



**Education
Standards
Board**

early childhood to
senior schooling



**Government
of South Australia**

Education Standards Board

(Education and Early Childhood Services
Registration and Standards Board of South Australia)

Annual report 2019–20

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Date presented to Minister: 28 September 2020

To:

Hon John Gardner, MP

Minister for Education

This annual report will be presented to parliament to meet the statutory reporting requirements of the *Education and Early Childhood Services (Registration and Standards) Act 2011 (SA)* and *Public Sector Act 2009 (SA)* and the requirements of Premier and Cabinet Circular *PC013 Annual reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

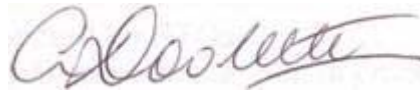
Submitted on behalf of the Education Standards Board by:

Ann Doolette

Presiding Member

Date: 28 September 2020

Signature:

A handwritten signature in black ink, appearing to read 'A. Doolette', written over a light grey rectangular background.

From the Presiding Member of the Board



*Ann Doolette
Presiding Member
Education Standards Board*

I am very pleased to present the Education Standards Board 2019–20 annual report.

I was appointed Presiding Member in late 2019 and have welcomed six new Board members during this time. Our new Board members bring extensive and varied experience in education and governance. I look forward to working further with them.

For all Australians, these past six months have been most challenging as we learnt to adapt to the rapidly changing environment brought by the COVID-19 pandemic.

As a regulator of education and early childhood services, the Education Standards Board has discovered new and flexible ways to work with our stakeholders during the pandemic. We have focused

on supporting schools and education and care services to ensure the health, safety and wellbeing of the children they educate and care for.

Reducing or not imposing any additional regulatory burden was a consideration in all our regulatory activities during this time. While we were required to suspend site visits for a short period, we introduced a range of digital and telephone communications to connect with and support teachers and educators during these unprecedented times.

Our vision, that children and young people in South Australia have access to high-quality education, care and early childhood services, is the primary consideration in the Board's performance. Ensuring the best interests of children and young people, their families and our other stakeholders is paramount in our regulatory role.

I would like to acknowledge our Board members, both exiting and current, for their service and also the staff of the Education Standards Board. Their work continues to be very important. Ensuring high-quality school education and early childhood education and care is vital for improving outcomes for children and young people in South Australia.

A handwritten signature in black ink, appearing to read 'A. Doolette'.

**Ann Doolette
Presiding Member
Education Standards Board**

Contents

Contents	4
Overview: about the agency	6
Our strategic focus.....	6
Our organisational structure.....	7
Changes to the agency.....	7
Our Minister.....	7
Our executive team.....	8
Our Board.....	9
Legislation administered by the agency.....	10
Other related agencies (within the Minister’s area/s of responsibility).....	10
The agency’s performance	11
Performance at a glance.....	11
Agency contribution to whole-of-government objectives.....	12
Agency specific objectives and performance.....	12
Corporate performance summary.....	18
Employment opportunity programs.....	18
Agency performance management and development systems.....	18
Work health, safety and return to work programs.....	19
Executive employment in the agency.....	20
Financial performance	21
Financial performance at a glance.....	21
Consultants disclosure.....	22
Contractors disclosure.....	23
Other information.....	23
Risk management	24
Fraud detected in the agency.....	24
Strategies implemented to control and prevent fraud.....	24
Public interest disclosure.....	24
Reporting required under any other act or regulation	25
Reporting required under the <i>Carers’ Recognition Act 2005</i>	25

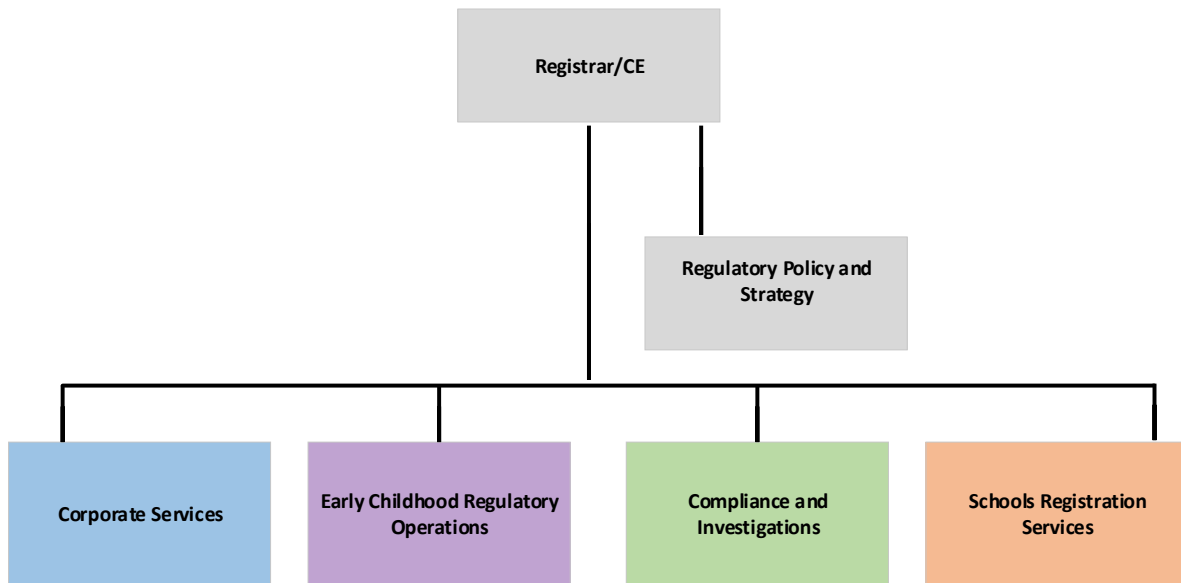
Public complaints.....	25
Number of public complaints reported	25
Service improvements resulting from complaints or consumer suggestions over 2019–20.....	26
Appendix: Audited financial statements 2019–20	27

Overview: about the agency

Our strategic focus

Our purpose	To approve, register and regulate school education and early childhood services to improve outcomes for children and young people.
Our vision	Children and young people in South Australia have access to high-quality education, care and early childhood services.
Our values	<p>The Education Standards Board upholds the public sector values through its decisions, actions and interactions. In addition, we are committed to our values:</p> <ul style="list-style-type: none"> • integrity • professionalism • improvement • consultation • accountability.
Our functions, objectives and deliverables	<p>We are an independent regulatory agency responsible for the registration and review of schools and regulation and quality assessment of education and care services in South Australia.</p> <p>Our objectives are to:</p> <ul style="list-style-type: none"> • promote the provision of high-quality education and care services from early childhood to senior schooling • support best possible outcomes for children • give families confidence in a diverse range of schools and education and care services • minimise the regulatory burden for schools and service providers. <p>Our strategic priorities are to:</p> <ul style="list-style-type: none"> • regulate the early childhood and schooling sectors using a contemporary risk- and standards-based approach • continue positive engagement with stakeholders • build a high-performing organisation by supporting our people and improving our business.

Our organisational structure



Changes to the agency

During 2019–20 there were no changes to the agency’s structure and objectives as a result of internal reviews or machinery of government changes.

Our Minister

Hon John Gardner has represented the seat of Morialta, in Adelaide’s north-eastern suburbs and near-hills townships, since 2010. He is a member, sponsor or patron of a wide range of local community, sporting and service organisations in his electorate.

Minister Gardner was appointed Minister for Education after the March 2018 state election, having previously served as shadow minister in this portfolio since January 2016.



*John Gardner
Minister for Education*

Our executive team



Standing (L-R): Mel Watson, Steve Green, Christine Gallasch and Lynette Bellwood
Seated (L-R): Beverley-Anne Lawton and Chris Chatburn

Chris Chatburn is the Chief Executive/Registrar, responsible for leading the organisation in regulating and quality assuring the early childhood services and for the registration of schools (government and non-government) in South Australia.

Lynette Bellwood is the Manager, Schools Registration Services, responsible for leading her team to register and review all schools (government and non-government) and recommend schools for registration and renewal of registration on CRICOS (Commonwealth Register of Institutions and Courses for Overseas Students).

Christine Gallasch is the Manager, Corporate Services, responsible for leading her team to provide strategic and operational financial management, human resource management and information technology.

Steve Green is the Manager, Regulatory Policy and Strategy, responsible for leading the organisation in overseeing our regulatory action framework, risk identification and mitigation strategies.

Beverley-Anne Lawton is the Senior Manager, Compliance and Investigations, responsible for leading her team to manage the non-compliance of education and care services and investigate complaints about early childhood services.

Mel Watson is the Senior Manager, Early Childhood Regulatory Operations, responsible for leading the Early Childhood Services team to approve and monitor all education and care services in South Australia and assess and rate these services (which include preschools, long day care and out-of-school-hours care and family day care) against the National Quality Standard.

Our Board

Board members are nominated by the Education Minister. They are then appointed by the Governor in Executive Council. The Board is composed of people with relevant skills and experience. This includes the fields of early childhood education and care and school education. The Board is accountable to the Minister for Education.

Members as at 30 June 2020 were:

Ann Doolette, Presiding Member

Carolyn Grantskalns, Deputy Presiding Member

Judith Atkinson

Caroline Croser-Barlow

Trevor Fletcher

Greg Hayes

Neil Mc Goran

Noel Mifsud

Mandy Richardson

Lynda Secombe

Peta Smith

Christos Tsonis

Bruno Vieceli

Legislation administered by the agency

- *Education and Early Childhood Services (Registration and Standards) Act 2011 (SA)*, incorporating the *Education and Care Services National Law (South Australia)*
- Education and Care Services National Regulations 2011
- Education and Early Childhood Services (Registration and Standards) Regulations 2011 (SA)

As a designated state authority, we also assess and recommend schools for registration on CRICOS (Commonwealth Register of Institutions and Courses for Overseas Students) in line with Commonwealth legislation:

- *Education Services for Overseas Students Act 2000*
- Education Services for Overseas Students Regulations 2001.

Other related agencies (within the Minister's area/s of responsibility)

The Department for Education interacts with the Education Standards Board in a number of ways. This department provides the policy lead for South Australia in relation to the National Quality Framework for early childhood education and care. Policy translates into our regulatory responsibilities. The Department for Education is also the major approved provider of regulated education and care services, operating the third largest number of services of any provider in Australia.

The Teachers Registration Board (TRB) also relates to the Education Standards Board. Long day care, preschool services and schools are all required to employ registered teachers. The TRB determines who can be registered as a teacher or fill a teacher's position in these services.

The SACE Board of South Australia is another agency associated with ours. The SACE Board is notified when schools have been approved to extend year levels, registered to provide education services that include Year 10 to 12 or of new schools registered up to Year 12.

The agency's performance

Performance at a glance

Ensuring high-quality school education and early childhood education and care is the key focus of the Education Standards Board. We are the South Australian agency responsible for the registration of schools and regulation and quality assurance of early childhood education and care services.

The onset of the COVID-19 pandemic in early 2020 meant that a review of the practices of authorised officers was required in order to support SA Health's emergency strategy of social distancing and reducing the risk of infection of children, educators and Education Standards Board staff. This was subsequently reflected in a statement by the Education Council on 2 April 2020, in recognition of the global pandemic. Education Ministers announced four critical areas for time-limited regulatory action, including the suspension of assessment and rating of services.

Despite the pandemic, we have continued to adapt and find new and agile ways to support services, with a particular focus on services rated as *Working Towards* the National Quality Standard (NQS). We have achieved this by increasing and expanding our educative focus, including an augmented schedule of contact with services to support their understanding of the requirements. While there has been a net increase of about 2.4% in the total number of services during 2019–20, the number of services rated as *Working Towards* NQS has fallen from 205 to 169. This is a decrease of about 17.5% over the same period.

At 30 June 2020, 85% of eligible South Australian education and care services had a rating of either *Meeting* or *Exceeding* the NQS. The NQS is important as it drives quality and continuous improvement in children's education and care.

Reviewing schools registration against the *Standards for registration and review of registration* (the Standards) continued throughout the 2019–20 year. However, all site visits were suspended in Term 2 due to the pandemic, and these schools will be reviewed at a later date in 2020.

A number of schools delivering education to overseas students were due for re-endorsement during 2019–20. All schools were assessed as compliant with the National Code and were recommended for registration on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS).

Agency contribution to whole-of-government objectives

Key objective	Agency's contribution
Lower costs	The Education Standards Board did not charge fees for applications from early childhood education and care services for waivers that related to COVID-19. We also waived the CPI increase on annual fees for early childhood education and care services and delayed the date for payment.
Better services	The Education Standards Board registers schools and approves and monitors early childhood services to ensure high standards of competence and conduct by providers. Parents and guardians have access to a diverse range of quality education and early childhood services. The public can have confidence in the operation of these services.

Agency specific objectives and performance

Approve and regulate early childhood services to improve outcomes for children

At 30 June 2020:

- there were 436 approved providers, with 376 operating a single service
- there were 1213 services approved to provide education and care under the National Law
- there was a net increase of 20 services or 1.7% over the 1193 approved services as at 30 June 2019, consistent with the national increase of services.

Table 1: Number of services by type

	Long day care	Preschool	Out of school hours care	Family day care	Total
2017–18	387	394	376	15	1172
2018–19	395	407	379	12	1193
2019–20	418	407	376	12	1213

We visit services for a range of purposes:

- assessment and rating of the service
- assessment of applications for new provider/service approval
- providing education and support to promote continuous improvement
- monitoring for compliance with the National Law
- investigation of complaints and serious incidents.

During 2019–20, we conducted 131 assessment and rating visits and 283 monitoring visits (34% of all services).

Site visits ceased in March 2020 due to the COVID-19 pandemic and physical distancing requirements. The balance of regulatory activities was, therefore, changed. We used new approaches to support services' compliance and improvement.

'Tele-monitoring' and other forms of digital communication were introduced. This was so we could maintain contact with services and support their compliance with the NQS when visits were not feasible.

In the second half of the year, we made 618 contacts. This is over 46% of early childhood services in South Australia.

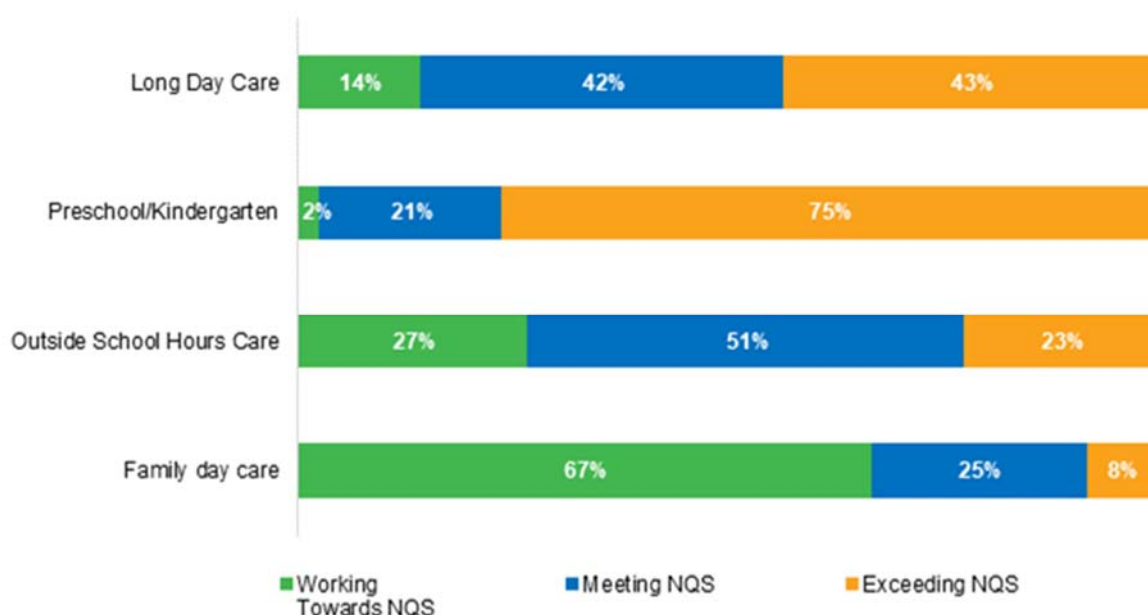
All eligible services are assessed and rated after approximately 12 months of commencing operations. The proportion of services with a quality rating will not reach 100% at any one time because a small proportion of services will only recently have been approved and may not have started operating or may have only been operating for a short period of time.

As at 30 June 2020, 95% of all services had a quality rating.

Table 2: Number (and percentage) of services at each quality rating of the NQS

Year	Working Towards		Meeting		Exceeding		Excellent		Total
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	
2017–18	282	26%	262	25%	515	48%	7	1%	1066
2018–19	205	18%	370	33%	545	48%	8	1%	1128
2019–20	168	15%	428	37%	558	48%	8	1%	1162

The number of services achieving a *Meeting* NQS rating or higher has steadily increased over the past three years. South Australia has 18.3% more services rated as *Exceeding* NQS than the national average.

Table 3: Quality ratings by service type

The proportion of services at each quality rating varies between service types. This reflects their contextual differences. While the actual percentages are of some interest, the trend towards a greater proportion of services rated as either Meeting NQS or higher reflects an overall growth in the quality of the sector.

Many services rated Working Towards NQS are close to being rated Meeting NQS. Services are rated Working Towards NQS if they do not meet one or more elements of the NQS.

Promote compliance with the law and engage effectively with the early childhood services sector

A primary objective of the Education Standards Board is to promote the best outcomes for children through continuous improvement of services.

As a contemporary risk-based regulator, we use a full suite of tools to encourage compliance. This includes educative visits, announced and unannounced visits, and applying a range of sanctions proportionate to the situation and potential risk to children.

Approved providers are required to notify the Education Standards Board of any operational changes and incidents that affect children. The National Law prescribes the circumstances and time frames for notification of certain information to the regulatory authority. Incident notifications and complaints range from a change to hours of operation, any incident that requires the service to close and any circumstances that poses a risk to the health, safety or wellbeing of a child or children attending the service.

Table 4 shows an increase in notifications by providers as they have become more aware of their reporting responsibilities through a targeted communications strategy.

All notifications and complaints received are triaged and actioned in accordance with risk management strategies.

Investigations continue to decrease and, where appropriate, matters are referred back to the provider/service to be dealt with in accordance with their own complaint management policies and procedures.

A change to the National ITS reporting requirements in July 2019 meant not all substantiated breaches of the National Law required an investigation to be created.

Investigations are only created where they require further assessment and/or investigation activity and matters that are serious or complex in nature.

Table 4: Notifications, complaints and investigations

	Notifications	Complaints	Investigations
2017–18	1348	277	400
2018–19	1599	267	319
2019–20	1937	323	247

A range of educative resources are available for approved providers and services to assist them to understand their obligations under the National Law.

The Education Standards Board website was frequently updated to ensure all information and guidance materials were current. We also delivered a number of sector-specific presentations either face to face or online as requested by providers. The presentations often focused on areas the provider identified as needing further clarification on to meet the legislation and the NQS. Our monthly newsletter continued to provide informative articles to the sector on issues of interest and trends in good practice or non-compliance.

Register and review registration of schools

As at 30 June 2020, there were 722 schools registered in South Australia:

- 513 government schools
- 209 non-government schools
 - comprising 108 Independent and 101 Catholic schools.

The number of schools has remained relatively stable over the past five years. The total each year has been 718–729.

Of the 513 government schools:

- 354 are primary
- 70 are secondary
- 89 offer both primary and secondary education.

Of the 209 non-government schools:

- 95 are primary
- 25 are secondary
- 89 offer both primary and secondary education.

Schools where education services are provided, or students enrolled, must be registered and listed on the Schools Register. To be registered, schools must meet the *Standards for Registration and Review of Registration of Schools in South Australia* (the Standards) and once approved, registration is ongoing.

Newly registered schools are reviewed against the Standards approximately 12–18 months after commencing education services. All established schools are reviewed at least once in a five year period to ensure that they continue to meet the Standards.

The number of schools reviewed this year was affected by the COVID-19 pandemic. At the Board's request, reviews were suspended during Term 2, and were rescheduled for Term 3.

All schools, with the exception of one non-government school, were able to demonstrate that they met the Standards. The school did not have students enrolled and agreed to be removed from the Schools Register.

Registration gives families confidence that the instruction offered is satisfactory and the school adequately provides for the safety, health and welfare of its students.

Endorse schools for registration on Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS)

Schools must be registered on CRICOS before providing education to overseas students.

At 30 June 2020, 178 schools offered education to overseas students. Of these, 37 were non-government schools and 141 were government schools managed through the approved provider International Education Services (IES).

During 2019–20:

- seven non-government schools were re-endorsed on CRICOS
- four non-government schools elected not to apply for re-endorsement on CRICOS
- IES was re-endorsed on CRICOS.

The Education Standards Board is the designated state authority in South Australia. We endorse schools and recommend them to the Department of Education and Skills (DESE) for registration on CRICOS.

Corporate performance summary

Corporate performance highlights for the year included:

- mobilising all staff to work from home during the COVID-19 lockdown in South Australia
- timely advice to early childhood services and schools about COVID-19 issues
- positive feedback on our monthly newsletter (93% of survey respondents say the newsletter's information is useful)
- implementing electronic records, contracts and workflows, meaning more efficient business processes and overhead reductions.
- creating a Reconciliation Action Plan (endorsed by Reconciliation Australia) to be launched in 2020–21.

Employment opportunity programs

Program name	Performance
Nil	n/a

Agency performance management and development systems

Performance management and development system	Performance
Employees take part in a formal performance management and development discussion with their manager twice a year.	During 2019–20 100% of staff completed the first formal review and 97.5% of staff completed the second review during the time frame. This is an average of 99% for the year.

Work health, safety and return to work programs

Program name	Performance
Work health and safety management	<p>The Work Health and Safety (WHS) Committee is the main way we work with employees to address WHS issues. We also have an Emergency Wardens Committee.</p> <p>We provide the following services to staff:</p> <ul style="list-style-type: none"> • influenza vaccinations • ergonomic workplace assessments (including access to online self-assessment guidance) • information about workplace safety and wellbeing. <p>Managers, team leaders and the first-aid officer completed mental-health first-aid training.</p> <p>Training provided to emergency control wardens included ‘hot fire’ training and WHS update training.</p> <p>In response to the COVID-19 pandemic, we established a response team. The organisation complied with government directives to keep staff safe including flexible working arrangements. We modified our regulatory activities, including suspending visits and staying in touch with early childhood education and care services by phone (tele-monitoring). In the office we implemented hand hygiene practices and physical distancing requirements. We regularly communicated with staff about the changing situation.</p>
Employee assistance program	<p>Staff can access an employee assistance program provided by Converge International. This entitles them and their family members to a number of free confidential sessions with a psychologist, social worker, financial counsellor or dietician. This is to encourage good mental and physical health for our employees and their families.</p>
Injury management	<p>Staff have access to our work health and safety:</p> <ul style="list-style-type: none"> • policies and procedures • training programs. <p>Two incidents were reported by staff during 2019–20, but these were not notifiable.</p>

Workplace injury claims

There were no new workplace injury claims, fatalities, seriously injured workers* or significant injuries (where lost time exceeds a working week, expressed as a frequency rate per 1000 FTE).

**number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)*

Work health and safety regulations

There were no notifiable incidents (*Work Health and Safety Act 2012, Part 3*) and no provisional improvement, improvement and prohibition notices (*Work Health and Safety Act 2012 Sections 90, 191 and 195*).

Return to work costs**

There were no return to work costs for workers compensation expenditure or income support payments.

***before third party recovery*

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/e13b1dec-f2c8-40db-a559-25ba739b432d>.

Executive employment in the agency

Executive classification	Number of executives
Common Law Contract (not South Australian Executive Service)	1

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/2bd8e6b1-18aa-434f-a729-f7f4b0b47ee4>.

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

Financial performance

Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2019–20 are attached to this report.

Statement of Comprehensive Income	2019–20 Budget \$000s	2019–20 Actual \$000s	Variation \$000s	2018–19 Actual \$000s
Expenses	4,953	4,684	269	5,347
Revenues	475	550	75	506
Net cost of providing services	(4,478)	(4,134)	(344)	(4,841)
Net Revenue from SA Government	4,543	4,482	61	4,853
Net result	65	348	(283)	12
Total Comprehensive Result	65	348	(283)	12

Statement of Financial Position	2019–20 Budget \$000s	2019–20 Actual \$000s	Variation \$000s	2018–19 Actual \$000s
Current assets	3,923	4,013	(90)	3,827
Non-current assets	0	0	0	0
Total assets	3,923	4,013	(90)	3,827
Current liabilities	1,500	1,292	0	1,447
Non-current liabilities	367	386	0	392
Total liabilities	1,867	1,678	189	1,839
Net assets	2,056	2,335	(279)	1,988
Equity	2,056	2,335	(279)	1,988

Consultants disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

Consultancies with a contract value below \$10,000 each

Consultancies	Purpose	\$ Actual payment
All consultancies below \$10,000 each (combined)	Accounting standards assessments	\$4,518

Consultancies with a contract value above \$10,000 each

Consultancies	Purpose	\$ Actual payment
Empired Limited	ICT project consultation services	\$19,305
	Total	\$19,305

Data for previous years is available at:

<https://data.sa.gov.au/data/dataset/8e232a72-7e92-401d-8dc2-c8264c7082a6>

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

Contractors disclosure

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

Contractors with a contract value below \$10,000

Contractors	Purpose	\$ Actual payment
All contractors below \$10,000 each (combined)	Various	\$12,847

Contractors with a contract value above \$10,000 each

Contractors	Purpose	\$ Actual payment
Empired Limited	ICT support and maintenance	\$21,747
Ernst & Young	Auditing service	\$24,433
Hays Recruiting	Temporary positions	\$19,743
Ochre Dawn	Graphic design	\$24,030
	Total	\$89,953

Data for previous years is available at:

<https://data.sa.gov.au/data/dataset/90771d4a-2b71-42f2-b09e-207014e161b2>

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

The website also provides details of [across government contracts.](#)

Other information

Nil to report.

Risk management

Fraud detected in the agency

The Education Standards Board did not identify any instances of fraud in the agency during 2019–20.

NB: Fraud reported includes actual and reasonably suspected incidents of fraud.

Strategies implemented to control and prevent fraud

The Education Standards Board has robust internal fraud control and prevention procedures.

These include:

- segregation of duties
- educating staff with finance and/or governance responsibilities about mandatory requirements and improvement processes
- adoption of whole-of-government fraud-control policy and procedures
- reviews of risk-management policies and procedure
- training for all staff about the Code of Ethics for the Public Sector.

The Education Standards Board has not had an incident of fraud. However, internal processes are assessed and reviewed regularly, and regular checks are done as part of everyday and/or monthly procedures.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/0cc29c9c-0347-4677-bcd1-92a7521ed5fa>.

Public interest disclosure

There were no occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/whistle-blowers-disclosure-of-education-standards-board>.

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

Reporting required under any other act or regulation

Act or Regulation	Requirement
Nil required	n/a

Reporting required under the *Carers' Recognition Act 2005*

Nil to report, as this is not applicable to the Education Standards Board.

Public complaints

Number of public complaints reported

There was one public complaint received during the reporting period. However there was no case to answer.

Additional metrics	Total
Number of positive feedback comments	13
Number of negative feedback comments	0
Total number of feedback comments	13
% complaints resolved within policy timeframes	100%

Data for previous years is available at:

<https://data.sa.gov.au/data/dataset/695438da-89cc-4f58-b99c-363538c625bc>

Service improvements resulting from complaints or consumer suggestions over 2019–20
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Nil

Appendix: Audited financial statements 2019–20

FINANCIAL STATEMENTS 2020

FOR EDUCATION STANDARDS BOARD

For the year ended

30 June 2020



Government
of South Australia



**Building a better
working world**

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Independent Auditor's Report to the Board of Education and Early Childhood Services Registration and Standards Board of South Australia

Opinion

We have audited the financial report of Education and Early Childhood Services Registration and Standards Board of South Australia (the Entity), which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the Board' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Entity as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Public Finance and Audit Act 1987*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The Board are responsible for the other information. The other information is the Board report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board for the Financial Report

The Board of the Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and *Public Finance and Audit Act 1987* and for such internal control as the Board determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

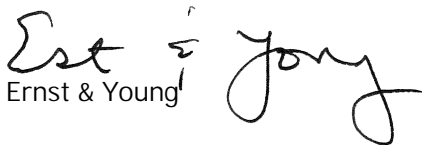
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Boards' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



**Building a better
working world**

We communicate with management and the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Ernst & Young logo, featuring the company name in a stylized, handwritten font.

A handwritten signature in black ink, appearing to read 'Nigel Stevenson'.

Nigel Stevenson
Engagement Partner
Adelaide
28 August 2020



**Building a better
working world**

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Auditor's Independence Declaration to the Board of Education and Early Childhood Services Registration and Standards Board of South Australia

As lead auditor for the audit of Education and Early Childhood Services Registration and Standards Board of South Australia for the financial year ended 30 June 2020, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *APES 110 Code of Ethics* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Education and Early Childhood Services Registration and Standards Board of South Australia.

A handwritten signature in black ink that reads 'Ernst & Young' in a cursive style.

A handwritten signature in black ink that reads 'Nigel Stevenson' in a cursive style.

Nigel Stevenson
Partner
28 August 2020

**Education and Early Childhood Services Registration
and Standards Board of South Australia**

Certification of the Financial Statements

We certify that the attached general purpose financial statements for the Education and Early Childhood Services Registration and Standards Board of South Australia (the Board):

- comply with relevant Treasurer's instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian accounting standards;
- are in accordance with the accounts and records of the Board; and
- present a true and fair view of the financial position of the Board as at 30 June 2020 and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the Board for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



Ms Christine Chatburn
Chief Executive/Registrar

28 August 2020



Ms Christine Gallasch
Manager, Corporate Services

28 August 2020

**Education and Early Childhood Services Registration
and Standards Board of South Australia**

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2020

	Note No.	2020 \$	2019 \$
Expenses			
Board fees	4	17,564	21,351
Employee benefits expenses	5	3,564,263	4,104,538
Supplies and services	6	1,067,101	1,196,959
Other expenses	7	-	1,068
Auditors remuneration	8	22,964	23,352
Depreciation and amortisation	9	11,903	-
Total expenses		4,683,795	5,347,268
Income			
Revenues from fees and charges	10	512,042	439,597
Interest revenue	11	37,579	66,643
Total income		549,621	506,240
Net Cost of Providing Services		(4,134,174)	(4,841,028)
Revenues from SA Government	12	4,482,000	4,853,000
Net result		347,826	11,972
Total Comprehensive income		347,826	11,972

The net result and comprehensive result are attributable to the SA Government as owner

The above statement should be read in conjunction with the accompanying notes.

**Education and Early Childhood Services Registration
and Standards Board of South Australia**

STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

	Note No	2020 \$	2019 \$
Current assets			
Cash and cash equivalents	13	3,989,578	3,792,618
Receivables	14	1,557	34,244
Right of use assets	15	21,962	-
Total assets		4,013,097	3,826,862
Current liabilities			
Payables	16	191,243	233,072
Employee benefits	17	836,091	971,692
Workers compensation provision	18	120,000	120,000
Office accommodation provision	19	122,000	122,000
Lease liabilities	20	22,176	-
Total current liabilities		1,291,510	1,446,764
Non-current liabilities			
Employee benefits	17	386,006	392,343
Total non-current liabilities		386,006	392,343
Total liabilities		1,677,516	1,839,107
Net Assets		2,335,581	1,987,755
Equity			
Retained earnings		2,335,581	1,987,755
Total Equity		2,335,581	1,987,755
The total equity is attributable to the SA Government as owner			
Unrecognised contractual commitment	21	3,847,264	902,290

The above statement should be read in conjunction with the accompanying notes.

**Education and Early Childhood Services Registration
and Standards Board of South Australia**

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2020

	Retained earnings
	\$
Balance at 30 June 2018	1,975,783
Total comprehensive result for 2018-2019	11,972
Balance at 30 June 2019	1,987,755
Total comprehensive result for 2019-2020	347,826
Balance at 30 June 2020	2,335,581

All changes in equity are attributable to the SA Government as owner

The above statement should be read in conjunction with the accompanying notes.

**Education and Early Childhood Services Registration
and Standards Board of South Australia**

STATEMENT OF CASH FLOWS

For the year ended 30 June 2020

	Note No.	2020 \$	2019 \$
Cash flows from operating activities			
Cash outflows			
Employee benefit payments		(3,723,982)	(3,739,400)
Payments for supplies and services		(1,075,952)	(1,261,204)
Cash used in operations		(4,799,934)	(5,000,604)
Cash inflows			
Fees and charges		477,315	593,201
Interest received	11	37,579	66,643
Cash generated from operations		514,894	659,844
Cash flows from SA Government			
Receipts from SA Government	12	4,482,000	4,853,000
Cash generated from SA Government		4,482,000	4,853,000
Net cash provided by operating activities		196,960	512,240
Cash and cash equivalents at the beginning of the period		3,792,618	3,280,378
Cash and cash equivalents at the end of the period	13	3,989,578	3,792,618

The above statement should be read in conjunction with the accompanying notes.

NOTES TO
AND
FORMING PART
OF THE FINANCIAL
STATEMENTS



Government
of South Australia

NOTE INDEX

Objectives of the Education and Early Childhood Services Registration and Standards Board of South Australia	Note 1
Summary of significant accounting policies	Note 2
New and revised accounting standards and policies	Note 3
Expense notes	
Board fees	Note 4
Employee benefits expenses	Note 5
Supplies and services	Note 6
Other expenses	Note 7
Auditors remuneration	Note 8
Lease depreciation expenses	Note 9
Income notes	
Revenues from fees and charges	Note 10
Interest revenues	Note 11
Revenue from SA Government	Note 12
Asset notes	
Cash at bank	Note 13
Receivables	Note 14
Right of use assets	Note 15
Liability notes	
Payables	Note 16
Employee benefits	Note 17
Workers compensation provision	Note 18
Office accommodation provision	Note 19
Lease liabilities	Note 20
Other notes	
Unrecognised contractual commitments	Note 21
Contingent assets and liabilities	Note 22
Remuneration of board and committee members	Note 23
Financial instruments/financial risk management	Note 24
Events after the reporting period	Note 25

Note 1

Objectives of the Education and Early Childhood Services Registration and Standards Board of South Australia

The Education and Early Childhood Services Registration and Standards Board of South Australia (the Board) was formed to administer the Education and Early Childhood Services (Registration and Standards) Act 2011, including the Education and Care Services National Law Act 2010; and the associated the Education and Early Childhood Services (Registration and Standards) Regulations 2011; and the Education and Care Services National Regulations for South Australia.

The functions of the Board include:

- > to regulate the provision of education services and early childhood services;
- > to approve the requirements for endorsement of registration of schools;
- > to establish and maintain the registers contemplated by the Education and Early Childhood Services (Registration and Standards) Act 2011;
- > to carry out the functions under the national law concerning early childhood services;
- > to prepare or endorse codes of conduct for registered schools;
- > to provide advice to the Minister;
- > to carry out other functions assigned to the Board by the Minister.

Note 2 Summary of significant accounting policies

a) Statement of compliance

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian accounting standards and Treasurer's instructions and accounting policy statements promulgated under the provision of the *Public Finance and Audit Act 1987*.

b) Basis of preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying the Board's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements, these are outlined in the applicable notes; Management has made an assessment of the potential impact that estimates and assumptions may have on the financial statements and considers it to be low;
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported; and
- compliance with accounting policy statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the accounting policy statements require the following note disclosures, which have been included in this financial report:
 - a) revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at reporting date, classified according to their nature.
 - b) board/committee member and remuneration information, where a board/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement.

The Board's Statement of Comprehensive Income, Statement of Financial Position, and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention.

The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared based on a twelve month period and presented in Australian currency.

The financial report has been prepared on a going concern basis. The continued existence of the Board in its present form, and with its present programs is dependent upon Government policy and upon continuing Operating Grants from the State Government for the Board's administration and outputs.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2020 and the comparative information presented.

c) Reporting entity

The Education and Early Childhood Services Registration and Standards Board of South Australia is a body corporate established under the Education and Early Childhood Services (Registrations and Standards) Act 2011. It operates within legislative requirements of the Act and adheres to occupational health, safety, and welfare requirements, equal opportunity, and public sector principles.

The financial report includes the use of income, expenses, assets and liabilities, controlled or incurred by the Board in its own right.

The Board has no administered items.

The Board is a statutory authority established under the Act.

d) Comparative information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or accounting policy statements have required a change.

Where presentation or classification of items in the financial statements have been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable.

Where the Board has applied an accounting policy retrospectively; retrospectively restated items in the financial statements; reclassified items in the financial statements, it has provided three Statements of Financial Positions and related notes.

The restated comparative amounts do not replace the original financial statements for the preceding period.

e) Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest dollar.

f) Taxation

The Board is not subject to income tax. The Board is liable for payroll tax, fringe benefits tax and goods and services tax (GST).

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included. Accruals and prepayments are GST exclusive

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables as applicable in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Australian Taxation Office is classified as part of operating cash flows.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

g) Events after the reporting period

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June 2020 and before the date the financial statements are authorised for issue, where those events provides information about conditions that existed at 30 June 2020.

Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have a material impact on the results of subsequent years.

h) Income

Income is recognised to the extent that it is probable that the flow of economic benefits to the Board will occur and can be reliably measured.

The following are specific recognition criteria:

Fees and charges

Revenue from fees and charges is recognised upon receipt by the Board.

There is an uneven distribution of providers due to renew in any given year which impacts on the revenue collection.

Government grant

Grant funding is recognised as revenue when the Board obtains control over the funding.

Control over grant funding is obtained upon receipt.

i) Expenses

Expenses are recognised to the extent that it is probable that the flow of economic benefits from the Board will occur and can be reliably measured.

The notes accompanying the financial statements disclose expenses where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature.

The following are specific recognition criteria:

AASB 119 Employee benefits expenses

Employee benefit expenses include all costs related to employment including wages and salaries, non-monetary benefits and leave entitlements.

Superannuation

The amount charged to the Statement of Comprehensive Income represents the contributions made by the board to the superannuation plan in respect of current services of current board staff.

j) Current and non-current classification

Assets and liabilities are characterised as either current or non-current in nature. Assets and liabilities that are consumed or realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

k) Assets

Assets have been classified according to their nature.

The notes accompanying the financial statements disclose financial assets where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature.

Cash at bank

Cash at bank in the Statement of Financial Position includes cash at bank and on hand.

For the purposes of the Statement of Cash Flows, cash at bank consist of cash held in the bank account as defined above. Cash is measured at nominal value.

Receivables

Receivables include amounts receivable from services, GST input tax credits recoverable, accrued revenue and other accruals.

Collectability of receivables is reviewed on an ongoing basis. An allowance for doubtful debts is raised when there is objective evidence that the board will not be able to collect the debt. Bad debts are written off when identified.

I) Liabilities

Liabilities have been classified according to their nature.

The notes accompanying the financial statements disclose financial liabilities where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature.

Payables

Payables include creditors, accrued expenses and employee on-costs.

Creditors represent the amounts owing for services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the Board.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

All payables are measured at their nominal amount, are unsecured and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

Employee benefits on-costs include payroll tax and superannuation contributions in respect to outstanding liabilities for salaries and wages, long service leave, annual leave and skills and experience retention leave.

Employee benefits

These benefits accrue for employees as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value of the estimated future cash outflows to be made by the Board and short-term employee benefits are measured at nominal amounts using the remuneration rate expected to apply at the time of settlement.

Salaries and, wages, annual leave, skills and experience retention leave and sick leave

The liability for salary and wages are measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

The annual leave liability and the skills and experience retention leave liability is expected to be payable within twelve months and is measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave reporting period on government bonds with durations that match, as closely as possible, the estimated future cash outflows

Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The estimated liability for long service leave is based on actuarial assumptions over expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over the education sector across government.

Expected future payments are discounted using market yields at the end of the reporting period on government bonds with durations that match, as closely as possible, the estimated future cash outflows.

The unconditional portion of the long service leave provision is classified as current as the Board does not have an unconditional right to defer settlement of the liability for at least 12 months after reporting date. The unconditional portion of long service leave relates to an unconditional legal entitlement to payment arising after ten years of service.

m) Provisions

The workers compensation provision has been created as part of the WHS and Return to Work procedure review and is an estimate liability. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

The Board is responsible for the payment of workers compensation claims.

n) Unrecognised contractual commitments and contingent assets and liabilities

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

Note 3 New and revised accounting standards and policies

The Board did not voluntarily change any of its accounting policies during 2019-2020.

The Australian accounting standards and interpretations that have recently been issued or amended but are not yet effective, have been assessed by the Board. The impacts are outlined below.

AASB 15 – Revenue from Contracts with Customers

This standard establishes the principles that the Board shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The application date is 1 July 2019.

The Board has assessed the impact of AASB 15 and there will not be any material impact to the financial statements of the Board.

AASB 16 – Leases

This standard introduces a single accounting model for lessees. The standard requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months. The Board has determined that it has three separate motor vehicle leases that fall within the scope of AASB 16. This does not include the lease that the Board has for its accommodation. The Board's accommodation is provided by the Department of Planning, Transport and Infrastructure under Memorandum of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies. MoAA does not meet the definition of a lease set out in AASB 16.

Note 4 Board fees

4.1 Board and Committee fees

	2020	2019
	\$	\$
Board and Committee fees	17,564	21,351
Total Board fees expenses	17,564	21,351

4.2 Key management personnel

Key management personnel of the Education Standards Board include the Minister, the Chief Executive Officer and Board members.

Total compensation for the Board's key management personnel was \$244,044 (2019: \$247,831).

The compensation disclosed in this note excludes salaries and other benefits the Minister for Education receives. The Minister's remuneration and allowances are set by the Parliamentary Remuneration Act 1990 and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the Parliamentary Remuneration Act 1990

The Board has not identified any material transactions with key management personnel and other related parties during 2019-2020.

Note 5 Employee benefits expenses

	2020	2019
	\$	\$
Salaries and wages	3,066,874	2,958,798
Annual leave	(20,072)	241,925
Long service leave	(107,289)	171,470
Retention leave	(11,074)	8,630
Employment on-costs	635,824	631,715
Workers compensation	-	92,000
Total employee benefits expenses	3,564,263	4,104,538

Note 6 Supplies and services

	2020	2019
	\$	\$
Accommodation	480	122,128
Administration	8,876	7,466
Advertising	3,117	1,514
Contractors – Agency Staff	18,049	7,526
Contractors – General	5,439	67,768
Information technology expenses	10,684	26,166
Insurance	6,046	6,143
Legal expenses	7,060	24,397
Minor equipment	14,610	20,213
Motor vehicle expenses	36,316	47,274
Other Board expenses	7,417	11,598
Postage	2,734	3,442
Printing, stationery and office consumables	85,965	41,578
Operating Lease - Accommodation	546,004	523,570
Service Level Agreement - Others	140,816	79,085
Staff training and development	38,389	47,497
Staff travel expenses	44,714	61,229
Telecommunication expenses	16,743	17,267
ICT Maintenance, hardware and infrastructure	73,642	81,098
Total supplies and services	1,067,101	1,196,959

Accommodation

The Board's accommodation is provided by the Department of Planning, Transport and Infrastructure under Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies. MoAA does not meet the definition of lease set out in AASB 16.

In prior years expenses associated with MoAA have been classified as operating lease payments. Expenses associated with MoAA have been re-classified as accommodation expenses for both the current year and the comparative.

Impact of COVID-19 pandemic on the Education Standards Board

The Board has assessed the impact of the COVID-19 pandemic on operations and the key impact in 2019-20 was a reduction in supplies and services expenditure for a period between March and June 2020 whilst staff were working from home and projects were put on hold. As all staff returned to the office from July 2020, this is not a sustained reduction in expenditure.

Consultants

The number of consultancies and the dollar amount paid/payable (included in supplies and services expenses) to consultants that fell within the following bands:

	No	2020 \$	No	2019 \$
Below \$10 000	1	4,518	0	0
\$10 000 or above	1	19,305	0	0
Total consultants	2	23,823	0	0

Note 7 Other expenses

	2020 \$	2019 \$
Allowances for doubtful debts	-	1,068
Total other expenses	-	1,068

Note 8 Auditors remuneration

	2020 \$	2019 \$
Audit fees paid / payable	22,964	23,352
Total auditors remuneration	22,964	23,352

Note 9 Depreciation and amortisation Expenses

	2020 \$	2019 \$
Motor Vehicles – Leased	11,340	-
Interest Costs Lease – Vehicles	563	-
Total depreciation and amortisation expenses	11,903	-

Under the adoption of the new standard AASB 16 Leases, depreciation on the right-use-assets for motor vehicles have been included. The new standard has been applied using the modified retrospective, comparatives have not been re-stated for 2019. All non-current assets, with a limited useful life, are systematically depreciated or amortised over their useful lives in a manner that reflects the consumption for their service potential.

Note 10 Revenues from fees and charges

	2020	2019
	\$	\$
Regulatory fees	512,040	439,597
Total fees and charges	512,040	439,597

Note 11 Interest revenue

	2020	2019
	\$	\$
Interest on bank accounts	37,579	66,643
Total interest revenue	37,579	66,643

Note 12 Revenue from SA Government

	2020	2019
	\$	\$
Operating grant	4,482,000	4,853,000
Total revenues from SA Government	4,482,000	4,853,000

State budget

At the time of the financial statement is being prepared, the Board is yet to receive the final confirmation of the state budget for 20-21 financial year.

Note 13 Cash at bank

	2020 \$	2019 \$
Cash held in operating accounts	3,989,578	3,792,618
Total cash at bank	3,989,578	3,792,618

Interest rate risk

Cash on hand is non-interest bearing. Deposits at call and with the Treasurer earn a floating interest rate, based on daily bank deposit rates. The carrying amount of cash and cash equivalents represents fair value.

Note 14 Receivables

	2020 \$	2019 \$
Receivables	-	600
Accrued revenues	1,557	6,136
GST input tax credit	-	27,508
Total receivables	1,557	34,244

Interest rate risk

Receivables, prepayments and accrued revenues are non-interest bearing.

It is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

The carrying amounts of all receivables mature within one year.

Categorisation of financial instruments and risk exposure information – Please refer to Note 24.

Note 15 Right of Use Assets

	2020 \$	2019 \$
RoU Assets – Motor Vehicles	21,962	-
Total Right of Use Assets	21,962	-

Expenses related to right-of-use assets recognised, including depreciation and interest expenses, are disclosed in note 9.

Note 16 Payables

	2020	2019
	\$	\$
Current		
Unearned fees and charges	82,818	186,612
Accrued expenses	80,615	46,460
ATO payables	27,810	-
Total current payables	191,243	233,072
Total payables	191,243	233,072

Interest rate and credit risk

Creditors and accruals are raised for all amounts billed but unpaid. Sundry creditors are normally settled within 30 days. Employment on-costs are settled when the respective employee benefit that they relate to is discharged. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

Refer to Note 24 for information as to the categorisation of financial instruments and risk exposure.

Note 17 Employee benefits

	2020	2019
	\$	\$
Current		
Accrued salaries and wages	104,782	87,929
Annual leave	249,925	273,055
Long service leave	467,125	583,688
Skills and experience retention leave	14,259	27,020
Total current employee benefits	836,091	971,692
Expected to be settled more than 12 months after reporting date		
Long service leave	386,006	392,343
Total non-current employee benefits	386,006	392,343
Total employee benefits	1,222,097	1,364,035

Note 18 Workers compensation Provision

	2020	2019
	\$	\$
Provision for workers compensation	120,000	120,000
Total provision for workers compensation	120,000	120,000

The Board is a self-insured entity. This provision is an estimation for workers compensation claims and is based on approximately 3% of total payroll expenses.

Note 19 Office accommodation Provision

	2020	2019
	\$	\$
Provision for office accommodation	122,000	122,000
Total provision for office accommodation	122,000	122,000

This provision is based on an estimate for the make good provision costs, with the building lease ending in 30 June 2020. Note, DPTI has negotiated a 7 year new lease on behalf of the Board. The Board were notified prior to 30 June 2020 that the relocation will be delayed to January 2021, due to criticality of the COVID-19 situation.

Note 20 Lease Liabilities

	2020	2019
	\$	\$
Lease Liabilities – Vehicles	22,176	-
Total lease liabilities	22,176	-

The right-of-use assets related to the lease liabilities are disclosed in note 15.

Note 21 Unrecognised contractual commitments

	2020	2019
	\$	\$
Executive Remuneration commitment		
Commitment for the payment of salaries and other remuneration under fixed-term employment contracts in existence at the reporting date but not recognised as liabilities are payable as follows:		
Within one year	226,480	226,480
Later than one year but not longer than five years	237,028	452,960
Total Executive Remuneration commitment	463,508	679,440

Amounts disclosed include commitments arising from contracts between the Board and executives until July 2022.

Lease commitments

Commitments for the payment of lease agreement in existence at the reporting date but not recognised as liabilities are payable as follows:

Within one year	438,271	222,850
Later than one year but not longer than five years	1,900,227	-
Later than five years	1,045,258	
Total lease commitments	3,383,756	222,850

The Board's lease commitments are for agreements for memoranda of administrative arrangements (MoAA) with the Department of Planning, Transport and Infrastructure for accommodation. The MoAA expires June 2027. These arrangements are not leases as defined under AASB 16.

Note 22 Contingent assets and liabilities

The Board is not aware of any contingent assets and liabilities.

Note 23 Remuneration of board and committee members

The Board members and deputy members who received remuneration for services during the year were:

Ongoing Board Members

Hon John Dawkins AO – Presiding Member (resigned 8 November 2019)

Ms Ann Doolette – Presiding Member (appointed 19 December 2019, was Deputy Presiding Member prior to that.)

Ms Carolyn Grantskalns[^] - Deputy Presiding Member (appointed 19 December 2019, was Board Member prior to that.)

Mr Neil McGoran[^]

Ms Mandy Richardson

Mrs Lynda Secombe[^]

Ms Judith Atkinson

Mr Bruno Vieceli[^]

Ms Vivienne St John Robb* (term ended 28 February 2020)

Ms Karen Weston* (resigned 16 March 2020)

Ms Ksharmra Brandon* (resigned effective 25 May 2020)

Ms Sarah Bartholomeusz (term ended 28 February 2020)

Caroline Croser-Barlow* (appointed 18 June 2020)

Peta Smith* (appointed 18 June 2020)

Christos Tsonis (appointed 29 February 2020)

Noel Mifsud (appointed 29 February 2020)

Trevor Fletcher (appointed 29 February 2020)

Greg Hayes (appointed 29 February 2020)

Ms Catherine Ryan (term ended 28 February 2020)

Deputy Board Members

Mr Adam Moller (appointed 29 February 2020)

Mr Andrew Wells* (appointed 29 February 2020)

Ms Laura Paulus (appointed 29 February 2020)

Ms Cathy France

Mr Nicholas Hatelty

Ms Barbara Langford

Ms Monica Conway[^]

Ms Mary Carmody[^]

Mr Ian Lamb*

Mr Jonathon Measday (term ended 28 February 2020)

Mr Michael Jacobs (term ended 28 February 2020)

Mr Tony Lunniss* (term ended 28 February 2020)

The number of members whose remuneration received or receivable falls within the following bands:	2020	2019
\$1 - \$9 999	16	14
Total number of members	16	14

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees. The total remuneration received or receivable by members was \$17,564 (See Note 4).

*In accordance with the Department of Premier and Cabinet Circular No. 016, Government employees did not receive any remuneration for board/committee duties during the financial year.

^Remuneration of members is paid to their nominating organisation.

No transactions were conducted with Board members or their deputies on more favourable terms and conditions than would have been adopted if dealing with an arm's length transactions in the same circumstances.

In addition, our Board is supported by two working groups that report directly to the Board as follows:

Internal Review of Decisions Committee

Responsible for conducting internal reviews of its regulatory decisions, and encompasses both early childhood services and schools.

Schools Disciplinary Committee

Responsible for considering serious grievances made against schools and where appropriate the handling of disciplinary matters concerning complaints under the Act.

Note 24 Financial instruments/Financial risk management

Table 24.1 Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 2 Summary of Significant Accounting Policies.

Category of financial asset and financial liabilities	Statement of Financial Position line item	Note	Carrying amount 2020 \$	Fair value 2020 \$	Carrying amount 2019 \$	Fair value 2019 \$
Financial assets						
Cash and cash equivalents	Cash at bank	13	3,989,578	3,989,578	3,792,618	3,792,618
Receivables	Receivables	14	1,557	1,557	34,244	34,244
Total financial assets			3,991,135	3,991,135	3,826,862	3,826,862
Financial liabilities						
Financial liabilities	Payables	16	(191,243)	(191,243)	(233,072)	(233,072)
Total financial liabilities			(191,243)	(191,243)	(233,072)	(233,072)

24.2 Credit risk

Credit risk arises when there is the possibility of the Board’s debtors defaulting on their contractual obligations resulting in financial loss to the Board. The Board measures credit risk on a fair value basis and monitors risk on a regular basis.

The Board has minimal concentration of credit risk. The Board has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. The Board does not engage in high risk hedging for its financial assets.

24.3 Liquidity risk

Liquidity risk arises where the Board is unable to meet its financial obligations as they are due to be settled. The Board is funded principally from an Operating Grant from the SA Government through SA Government budgetary processes to meet the expected cash flows. The Board settles undisputed accounts within 30 days from the date the invoice is first received. In the event of a dispute, payment is made 30 days from resolution.

The Board exposure to liquidity risk is insignificant based on past experience and current assessment of risk. The Board’s exposure to liquidity relates to Payables in the ordinary course of business.

24.4 Market risk

The Board is not exposed to any market Risk.

24.5 Sensitivity disclosure analysis

A sensitivity analysis has not been undertaken for the interest rate risk of the Board as it has been determined that the possible impact on profit and loss or total equity from fluctuations in interest rates is immaterial.

Note 25 Events after the reporting period

There were no events after balance date which will materially impact on the financial report.