	4,049,950	-
Deposit - property acquisition		(2,030,000)	-	(2,030,000)	-
Loans to controlled entities		-	-	-	(172,403)
Repayments by controlled entities		-	-	21	172,382
Net cash flows from investing activities		<u>1,434,672</u>	<u>(4,798,111)</u>	<u>1,449,904</u>	<u>(4,775,680)</u>
Net increase (decrease) in cash and cash equivalents		3,406,234	(1,241,507)	3,364,980	(1,464,497)
Cash and cash equivalents at the beginning of the financial year		<u>18,487,537</u>	<u>19,729,044</u>	<u>18,061,986</u>	<u>19,526,483</u>
Cash and cash equivalents at the end of the financial year	6	21,893,771	18,487,537	21,426,966	18,061,986

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015



"Accreditation plays an imperative role in health and social care on a multi-faceted level. Firstly, accreditation promotes quality in which consumers are reassured that reproducibility of results are credible. Secondly it instils a sense of confidence in the type of health/social care being provided. Another advantage which accreditation facilitates health and social care providers a much more reduced business risk. Furthermore, accreditation provides a culture of quality which involves staff of health/social care providers to feel a sense of quality or service provided which enhances customer (patient) focus."

Dominic Singh

Note 1 - Reporting entity

The financial report includes the consolidated financial statements and notes of the National Association of Testing Authorities, Australia and its controlled entity (consolidated group), and the separate financial statements and notes of National Association of Testing Authorities, Australia as an individual parent entity (parent entity).

The financial statements were approved by the Board of Directors on 16 September 2015.

Note 2 - Basis of preparation

Statement of compliance

National Association of Testing Authorities, Australia and its controlled entity has adopted Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirement.

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012. The parent entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions.

Basis of measurement

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

Comparatives

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

Where the consolidated group has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

Critical accounting estimates and judgements

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

Key estimates

Impairment

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

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

New and revised standards that are effective for these financial statements

A number of new and revised standards are effective for annual periods beginning on or after 1 January 2015. Information on these new standards is presented below.

AASB 10 Consolidated Financial Statements

AASB 10 supersedes the consolidation requirements in AASB 127 Consolidated and Separate Financial Statements (AASB 127) and AASB Interpretation 112 Consolidation - Special Purpose Entities. AASB 10 revises the definition of control and provides extensive new guidance on its application. These new requirements have the potential to affect which of the company's investees are considered to be subsidiaries and therefore to change the scope of consolidation. The requirements on consolidation procedures, accounting for changes in non-controlling interests and accounting for loss of control of a subsidiary are unchanged. AASB 10 is applicable to not-for-profit entities for annual reporting periods beginning on or after 1 January 2014.

To assist not-for-profit entities applying the AASB 10, the AASB issued AASB 2013-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities - Control and Structured Entities on 31 October 2013. AASB 2013-8 added an appendix to AASB 10 to explain and illustrate how the principles in AASB 10 apply from the perspective of not-for-profit entities in the private and public sectors, particularly to address circumstances where a for-profit perspective does not readily translate to a not-for-profit perspective. Similarly, it added an appendix to AASB 12 Disclosure of Interests in Other Entities, in relation to structured entities.

Management has reviewed its control assessments in accordance with AASB 10 and has concluded that there is no effect on the classification (as subsidiaries or otherwise) of any of the group's investees held during the period or comparative periods covered by these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

AASB 11 Joint Arrangements

AASB 11 supersedes AASB 131 Interests in Joint Ventures (AAS 131) and AASB Interpretation 113 Jointly Controlled Entities - Non-Monetary-Contributions by Venturers. AASB 11 revises the categories of joint arrangement, and the criteria for classification into the categories, with the objective of more closely aligning the accounting with the investor's rights and obligations relating to the arrangement. In addition, AASB 131's option of using proportionate consolidation for arrangements classified as jointly controlled entities under that Standard has been eliminated. AASB 11 now requires the use of the equity method for arrangements classified as joint ventures (as for investments in associates). AASB 11 became applicable to not-for-profit entities for annual reporting periods beginning on or after 1 January 2014. The adoption of AASB 11 has not had any impact on the group as it is not a party to any joint arrangements.

AASB 12 Disclosure of Interests in Other Entities

AASB 12 integrates and makes consistent the disclosure requirements for various types of investments, including unconsolidated structured entities. It combines the existing disclosures in AASB 127, AASB 128 and AASB 131, and introduces a range of new disclosure requirements. For the year ended 30 June 2015, AASB 12 became applicable to not-for-profit entities for annual reporting periods beginning on or after 1 January 2014. The adoption of AASB 12 has not had any significant impact on the group.

AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities

AASB 2012-3 adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement. AASB 2012-3 is applicable to annual reporting periods beginning on or after 1 January 2014. The adoption of these amendments has not had a material impact on the group as the amendments merely clarify the existing requirements in AASB 132.

AASB 2013-6 Amendments to AASB 136 arising from Reduced Disclosure Requirements

AASB 2013-6 makes amendments to AASB 136 Impairment of Assets to establish reduced disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards - Reduced Disclosure Requirements arising from AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets. AASB 2013-3 made narrow scope amendments to AASB 136, addressing disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

AASB 2013-6 became applicable to annual reporting periods beginning on or after 1 January 2014. The adoption of these amendments has not had a material impact on the group.

Note 3 - Significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Both the functional and presentation currency of the parent entity and consolidated group is Australian dollars.

Principles of Consolidation

The consolidated financial statements comprise the financial statements of the parent entity, being the National Association of Testing Authorities, Australia and its controlled entity and together are referred to in this report as the consolidated group. Control exists where the parent entity has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered. Despite this power to govern, it is the parent entity's policy to allow its controlled entities to act independently. A list of controlled entities is contained in note 19 to the financial statements.

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Where controlled entities have entered or left the consolidated group during the year, their operating results have been included from the date control was obtained or until the date control ceased. There are no outside interests in the equity or results of the controlled entities.

Income tax

The parent entity and controlled entity (Proficiency Testing Australia) are endorsed as income tax exempt charitable entities under Division 50 of the Income Tax Assessment Act 1997.

Goods and services tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Revenue recognition

Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes including goods and services tax (GST). Revenue is recognised for the major business activities as follows:

Accreditation revenue

Accreditation revenue not otherwise covered by the annual subscription is recognised when time is charged to a member accreditation engagement. Revenue is measured at the fair value of the consideration or contributions received or receivable, taking into account the amount of any write-ups or write-downs required to reflect the recoverable amount.

Government contracts

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

If conditions are attached to the contract which must be satisfied before it is eligible to receive the contribution, the recognition of the contract as revenue will be deferred until those conditions are satisfied.

Subscription revenue

Subscription revenue from members is billed annually and is recognised as income in the financial year to which the subscription period relates.

Interest revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue and associated imputation credits

Dividends and imputation credits are recognised when the right to receive has been established.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Trade receivables

For all sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment in relation to doubtful receivables is established when there is

objective evidence that the entity will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of profit or loss and other comprehensive income.

Property, plant and equipment

Basis of measurement of carrying amount

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

It is the policy of the consolidated group to have an independent valuation of land and buildings at least every three years, however unless this revaluation results in an impairment loss it is not recognised in the financial statements other than by way of note.

Subsequent costs

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

Depreciation

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

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

Buildings	4% - 20%
Furniture and equipment	10% - 40%
Motor vehicles	15% - 25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership), which are transferred to entities in the consolidated group, 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 for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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

Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the consolidated group becomes a party to the contractual provisions to the instrument. For financial assets this is equivalent to the date that the consolidated group commits itself to either purchase or sell the asset.

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

Classification and subsequent measurement

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

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

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

Non-derivative financial assets

The consolidated group classifies its non-derivative financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held to maturity investments and available for sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its non-derivative financial assets at initial recognition and re-evaluates this designation at each reporting date.

Held to maturity investments

Held to maturity investments are non derivative financial assets with fixed or determinable payments and fixed maturities that the consolidated group's management has the positive intention and ability to hold to maturity.

Available for sale financial assets

Available for sale financial assets, comprising principally marketable equity securities, are non derivatives that are either designated in this category or not classified in any of the other categories. They are included in non current assets unless management intends to dispose of the investment within 12 months after the end of the reporting period.

Impairment

At the end of each reporting period, the Directors assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

Derecognition

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Intangible assets

Software

Software has a finite useful life and is carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the software over its estimated useful life of three years.

Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the consolidated group during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value.

Income received in advance

Income, other than government contract income, that is received before the service to which the payment relates has been provided is recorded as a liability until such time as the service has been provided, at which time it is recognised in the statement of profit or loss and other comprehensive income.

Employee benefits

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

Provisions

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

Fair value of assets and liabilities

The consolidated group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard. Fair value is the price the entity would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

	Consolidated Group		Parent Entity	
	2015	2014	2015	2014
	\$	\$	\$	\$
NOTE 4 - REVENUE AND OTHER INCOME				
Revenue				
Service revenue	26,444,627	25,014,237	24,754,065	23,285,834
Government contract revenue	1,429,000	1,440,000	1,429,000	1,440,000
Foreign currency translations	284,360	77	284,360	77
Rent received	68,111	147,848	68,111	147,848
Other operating revenue - wholly owned entities	-	-	167,277	155,814
Other operating revenue	11,905	104,529	11,905	104,529
	<u>28,238,003</u>	<u>26,706,691</u>	<u>26,714,718</u>	<u>25,134,102</u>
Other revenue				
Distributions from managed funds	61,199	87,090	61,199	87,090
Interest income - third parties	680,007	833,663	673,623	831,859
	<u>741,206</u>	<u>920,753</u>	<u>734,822</u>	<u>918,949</u>
Total revenue				
	<u>28,979,209</u>	<u>27,627,444</u>	<u>27,449,540</u>	<u>26,053,051</u>
Other income				
Net gain on disposal of property, plant and equipment	14,139	2,492	14,139	2,492
Total other income	<u>14,139</u>	<u>2,492</u>	<u>14,139</u>	<u>2,492</u>
Total revenue and other income				
	<u>28,993,348</u>	<u>27,629,936</u>	<u>27,463,679</u>	<u>26,055,543</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	Consolidated Group		Parent Entity	
	2015	2014	2015	2014
	\$	\$	\$	\$
NOTE 5 - EXPENSES				
Depreciation				
Buildings	394,052	378,489	394,052	378,489
Plant and equipment	423,985	514,815	407,751	499,061
Total depreciation	<u>818,037</u>	<u>893,304</u>	<u>801,803</u>	<u>877,550</u>
Amortisation				
Software	14,267	39,319	13,940	39,308
Total amortisation	<u>14,267</u>	<u>39,319</u>	<u>13,940</u>	<u>39,308</u>
Total depreciation and amortisation	<u>832,304</u>	<u>932,623</u>	<u>815,743</u>	<u>916,858</u>
Bad and doubtful debts expense				
Bad debts	28,612	52,660	28,612	52,660
Provision for impairment	40,598	(33,418)	40,598	(33,418)
Total bad and doubtful debts	<u>69,210</u>	<u>19,242</u>	<u>69,210</u>	<u>19,242</u>
Loss on disposal of property, plant and equipment	5,361	7,092	2,840	7,092
Fair value loss on financial assets	24,265	12,875	24,265	12,875
Rental expenses relating to operating leases	668,323	639,999	668,323	639,999
NOTE 6 - CASH AND CASH EQUIVALENTS				
Cash at bank and on hand	3,393,771	487,537	3,226,966	361,986
Cash on deposit	<u>18,500,000</u>	<u>18,000,000</u>	<u>18,200,000</u>	<u>17,700,000</u>
Total cash and cash equivalents	<u>21,893,771</u>	<u>18,487,537</u>	<u>21,426,966</u>	<u>18,061,986</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

	Consolidated Group		Parent Entity	
	2015	2014	2015	2014
	\$	\$	\$	\$
NOTE 7 - TRADE AND OTHER RECEIVABLES				
<u>Current</u>				
Trade receivables	1,150,838	1,119,569	875,829	875,536
Provision for impairment	(109,481)	(68,883)	(109,481)	(68,883)
	<u>1,041,357</u>	<u>1,050,686</u>	<u>766,348</u>	<u>806,653</u>
Other receivables	50,126	79,882	49,026	78,774
Deposit - property acquisition	2,030,000	-	2,030,000	-
Work in progress	457,834	556,527	457,834	556,527
Prepayments	523,127	538,808	517,076	533,988
Loans - wholly owned controlled entities	-	-	-	21
Total current trade and other receivables	<u>4,102,444</u>	<u>2,225,903</u>	<u>3,820,284</u>	<u>1,975,963</u>
<u>Provision for impairment</u>				
Balance at the beginning of the financial year	68,883	292,585	68,883	292,585
Charge for the year	40,598	(33,418)	40,598	(33,418)
Amount written off	-	(190,284)	-	(190,284)
Balance at the end of the financial year	<u>109,481</u>	<u>68,883</u>	<u>109,481</u>	<u>68,883</u>
NOTE 8 - FINANCIAL ASSETS				
<u>Current</u>				
Financial assets at fair value through profit or loss				
Managed funds	-	4,074,215	-	4,074,215
Total current financial assets	<u>-</u>	<u>4,074,215</u>	<u>-</u>	<u>4,074,215</u>
Movements in carrying amount				
Net carrying amount at 1 July 2014	4,074,215	-	4,074,215	-
Additions	-	4,087,090	-	4,087,090
Disposals	(4,049,950)	-	(4,049,950)	-
Movements in fair value	<u>(24,265)</u>	<u>(12,875)</u>	<u>(24,265)</u>	<u>(12,875)</u>
Net carrying amount at 30 June 2015	<u>-</u>	<u>4,074,215</u>	<u>-</u>	<u>4,074,215</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 9 - PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Plant and equipment	Total
Consolidated Group	\$	\$	\$	\$
At 30 June 2014				
Cost	2,060,329	7,352,198	5,704,152	15,116,679
Accumulated depreciation	-	(5,004,514)	(4,890,479)	(9,894,993)
Net carrying amount	<u>2,060,329</u>	<u>2,347,684</u>	<u>813,673</u>	<u>5,221,686</u>
Movements in carrying amounts				
Net carrying amount at 1 July 2014	2,060,329	2,347,684	813,673	5,221,686
Additions	-	114,679	253,172	367,851
Disposals	-	-	(83,950)	(83,950)
Depreciation and amortisation charge	-	(394,052)	(423,985)	(818,037)
Net carrying amount at 30 June 2015	<u>2,060,329</u>	<u>2,068,311</u>	<u>558,910</u>	<u>4,687,550</u>
At 30 June 2015				
Cost	2,060,329	7,466,877	5,536,508	15,063,714
Accumulated depreciation	-	(5,398,566)	(4,977,598)	(10,376,164)
Net carrying amount	<u>2,060,329</u>	<u>2,068,311</u>	<u>558,910</u>	<u>4,687,550</u>
Parent Entity				
At 30 June 2014				
Cost	2,060,329	7,352,198	5,518,746	14,931,273
Accumulated depreciation	-	(5,004,514)	(4,782,052)	(9,786,566)
Net carrying amount	<u>2,060,329</u>	<u>2,347,684</u>	<u>736,694</u>	<u>5,144,707</u>
Movements in carrying amounts				
Net carrying amount at 1 July 2014	2,060,329	2,347,684	736,694	5,144,707
Additions	-	114,679	214,724	329,403
Disposals	-	-	(56,883)	(56,883)
Depreciation and amortisation charge	-	(394,052)	(407,751)	(801,803)
Net carrying amount at 30 June 2015	<u>2,060,329</u>	<u>2,068,311</u>	<u>486,784</u>	<u>4,615,424</u>
At 30 June 2015				
Cost	2,060,329	7,466,877	5,347,697	14,874,903
Accumulated depreciation	-	(5,398,566)	(4,860,913)	(10,259,479)
Net carrying amount	<u>2,060,329</u>	<u>2,068,311</u>	<u>486,784</u>	<u>4,615,424</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Valuation of land and buildings

An independent valuation of the freehold land and buildings in Sydney was completed on 29 June 2015 by Mr. John Kovacic, Ass Dip Val, AAPI of Macquarie Bell Pty Limited. The valuation was based on vacant possession free of all encumbrances and amounted to \$8,000,000, compared with a carrying value of \$2,183,193. This increase in value of \$5,818,850 has not been recognised in the financial report other than by way of this note.

An independent valuation of the freehold land and buildings in Brisbane was completed on 30 June 2015 by Mr. Craig Guinane, AAPI, of CBRE Valuations Pty Limited. This valuation was based on "market value - as is - assumed fully leased" free of all encumbrances and amounted to \$2,950,000, compared with a carrying value of \$1,945,447. This increase in value of \$1,004,553 has not been recognised in the financial report other than by way of this note.

These valuations were obtained in accordance with the policy to review the fair value of land and buildings every three years.

Security

The parent entity's bank overdraft facility of \$250,000, which was fully unutilised at balance date, is secured by a registered first mortgage over its Sydney premises.

NOTE 10 - INTANGIBLE ASSETS

	Software	Work in Progress	Total
Consolidated Group	\$	\$	\$
At 30 June 2014			
Cost	319,303	543,747	863,050
Accumulated amortisation	(307,548)	-	(307,548)
Net carrying amount	<u>11,755</u>	<u>543,747</u>	<u>555,502</u>
Movements in carrying amounts			
Net carrying amount at 1 July 2014	11,755	543,747	555,502
Additions	23,069	287,086	310,155
Amortisation charge for the year	(14,267)	-	(14,267)
Net carrying amount at 30 June 2015	<u>20,557</u>	<u>830,833</u>	<u>851,390</u>
At 30 June 2015			
Cost	342,373	830,833	1,173,206
Accumulated amortisation	(321,816)	-	(321,816)
Net carrying amount	<u>20,557</u>	<u>830,833</u>	<u>851,390</u>
Parent Entity			
At 30 June 2014			
Cost	293,238	543,747	836,985
Accumulated amortisation	(281,483)	-	(281,483)
Net carrying amount	<u>11,755</u>	<u>543,747</u>	<u>555,502</u>
Movements in carrying amounts			
Net carrying amount at 1 July 2014	11,755	543,747	555,502
Additions	21,760	287,086	308,846
Amortisation charge for the year	(13,940)	-	(13,940)
Net carrying amount at 30 June 2015	<u>19,575</u>	<u>830,833</u>	<u>850,408</u>
At 30 June 2015			
Cost	314,998	830,833	1,145,831
Accumulated amortisation	(295,423)	-	(295,423)
Net carrying amount	<u>19,575</u>	<u>830,833</u>	<u>850,408</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

	Consolidated Group		Parent Entity	
	2015	2014	2015	2014
	\$	\$	\$	\$
NOTE 11 - TRADE AND OTHER PAYABLES				
<u>Current</u>				
Trade payables	634,175	588,881	570,656	539,025
Liabilities to employees	2,123,358	1,987,061	2,040,984	1,909,606
Subscriptions in advance	1,747,682	1,370,718	1,747,682	1,370,718
Other income in advance	504,878	658,048	214,910	352,006
Other payables	420,186	545,710	386,983	513,807
Total current trade and other payables	5,430,279	5,150,418	4,961,215	4,685,162
NOTE 12 - PROVISIONS				
<u>Current</u>				
Employee entitlements - long service leave	1,382,000	1,225,000	1,273,000	1,137,000
Total current provisions	1,382,000	1,225,000	1,273,000	1,137,000
<u>Non-current</u>				
Employee entitlements - long service leave	1,371,000	1,118,000	1,313,000	1,072,000
Restoration (make good)	155,221	122,850	155,221	122,850
Total non-current provisions	1,526,221	1,240,850	1,468,221	1,194,850
Movement in provisions				
Restoration (make good provision)				
Carrying amount at the beginning of the year	122,850	122,850	122,850	122,850
Additional provision recognised	32,371	-	32,371	-
Carrying amount at the end of the year	155,221	122,850	155,221	122,850
The parent entity is required to restore certain of its leased office premises to their original condition at the end of the respective lease term. A provision has been recognised for the present value of the estimated expenditure required to remove any leasehold improvements.				
NOTE 13 - RESERVES				
Asset realisation reserve	11,324,499	11,324,499	11,324,499	11,324,499
Total reserves	11,324,499	11,324,499	11,324,499	11,324,499
Nature and purpose of reserves				
The asset realisation reserve records realised gains on sale of certain non-current assets.				
NOTE 14 - CONTINGENT LIABILITIES				
Estimates of the maximum amounts of contingent liabilities that may become payable:				
Security deposit guarantee on property leases	404,126	404,126	404,126	404,126
	404,126	404,126	404,126	404,126

No material losses are anticipated in respect of the above contingent liabilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

	Consolidated Group		Parent Entity	
	2015	2014	2015	2014
	\$	\$	\$	\$
NOTE 15 - KEY MANAGEMENT PERSONNEL COMPENSATION				
The aggregate amount of compensation paid to key personnel during the year was:	1,653,600	1,614,145	1,510,981	1,475,337
NOTE 16 - COMMITMENTS				
Operating lease commitments				
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:				
Within one year	426,458	674,133	426,458	674,133
Later than one year but not later than five years	80,172	120,744	80,172	120,744
	506,630	794,877	506,630	794,877
The operating lease commitments relate to various non-cancellable property leases with remaining terms of between approximately one and three years from year-end, with rent payable monthly in advance. Contingent rental provisions within the lease agreements require the minimum lease payments to be increased by either 3%, CPI or CPI plus 1% per annum. Options exist to renew certain of the leases at the end of their term.				
NOTE 17 - EVENTS OCCURRING AFTER THE REPORTING PERIOD				
Acquisition of 2-6 Railway Parade, Camberwell, Victoria				
Subsequent to balance date the company completed the acquisition of land and buildings at 2-6 Railway Parade, Camberwell, Victoria. Completion of the contract of sale required payment of the balance of the acquisition price of \$20,300,000 and related transaction costs. The balance of the purchase price, transaction costs on settlement and the \$2,030,000 security deposit that was required to be paid prior to balance date (refer Note 7) were funded by internal cash reserves.				
No other material events have occurred after the reporting period. The financial report was authorised for issue on 16 September 2015 by the Board of Directors.				
NOTE 18 - LIMITATION OF MEMBERS' LIABILITY				
The parent entity is incorporated under the <i>Australian Charities and Not-for-profits Commission Act 2012</i> as a company limited by guarantee. If the parent entity is wound up, its constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the parent entity. At 30 June 2015 the number of members was 3,387 (2014: 3,320).				

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 19 - CONTROLLED ENTITIES

Controlled Entities Consolidated	Country of Incorporation	Percentage Owned (%)	
		2015	2014
Parent Entity			
National Association of Testing Authorities, Australia	Australia	n/a	n/a
Controlled Entities			
Proficiency Testing Australia	Australia	100%	100%

NOTE 20 - RELATED PARTY TRANSACTIONS

Parent and controlled entities

The consolidated group consists of the parent entity, National Association of Testing Authorities, Australia (NATA) and its wholly-owned controlled entity Proficiency Testing Australia.

Key management personnel

Aggregate compensation payments to key management personnel are included in note 15.

There were no other transactions with key management personnel or their related entities with the consolidated group during the current or previous financial year other than membership subscription and accreditation services revenue.

Transactions with related parties

Transactions between the parent entity and its controlled entities during the year consisted of:-

	Parent Entity	
	2015	2014
	\$	\$
Loans advanced by the parent entity	-	(172,403)
Loans repaid to the parent entity	21	172,382
Net decrease (increase) in loans to controlled entities	<u>21</u>	<u>(21)</u>
Other expenses recharged by the parent entity	167,277	155,814

The above transactions were made on normal commercial terms and conditions and at market rates.

DIRECTORS' DECLARATION

The Directors of the National Association of Testing Authorities, Australia declare that:

1. The financial statements, which comprises the statement of financial position as at 30 June 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; 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 company and consolidated group.
2. In the opinion of the Directors there are reasonable grounds to believe that the company 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.



MB Callanan
Director



DR Turner
Director

Sydney, 16 September 2015

Independent Auditor's Report to the Members of National Association of Testing Authorities, Australia

Report on the Financial Report

We have audited the accompanying financial report of National Association of Testing Authorities, Australia (the parent entity) and National Association of Testing Authorities, Australia and its controlled entity (the consolidated group) which comprises the statement of financial position as at 30 June 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Directors' Declaration of the consolidated entity comprising the parent entity and the entity it controlled during the financial year.

Directors' Responsibility for the Financial Report

The Directors of the parent entity are responsible for the preparation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Act 2012* for such internal control as the Directors determine is necessary to enable the preparation of the financial report that 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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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 *Australian Charities and Not-for-profits Commission Act 2012*.

Auditor's Opinion

In our opinion the financial report of National Association of Testing Authorities, Australia (the parent entity) and National Association of Testing Authorities, Australia and its controlled entity (the consolidated group) is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the parent entity's and consolidated group's financial position as at 30 June 2015 and of their performance for the year ended on that date; and
- b) complying with Australian Accounting Standards - Reduced Disclosure Requirements (including Australian Accounting Interpretations) *Australian Charities and Not-for-profits Commission Regulation 2013*.



StewartBrown
Chartered Accountants



R.J. McGee
Partner

16 September 2015



NEW OFFICE

NATA's new Melbourne premises was purchased in 2015 and it is located at Camberwell, Victoria.



GLOSSARY OF TERMS

accreditation

The formal recognition given by NATA that a laboratory has met a certain standard of operation, with particular regard to the technical competence required for the testing undertaken.

Accreditation Advisory Committee (AAC)

A group of volunteer technical experts with expertise relating to a particular type of testing, measurement or inspection, appointed by the NATA Board to advise each field/program on matters relating to accreditation.

AIMS

NATA's Accreditation Information Management System.

APLAC

Asia Pacific Laboratory Accreditation Cooperation (www.aplac.org).

applicant facility

A laboratory or other facility that has applied to NATA for accreditation.

ARK

NATA's Assessor Resource Kit.

assessment

The on-site visit to each laboratory, attended by a selected team of Technical Assessors plus a representative from NATA. This team reviews the overall procedures and technical competence of the testing conducted by the laboratory.

Assessor (or Technical Assessor)

A volunteer professional selected to participate in an assessment because of his/her recognised relevant expertise and experience in a particular area of laboratory testing, measurement or inspection activity.

calibration

A process by which a device is checked or adjusted against a known reference device.

certification

The formal recognition of a management system that complies with a national, or international, standard. This is confirmed by the issue of a formal certificate and scope document by a properly accredited body.

corrective action

Action taken by the laboratory to correct a problem or deficiency.

Diagnostic Imaging Accreditation Scheme (DIAS)

The Diagnostic Imaging Accreditation Scheme (DIAS) is a mandatory accreditation that links payment of Medicare benefits for imaging services to a facility's compliance with the DIAS practice accreditation standards.

document review

A process conducted by NATA staff to compare each particular laboratory's documentation and procedures with the relevant accreditation requirements.

evaluation (international)

An audit/review undertaken by (an) international counterpart(s), usually to determine the compliance or competence of an organisation to participate in a bilateral or multi-lateral recognition agreement.

EDRMS

NATA's Electronic Document and Records Management System.

field/program

NATA's accreditation activities are grouped into fields or programs related to the type of testing or measurement being undertaken. The names of these fields and programs and the abbreviations used are:

- Biological Testing (Bio)
- Calibration (CAL)
- Chemical Testing (CT)
- Construction Materials Testing (CMT)
- Forensic Science (FS)
- Information and Communications Technology (ICTT)
- Inspection (INSP)
- Mechanical Testing (MT)
- Medical Imaging (MI)
- DoHA Diagnostic Imaging
- Medical Testing (MT)
- Non-Destructive Testing (NDT)
- Performance and Approvals Testing (PAT)
- Proficiency Testing Scheme Providers (PTSP)
- Recognition - Good Laboratory Practice (GLP)
- Reference Material Producers (RMP)
- Research and Development (R&D)
- Sleep Disorders Services
- Veterinary Testing (VT)

GLP

GLP refers to the OECD Principles of Good Laboratory Practice, which were developed in the late 1970s to promote the development of quality test data associated with non-clinical studies. They also form the basis for the mutual acceptance of test data from such studies amongst OECD countries. Any facility claiming to be compliant with the Principles of Good Laboratory Practice of the Organization for Economic Cooperation and Development (OECD) under the Australian GLP compliance monitoring program must be recognised by NATA for that compliance.

ILAC

International Laboratory Accreditation Cooperation (www.ilac.org).

inspection accreditation

The formal recognition offered by NATA of the competence of an inspection body and its inspectors. ISO/IEC 17020 — General criteria for the operation of various types of bodies performing inspection is the internationally recognised inspection accreditation standard. It is this document that is used by NATA to accredit inspection bodies.

Integrated Accreditation

Integrated Accreditation is the separation of the management of accreditation (surveillance) activities (and related products) from the management of NATA's internal technical infrastructure (such as the technical input from Accreditation Advisory Committees (AAC) and/or other sources). It is intended to achieve better engagement with members and responsiveness to their needs, greater consistency in accreditation policies and procedures, and improvements to NATA's technical capacity.

international standards

ISO/IEC 17025 is the internationally recognized standard which provides the criteria used by NATA for laboratory accreditation. Other international standards provide the criteria for other programs such as accreditation of Inspection bodies, Medical Testing Facilities, Reference Materials Producers and Proficiency Testing Scheme Providers.

laboratory

A facility that is engaged in the evaluation, measurement or testing of a product or material so as to determine its characteristics.

measurement, standards and conformance infrastructure

In Australia, the measurement, standards and conformance infrastructure (or technical infrastructure) consists of the primary bodies responsible for the development, operation, maintenance and supervision of Australia's national physical and documentary standards.

It also embraces the certification and accreditation of organisations and individuals on whom we depend for the quality and accuracy of products and services involving measurement, analysis, testing and calibration.

measurement audit

For the calibration fields the proficiency testing activity used to assess laboratory performance is a Measurement Audit.

measurement uncertainty (MU)

Every measurement made has an error associated with it, and the parameter that defines the boundaries of the error of a measurement is termed the 'measurement uncertainty' or 'uncertainty of measurement'.

members

Laboratories and other facilities holding NATA accreditation. NATA is an association of its member facilities.

members portal

The NATA web portal which facilitates communications and exchange of documents with members

NAR(s)

The abbreviation for NATA's Accreditation Requirements (for each field/program).

NATA Board

NATA is guided and monitored by a Board of Directors. They supervise the management of the property, business and affairs of the Association. The Board may make Regulations which regulate the affairs of the Association and may amend and repeal Regulations.

NMI

National Measurement Institute—responsible for establishing and maintaining Australia's units and standards of measurement and for coordinating Australia's national measurement system (www.measurement.gov.au). NMI is also used to mean the National Measurement Institutes of other countries.

GLOSSARY OF TERMS

overdue facilities

In its surveillance program for accredited facilities, NATA sets a specific period for future surveillance visits to each facility. If, for some reason, such a visit is delayed beyond the specified period the surveillance of that facility is termed as 'overdue'.

proficiency testing

A means of assessing the ability of laboratories to competently perform specific tests.

quality control procedures

All the activities undertaken by a facility to ensure that its sampling, handling, testing, measurement and reporting practices are in accord with its quality assurance system.

quality management system

In a laboratory, the (documented) system that details the practices and procedures used to ensure the production of quality test or calibration data.

reassessment

The assessments organised to accredited facilities, as part of NATA's ongoing surveillance program.

reference materials

A material or substance, one or more property values of which are sufficiently homogeneous and well established to be used for the calibration of an apparatus, the assessment of a measurement method, or for assigning values to materials.

scope of accreditation

NATA accreditation for any laboratory is described in terminology that details the particular types of testing covered by the accreditation. The collective description of the scope of a laboratory's accreditation is termed the 'scope of accreditation' (previously known as 'terms of accreditation').

sector

Fields and programs which have a similar industry or sector focus are grouped together into sectors with a Sector Manager having responsibility for their technical management.

strategic plan

The Strategic Plan describes NATA's priorities and intentions in three year periods.

Supplementary Application Document (SAD)

A NATA document that helps a laboratory or other facility to apply the requirements of an international standard (such as ISO/IEC 17025) to their field or discipline.

supplementary requirements for accreditation

Each field/program for which NATA offers accreditation has produced one of these documents which helps a laboratory or other facility to apply the requirements of an international standard (such as ISO/IEC 17025) to their particular field or discipline.

surveillance program

The ongoing evaluation of all accredited facilities to ensure that the requirements for accreditation are being met.

suspended accreditation

An accreditation made temporarily invalid, either in full or for part of the scope of the accreditation.

Technical Assessor forums

Meetings organised by NATA for assessors from individual fields/programs to discuss developments in their field relating to accreditation.

technical committee

A general term for the committees of volunteers which assist NATA in undertaking its accreditation activities. Some examples are Accreditation Advisory Committees and Technical Groups.

technical units

A technical unit is a measure of the assessment effort required to service an accredited facility. It usually equates to the number of assessors required to cover the facility's scope of accreditation.

withdrawn facility

A facility whose accreditation has been voluntarily or involuntarily terminated, in full.

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