



**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 2018–19

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To:

The 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 Management 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.

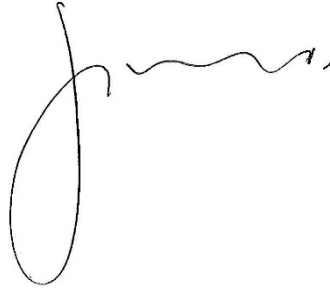
Submitted on behalf of the Education Standards Board by:

John Dawkins

Presiding Member

Date: 28 August 2019

Signature:

A handwritten signature in black ink, appearing to be 'John Dawkins', written over a horizontal line.

From the Presiding Member of the Board



John Dawkins
Presiding Member
Education Standards Board

I am very pleased to present the Education Standards Board 2018–2019 annual report.

Following a few years of significant change for the organisation, this year has been focused on consolidation. I am pleased to report that our work this year has contributed to maintaining and enhancing the quality of South Australian providers.

High-quality school education and early childhood education and care are central to our work. It is what every child deserves and what families and the South Australian community expect.

We have bedded down our contemporary regulatory approach. This approach is risk-based, focused on continuous improvement and supports the education and care and schooling sectors. We have achieved this while not overburdening providers and schools with unnecessary regulation and ensuring our regulatory responses are appropriate.

Our registration reviews of government and non-government schools continue to show that schools are not only meeting the required standards but are proudly showcasing examples of innovation and best practice. This is a fantastic illustration of South Australia's high-quality education system.

Nationally, our state has the highest percentage of early childhood services rated as *Exceeding* the National Quality Standard. We continue to work closely with services that are still *Working Towards* this standard. This year 82% of our early childhood services are *Meeting* NQS or above.

There are many contributors to high-quality schooling and early childhood education and care. Our goal has always been to work with the education sectors by fostering respectful partnerships and promoting the National Quality Framework for the early childhood providers.

Finally, I would like to acknowledge board members and the efforts of Education Standards Board employees for all their hard work during the year. This work supports children and young people in South Australia to have access to high-quality education, care and early childhood services.

A handwritten signature in black ink, appearing to read 'John Dawkins', written in a cursive style.

John Dawkins
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
Minister for Education.....	7
Our executive team.....	8
Legislation administered by the agency.....	9
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.....	11
Agency specific objectives and performance.....	12
Corporate performance summary.....	23
Employment opportunity programs.....	23
Agency performance management and development systems.....	23
Work health, safety and return to work programs.....	24
Executive employment in the agency.....	26
Financial performance	27
Financial performance at a glance.....	27
Consultants disclosure.....	28
Contractors disclosure.....	28
Other information.....	29
Risk management	30
Risk and audit at a glance.....	30
Fraud detected in the agency.....	30
Strategies implemented to control and prevent fraud.....	30
Whistle-blowers disclosure.....	30
Reporting required under any other act or regulation	31
Reporting required under the <i>Carers’ Recognition Act 2005</i>	31

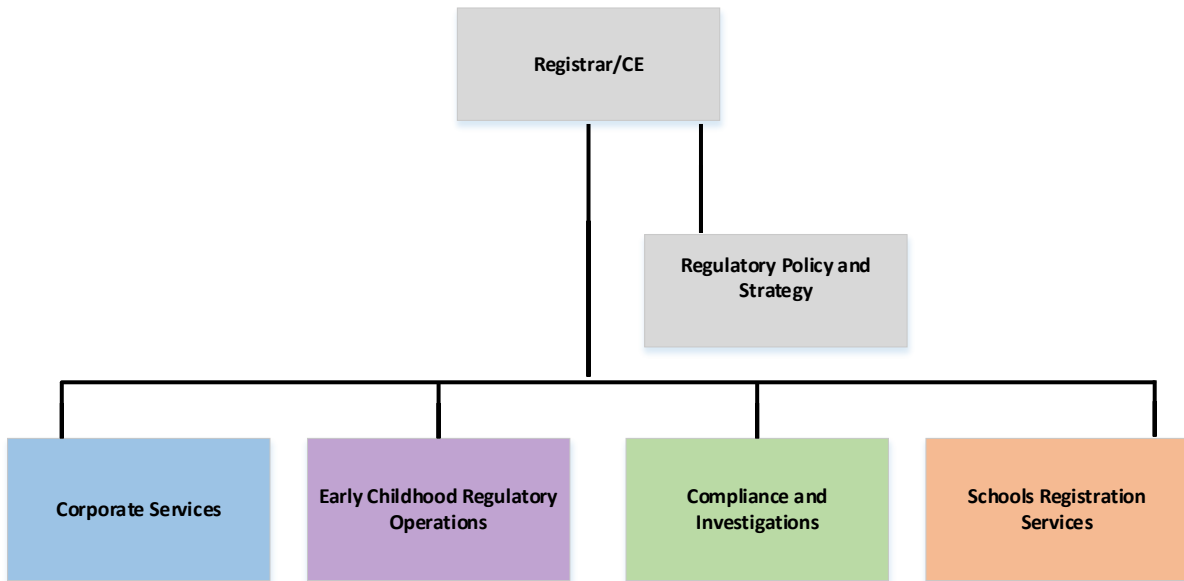
Public complaints.....	32
Number of public complaints reported	32
Appendix: Audited financial statements 2018–19	33

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:</p> <ul style="list-style-type: none"> • to promote the provision of high-quality education and care services from early childhood to senior schooling • to support best possible outcomes for children • to give families confidence in a diverse range of schools and education and care services • to 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 2018–19 there were no changes to the agency’s structure and objectives as a result of internal reviews or machinery of government changes.

Minister for Education

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.

The Hon. John Gardner was appointed Minister for Education after the March 2018 state election, having previously served as shadow minister in this portfolio since January 2016. He is also the Leader of Government Business in the South Australian House of Assembly.



*John Gardner
Minister for Education*

Our executive team



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

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).

Anna Cheung 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.

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

This year all eligible education and care services were assessed and provided a rating against the National Quality Standard (NQS). At 30 June 2019, 99.3% of eligible South Australian services had a rating, with 82% either *Meeting* or *Exceeding* the NQS. The NQS is important as it drives quality and continuous improvement in children's education and care.

Our focus this year has been to increase our support to services rated as *Working Towards* the NQS. We have achieved this by increasing and expanding our educative focus, including customised engagement sessions and more frequently visiting services to support their understanding of the requirements. The number of services that now meet or exceed the standard has increased. In total, 139 services have improved their quality rating since 1 July 2018.

One of our main goals as an organisation is to improve the educational and developmental outcomes for children. So it has been gratifying to see that, with support and education, many more services have reached this level.

Reviewing schools registration against the *Standards for registration and review of registration* continued to be a focus throughout the 2018–2019 year. A selection of government and non-government schools were identified for review, and all schools were verified as meeting the Standards. On completion of the process, principals were invited to participate in an online survey. In total, 53% responded and confirmed that the review process was valuable and an opportunity to ensure that the key requirements for any school are in place and current and relevant.

Agency contribution to whole-of-government objectives

Key objective	Agency's contribution
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, and the public can have confidence in the operation of these services.

Agency specific objectives and performance

Agency objective	Indicators	Performance
Approve early childhood providers and services that meet the legislative requirements	<ul style="list-style-type: none"> Applications processed within legislated time frames 	<p>Thirty-five applications for provider approval and 64 applications for service approval were approved in this period. Of these, 99.8% were finalised within legislated time frames.</p> <p>New services are approved in a timely manner to ensure providers can commence operation as soon as practicable and families have a choice from a diverse range of approved services to meet their particular needs.</p>

Agency objective	Indicators	Performance
Monitor approved services to ensure compliance and to provide support and promote continuous improvement	<ul style="list-style-type: none"> Services are better supported to understand the requirements to maintain compliance with the National Law 	<p>We conducted 330 monitoring visits during this period. A monitoring visit to a service can be made for a range of purposes, including identified or emerging risks. A range of interventions, strategies and targeted campaigns are used to support and educate services to achieve improvements and compliance. Monitoring services supports compliance with the regulatory framework and enhances public confidence in their operations.</p>

Agency objective	Indicators	Performance
<p>Promote compliance with the law and engage effectively with the ECS sector</p>	<ul style="list-style-type: none"> Reduction in the number of education and care services that are rated as <i>Working Towards</i> the National Quality Standard (rather than <i>Meeting</i> NQS) 	<p>At 30 June 2019 there were 205 education and care services rated as <i>Working Towards</i>, compared to 282 at 30 June 2018.</p> <p>To support providers and services understand the standards we allocated resources to facilitate a range of engagement sessions. In addition, and at the request of providers, we offered specific sessions for approved providers to clarify requirements for compliance with particular parts of the law and regulations.</p> <p>The open dialogue in these sessions leads to greater understanding for all participants. Providers develop a better understanding of the requirements of the National Quality Framework. We gain insight into the issues and pressures facing providers.</p> <p>In addition, we actively promoted compliance with the National Law during our investigation work. This included providing advice and guidance to approved providers.</p> <p>Where we identified that a compliance issue may be relevant to other services too, we communicated about the issue via our newsletter and website.</p>

Agency objective	Indicators	Performance
Assess and rate early childhood services against the National Quality Standard	<ul style="list-style-type: none"> 100% of eligible education and care services assessed and rated (or as close to 100% as possible) 	<p>All eligible services are assessed and rated within 12 months of commencing operations. As at 30 June 2019, 99.3% of eligible services have a quality rating (or 95% of <i>all</i> services). See table 1.</p> <p>The National Quality Standard provides indicators that are used to rate the quality of a service across a broad range of areas including their educational program, health and safety, relationships with children and leadership.</p> <p>When services are assigned a quality rating they can compare their rating with other services and use the rating to consider which aspects of their service they plan to improve.</p> <p>Families, when choosing a service to use, can refer to the ratings as a factor in deciding which service they prefer.</p> <p>The public can have confidence in the operation of education and early childhood service providers.</p>

Table 1: Number of *services by type and percentage of totals with a finalised quality rating

	Long day care	Preschool	Out-of-school-hours care	Family day care	Totals	% with an assessment & rating
2015–16	352	404	375	37	1168	55%
2016–17	361	403	376	31	1171	81%
2017–18	387	394	376	15	1172	91%
2018–19	395	407	379	12	1193	95%

*Early childhood services become eligible to be assessed and rated 12 months after commencing operations. At the end of the period, 99.3% of *eligible* services had a quality rating but 95% of *all* services had a quality rating.

Table 2: Number* (and percentage^) of services at each quality rating of the National Quality Standard

Year	Working Towards		Meeting		Exceeding		Excellent
	Number	Percentage	Number	Percentage	Number	Percentage	
2015–16	211	33%	154	24%	269	42%	8
2016–17	290	31%	222	23%	432	46%	5
2017–18	282	26%	262	25%	515	48%	7
2018–19	205	18%	370	33%	545	48%	8

*The total number of services with a rating has increased each year as services have been rated for the first time. The total number should be more stable in future, since over 99% of eligible services have now been rated.

^The trend is that more services are Meeting or Exceeding the National Quality Standard.

Agency objective	Indicators	Performance
<p>Take action if providers are not operating in compliance with the law</p>	<ul style="list-style-type: none"> • Conduct investigations when breaches of the <i>Education and Care Services National Law (South Australia)</i> are reported, suspected or identified • Carry out a risk assessment for notifications within 24 hours of receiving them • Take action when breaches of the National Law have been confirmed 	<p>During 2018–19, our compliance actions included the cancellation of two provider approvals and three associated service approvals at long day care services. These actions were not taken lightly but resulted from evidence of practices that constituted an unacceptable risk to the safety, health and wellbeing of children.</p> <p>Approved providers are required to notify us of changes to the operation of their services and incidents that affect children. Table 3 shows an increase in the number of notifications by providers. This increase was an outcome of targeted stakeholder engagement and education informing providers of their obligations under the legislation.</p> <p>Investigations have decreased in number. When appropriate, matters are now referred back to approved providers and services to be dealt with in accordance with their complaint management policies. We maintain oversight and may intervene if necessary.</p> <p>Table 4 shows a decrease in the number of suspensions and cancellations of provider and service approvals. This positive outcome was achieved through an increase in our educative role, informing the sector of what is required to be compliant. Our regulatory approach ensures that action we take in response to non-compliance is proportionate to the level of risk and the provider’s capability and willingness to comply and improve.</p>

Agency objective	Indicators	Performance
Take action if providers are not operating in compliance with the law (cont.)	<ul style="list-style-type: none"> Conduct investigations when breaches of the <i>National Law</i> are reported, suspected or identified, etc. (cont.) 	On average, we assess 36 notifications, complaints and other submissions each week. We conduct risk assessments within 24 hours of receiving a notification to ensure the most serious are prioritised and allocated to investigators.

Table 3: Notifications, complaints and investigations

	Notifications	Complaints	Investigations
2015–16	1238	347	299
2016–17	1537	332	335
2017–18	1348	277	400
2018–19	1599	267	319

Table 4: Regulatory action taken against educators, providers and services

	Issue of prohibition notice (educators)	Suspensions (providers and services)	Cancellations (providers and services)
2015–16	6	8	8
2016–17	10	11	6
2017–18	1	10	91
2018–19	1	2	2

Note: For the period 2017–2018, a significant number of providers and services were cancelled due to their not commencing operation within a 12-month period (as required by the National Law).

Agency objective	Indicators	Performance
<p>Contribute to the National Quality Framework (NQF) Review 2019</p>	<ul style="list-style-type: none"> • Contribute to the consultation process • Identify issues to be included in the review • Contribute to policy positions on issues that may become part of the review 	<p>In collaboration with the Department for Education, seven consultation sessions were presented across city and regional locations. Parents, service providers and educators attended. The majority of participants were from long day care and out-of-school-hours-care services. One meeting focused on the views of peak bodies. However other service types, including some that are currently out of the scope of the current National Law, were represented. People could also respond in writing or complete an online survey.</p> <p>The information collected will be considered in the development of a Consultation Regulatory Impact Statement (CRIS) later in 2019. This statement will present possible options for changes to improve the National Law. The comments received will influence any decisions.</p> <p>We also worked closely with the Department for Education to develop agreement between all the Australian governments on which options should be included for discussion in the CRIS.</p>

Agency objective	Indicators	Performance
Register schools	<ul style="list-style-type: none"> Number of schools registered by school type Number of successful applications for new schools 	<p>At 30 June 2019 there were 723 schools registered: 513 government, 108 Independent and 102 Catholic.</p> <p>There were seven registrations of new schools during the year.</p> <p>An Independent for-profit school was eligible for registration on the Schools Register and endorsed on CRICOS.</p> <p>Schools are registered once they meet the <i>Standards for registration and review of registration</i>.</p> <p>Registration gives families confidence that the instruction offered is satisfactory and the school adequately provides for the safety, health and welfare of its students.</p> <p><i>See tables 5 and 6, below.</i></p>

Table 5: Registered schools by sector

	2014–15	2015–16	2016–17	2017–18	2018–19
Government	529	525	519	514	513
Independent	96	100	103	102	108
Catholic	104	103	103	102	102
Totals	729	728	725	718	723

Table 6: Schools in SA as of 30 June 2019

	Primary	Secondary	Combined	Totals
Non-government	102	29	79	210
Government	354	71	88	513
Totals	456	100	167	723

Agency objective	Indicators	Performance
<p>Maintain the Schools Register</p>	<ul style="list-style-type: none"> • Number of changes to the register • Types of registration changes or registration activity 	<p>We maintain the Schools Register, comprising government and non-government schools. There were 104 applications from registered schools seeking changes to the Schools Register during 2018–19.</p> <p>Conditions on registration were placed on three schools. These were lifted during the reporting period. All schools were able to fully meet the <i>Standards for registration and review of registration of schools in South Australia</i> and commence delivery of education services.</p> <p>Two schools were removed from the Schools Register on application of the school, in accordance with s. 46 (1a) of the <i>Education and Early Childhood Services (Registration and Standards) Act 2011 (SA)</i>.</p> <p>Thirty-six Catholic primary schools changed registration from R–7 to R–6 as part of the Catholic Education’s ‘Year 7s into high school’ strategy.</p>

Agency objective	Indicators	Performance
Review the registration of schools	<ul style="list-style-type: none"> • Number of schools reviewed since July 2018 by sector • Number of schools meeting the <i>Standards for registration and review of registration of schools in South Australia</i> 	<p>All schools have ongoing registration, and from this a sample of 17 schools had their registration reviewed in 2018–19. These were seven government and 10 non-government schools. (See <i>table 7, below.</i>) Twelve of the schools were in metropolitan Adelaide and five were in country or rural SA.</p> <p>All of these schools met the <i>Standards for registration and review of registration of schools in SA.</i> (This is a requirement of ongoing registration for every school.)</p> <p>We provided guidance and support to each school undergoing a review.</p>

Table 7: Reviews of registration: number and type of schools (school sector)

	Government	Catholic	Independent
Primary	4	1	1
Secondary	1	1	2
Combined	2	2	3
Total: 17	7	4	6

Agency objective	Indicators	Performance
Endorse registered schools for registration on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS)	<ul style="list-style-type: none"> • Number of schools endorsed for registration on CRICOS • Number of changes made to PRISMS (Provider Registration and International Student Management System) database 	<p>A total of 175 schools are endorsed for registration on CRICOS, including one new school in 2018–19.</p> <p>There were 150 changes made to PRISMS. Of these, 85% were for government schools.</p> <p>Only schools approved on CRICOS can offer education to overseas students.</p>

Table 8: SA schools approved on CRICOS register

	Government	Non-government	Total
Primary	60	0	60
Secondary	56	12	68
Combined	19	28	47
Totals	135	40	175

Corporate performance summary

Corporate services highlights for the year included:

- implementing a new electronic records management system called SharePoint
- launching a redesigned, easier-to-use website and monthly newsletter
- revising our logo and corporate look so our name and purpose are stronger and clearer
- implementing online entry of timesheets and leave applications, including automated paperless workflows linked to Shared Services SA
- provided iPads to authorised officers for more efficient recording of evidence at assessment and rating visits and subsequent report writing.

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 2018–19, 100% of employees participated in a documented performance management and development review in the previous six months. These reviews inform the planning of professional development and training of staff.

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) • employee assistance program (see below) • information about workplace safety and wellbeing. <p>This year, managers completed mental-health first-aid training. This has helped them become more aware of how to recognise and respond to mental-health issues in the workplace. In addition, all staff attended a session on resilience run by a psychologist.</p> <p>Training provided to all wardens and WHS committee members during the year included:</p> <ul style="list-style-type: none"> • emergency skills procedures training • emergency evacuation exercise training.
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>One incident was reported by staff during 2018–19, but this incident was not notifiable.</p>

Workplace injury claims	2018–19	2017–18	% Change (+ / -)
Total new workplace injury claims	0	0	0
Fatalities	0	0	0
Seriously injured workers*	0	0	0
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	0	0

*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	2018–19	2017–18	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	0	0	0
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	0	0	0

Return to work costs**	2018–19	2017–18	% Change (+ / -)
Total gross workers compensation expenditure (\$)	0	0	0
Income support payments – gross (\$)	0	0	0

**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 2018–19 are attached to this report.

Statement of Comprehensive Income	2018–19 Budget \$000s	2018–19 Actual \$000s	Variation \$000s	2017–18 Actual \$000s
Expenses	5,322	5,347	25	5,782
Revenues	469	506	37	2,101
Net cost of providing services	4,853	4,841	12	3,681
Net Revenue from SA Government	4,853	4,853	0	3,686
Net result	0	12	12	5
Total Comprehensive Result	0	12	12	5

Statement of Financial Position	2018–19 Budget \$000s	2018–19 Actual \$000s	Variation \$000s	2017-18 Actual \$000s
Current assets	3,483	3,826	343	3,483
Non-current assets	0	0	0	0
Total assets	3,483	3,826	343	3,483
Current liabilities	1,508	1,839	331	1,508
Non-current liabilities	0	0	0	0
Total liabilities	1,508	1,839	331	1,508
Net assets	1,975	1,987	12	1,975
Equity	1,975	1,987	12	1,975

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
Nil to report	n/a	n/a

Consultancies with a contract value above \$10 000 each

Consultancies	Purpose	\$ Actual payment
Nil to report	n/a	n/a

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	\$30 630

Contractors with a contract value above \$10 000 each

Contractors	Purpose	\$ Actual payment
Bonita Kennedy	Record management	\$18 485
Captovate Pty Ltd	Website management	\$13 840
Diverse Information Solutions	Record management	\$24 375
Empired Limited	ICT maintenance and support	\$61 040
Ernst & Young	Auditing services	\$21 560
Michelle Lyon-Green Consulting	HR projects and workshop	\$10 910
	Total	\$150 210

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

Risk and audit at a glance

Nil to report

Fraud detected in the agency

Category/nature of fraud	Number of instances
The ESB did not identify any instances of fraud in the agency during 2018–19.	0

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

Strategies implemented to control and prevent fraud

The ESB 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 ESB has never 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>.

Whistle-blowers disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Whistleblowers Protection Act 1993*:

0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/d01c60f5-ad9c-46a4-bcd8-69247e52c99f>.

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

The ESB is not aware of any complaints but did receive some informal positive feedback during the year. We have set up a system to collect complaints, feedback (positive and negative) and any resulting service improvements for 2019–20.

Data for previous years is available at:

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

Appendix: Audited financial statements 2018–19

FINANCIAL STATEMENTS 2019

FOR EDUCATION STANDARDS BOARD

For the year ended

30 June 2019



Government
of South Australia

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 2019, 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 2019, 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 (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.

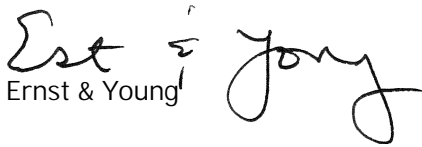
Auditor's Responsibilities for the Audit of the Financial Report

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.

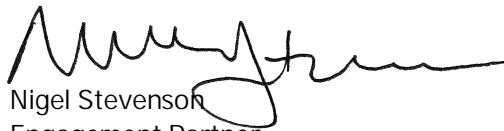
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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.

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.



Ernst & Young



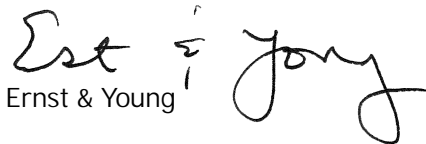
Nigel Stevenson
Engagement Partner
Adelaide
13 August 2019

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 2019, 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.



Ernst & Young



Nigel Stevenson
Partner
13 August 2019

**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 2019 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
Registrar

13 August 2019



Ms Anna Cheung
Manager, Corporate Services

13 August 2019

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

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2019

	Note No.	2019 \$	2018 \$
Expenses			
Board fees	4	21,351	24,213
Employee benefits expenses	5	4,104,538	3,716,513
Supplies and services	6	1,196,959	1,487,965
Other expenses	7	1,068	2,212
Auditors remuneration	8	23,352	23,309
Grants and subsidies	9	-	527,718
Total expenses		5,347,268	5,781,930
Income			
Revenues from fees and charges	10	439,597	459,477
Interest revenue	11	66,643	60,343
Commonwealth Revenue	12	-	1,580,933
Total Income		506,240	2,100,753
Net Cost of Providing Services		(4,841,028)	(3,681,177)
Revenues from SA Government	13	4,853,000	3,686,000
Net result		11,972	4,823
Total Comprehensive income		11,972	4,823

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 2019

	Note No	2019 \$	2018 \$
Current assets			
Cash and cash equivalents	14	3,792,618	3,280,378
Receivables	15	34,244	203,063
Total assets		3,826,862	3,483,441
Current liabilities			
Payables	16	233,072	288,618
Employee benefits	17	971,692	870,637
Workers compensation provision	18	120,000	28,000
Office Accommodation provision	19	122,000	-
Total current liabilities		1,446,764	1,187,255
Non-current liabilities			
Employee benefits	17	392,343	320,403
Total non-current liabilities		392,343	320,403
Total liabilities		1,839,107	1,507,658
Net Assets		1,987,755	1,975,783
Equity			
Retained earnings		1,987,755	1,975,783
Total Equity		1,987,755	1,975,783
The total equity is attributable to the SA Government as owner			
Unrecognised contractual commitment	20	902,290	864,899

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 2019

	Retained earnings
	\$
Balance at 30 June 2017	1,970,960
Total comprehensive result for 2017-2018	4,823
Balance at 30 June 2018	1,975,783
Total comprehensive result for 2018-2019	11,972
Balance at 30 June 2019	1,987,755

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 2019

	Note No.	2019 \$	2018 \$
Cash flows from operating activities			
Cash outflows			
Employee benefit payments		(3,739,400)	(3,830,412)
Payments for supplies and services		(1,261,204)	(1,468,838)
Payments of grants and subsidies	9	-	(527,718)
Cash used in operations		(5,000,604)	(5,826,968)
Cash inflows			
Fees and charges		593,201	221,391
Grants from Commonwealth Government	12	-	1,580,933
Interest received		66,643	60,343
Cash generated from operations		659,844	1,862,667
Cash flows from SA Government			
Receipts from SA Government	13	4,853,000	3,686,000
Cash generated from SA Government		4,853,000	3,686,000
Net cash provided by/(used in) operating activities		512,240	(278,301)
Cash and cash equivalents at the beginning of the period			
		3,280,378	3,558,679
Cash and cash equivalents at the end of the period			
	14	3,792,618	3,280,378

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
Grants and subsidies	Note 9
Income notes	
Revenues from fees and charges	Note 10
Interest revenues	Note 11
Commonwealth Revenue	Note 12
Revenue from SA Government	Note 13
Asset notes	
Cash at bank	Note 14
Receivables	Note 15
Liability notes	
Payables	Note 16
Employee benefits	Note 17
Workers compensation provision	Note 18
Office accommodation provision	Note 19
Other notes	
Unrecognised contractual commitments	Note 20
Contingent assets and liabilities	Note 21
Remuneration of board and committee members	Note 22
Financial instruments/financial risk management	Note 23
Events after the reporting period	Note 24

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 2019 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 2019 and before the date the financial statements are authorised for issue, where those events provides information about conditions that existed at 30 June 2019.

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 2018-2019.

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, 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, as the current lease agreement ends November 2019.

The Board has performed a preliminary assessment over each lease type, and the effect of AASB 16 is estimated to have the following impact as at 30 June 2020.

Statement of Financial Position	\$
Right of Use Assets	21,533
Lease liabilities	(21,868)
Statement of Comprehensive Income	\$
Depreciation and amortisation expensive	11,155
Borrowing costs	869

Note 4 Board fees

	2019	2018
	\$	\$
Board and Committee fees	21,351	23,962
Superannuation	-	251
Total Board fees expenses	21,351	24,213

Note 5 Employee benefits expenses

	2019	2018
	\$	\$
Salaries and wages	2,958,798	2,987,727
Long service leave	171,470	(45,715)
Annual leave	241,925	179,537
Skills and experience retention leave	8,630	4,321
Employment on-costs	631,715	590,643
Workers compensation	92,000	-
Total employee benefits expenses	4,104,538	3,716,513

Note 6 Supplies and services

	2019	2018
	\$	\$
Accommodation	122,128	2,137
Administration	7,466	4,653
Advertising	1,514	2,021
Contractors – Agency Staff	7,526	33,477
Contractors – General	67,768	129,587
Information technology expenses	26,166	89,410
Insurance	6,143	7,149
Legal expenses	24,397	13,951
Minor equipment	20,213	92,878
Motor vehicle expenses	47,274	44,953
Other Board expenses	11,598	15,710
Postage	3,442	4,336
Printing, stationery and office consumables	41,578	32,202
Service Level Agreement - Accommodation	523,570	532,803
Service Level Agreement - Others	79,085	103,532
Staff training and development	47,497	74,083
Staff travel expenses	61,229	94,427
Telecommunication expenses	17,267	16,551
ICT Maintenance, hardware and infrastructure	81,098	194,105
Total supplies and services	1,196,959	1,487,965

Note 7 Other expenses

	2019	2018
	\$	\$
Allowances for doubtful debts	1,068	2,212
Total other expenses	1,068	2,212

Note 8 Auditors remuneration

	2019	2018
	\$	\$
Audit fees paid / payable	23,352	23,309
Total auditors remuneration	23,352	23,309

Note 9 Grants and subsidies

	2019	2018
	\$	\$
Recurrent Grant (paid to ACECQA)	-	527,718
Total grants and subsidies	-	527,718

Prior to 2018-19 financial year, in accordance with the National Partnership Agreement (NPA) on the National Quality Agenda for Early Childhood Education and Care, the Board contributed to the operational funding for Australian Children's Education and Care Quality Authority (ACECQA).

The grants and subsidies consisted of ACECQA's operational funding per NPA, ACECQA IT operational funding and the 10% reimbursement of the fee revenue received for Early Childhood Services to the ACECQA.

The NPA ceased on 30 June 2018, consequently the Australian Government replaced this contribution to ACECQA, therefore, there is no ACECQA related expenses for the Board for 2018-19.

Note 10 Revenues from fees and charges

	2019	2018
	\$	\$
Regulatory fees	439,597	457,477
Other fees	-	2,000
Total fees and charges	439,597	459,477

Note 11 Interest revenue

	2019	2018
	\$	\$
Interest on bank accounts	66,643	60,343
Total interest revenue	66,643	60,343

Note 12 Commonwealth Revenue

	2019	2018
	\$	\$
National Partnership Payment	-	1,580,933
Total Commonwealth revenue	-	1,580,933

The National Partnership Agreement between the Commonwealth and State/Territory governments for the provision of assessment and rating of services concluded on 30 June 2018. Consequently, the Commonwealth revenue ceased.

Note 13 Revenue from SA Government

	2019	2018
	\$	\$
Operating grant	4,853,000	3,686,000
Total revenues from SA Government	4,853,000	3,686,000

Note 14 Cash at bank

	2019	2018
	\$	\$
Cash held in operating accounts	3,792,618	3,280,378
Total cash at bank	3,792,618	3,280,378

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 15 Receivables

	2019	2018
	\$	\$
Receivables	600	300
Accrued revenues	6,136	9,095
GST input tax credit	27,508	193,668
Total receivables	34,244	203,063

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 23.

Note 16 Payables

	2019 \$	2018 \$
Current		
Unearned fees and charges	186,612	200,247
Accrued expenses	46,460	88,371
Total current payables	233,072	288,618
Total payables	233,072	288,618

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 22 for information as to the categorisation of financial instruments and risk exposure.

Note 17 Employee benefits

	2019 \$	2018 \$
Current		
Accrued salaries and wages	87,929	84,109
Annual leave	273,055	288,246
Long service leave	583,688	475,096
Skills and experience retention leave	27,020	23,186
Total current employee benefits	971,692	870,637
Expected to be settled more than 12 months after reporting date		
Long service leave	392,343	320,403
Total non-current employee benefits	392,343	320,403
Total employee benefits	1,364,035	1,191,040

Note 18 Workers compensation Provision

	2019 \$	2018 \$
Provision for workers compensation	120,000	28,000
Total provision for workers compensation	120,000	28,000

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

	2019	2018
	\$	\$
Provision for office accommodation	122,000	-
Total provision for office accommodation	122,000	-

This provision is based on an estimate for the make good provision costs, with the building lease ending in November 2019.

Note 20 Unrecognised contractual commitments

	2019	2018
	\$	\$
Remuneration commitments		
Commitments 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	203,000
Later than one year but not longer than five years	452,960	9,455
Total remuneration commitments	679,440	212,455

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	222,850	459,734
Later than one year but not longer than five years	-	192,710
Total lease commitments	222,850	652,444

Amounts disclosed include commitments arising from lease agreement until November 2019.

Note 21 Contingent assets and liabilities

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

Note 22 Remuneration of board and committee members

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

Name

Ongoing Board Members

Hon John Dawkins AO – Presiding Member	Ms Sarah Bartholomeusz
Ms Ann Doolette – Deputy Presiding Member	Mr Neil McGoran^
	Ms Mandy Richardson
Ms Catherine Ryan	Ms Vivienne St John Robb*
Ms Carolyn Grantskalns^	Mrs Lynda Secombe^
Mr Bruno Vieceli^	Ms Judith Atkinson
Ms Helen Doyle*(resigned February 2019)	Ms Karen Weston*
	Ms Ksharmra Brandon* (appointed 14 March 2019)

Deputy Board Members

Ms Cathy France	Deputy to Ms Carolyn Grantskalns
Mr Nicholas Hatelty	Deputy to Mrs Lynda Secombe
Ms Barbara Langford	Deputy to Ms Judith Atkinson
Ms Monica Conway^	Deputy to Dr Neil McGoran
Ms Mary Carmody^	Deputy to Mr Bruno Vieceli
Mr Jonathon Measday	Deputy to Ms Mandy Richardson
Mr Michael Jacobs	Deputy to Ms Sarah Bartholomeusz
Mr Tony Lunniss*	Deputy to Ms Karen Weston
Mr Ian Lamb*	Deputy to Ms Ksharmra Brandon*

Internal Review of Decisions Committee

Ms Sarah Bartholomeusz
Mr Michael Jacobs
Ms Vivienne St John Robb*
Ms Lynda Secombe^

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

The number of members whose remuneration received or receivable falls within the following bands:	2019	2018
\$1 - \$9 999	14	18
Total number of members	14	18

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees. The total remuneration received or receivable by members was \$21,351 (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 23 Financial instruments/Financial risk management

Table 23.1 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 2019 \$	Fair value 2019 \$	Carrying amount 2018 \$	Fair value 2018 \$
Financial assets						
Cash and cash equivalents	Cash at bank	14	3,792,618	3,792,618	3,280,378	3,280,378
Receivables	Receivables	15	34,244	34,244	203,063	203,063
Total financial assets			3,826,862	3,826,862	3,483,441	3,483,441
Financial liabilities						
Financial liabilities	Payables	16	(233,072)	(233,072)	(288,618)	(288,618)
Total financial liabilities			(233,072)	(233,072)	(288,618)	(288,618)

23.2 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.

23.3 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.

23.4 Market risk

The Board is not exposed to any market Risk.

23.5 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 24 Events after the reporting period

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