



# SACE Board of South Australia

## **2020 Annual Report**



**Government  
of South Australia**

SACE Board of South Australia

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ISSN: 2205-1708

Date presented to Minister: 31 March 2021

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 *SACE Board of South Australia Act 1983*, *Public Sector Act 2009*, the *Public Sector Regulations 2010* 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 SACE Board of South Australia by:

**Professor Martin Westwell**

**Chief Executive**

Date 26 March 2021

Signature Martin Westwell

## From the Chief Executive



In a year like no other, we worked in close partnership with schools in South Australia, the Northern Territory, and our SACE International program throughout the COVID-19 global pandemic to honour our collective promise – that students would continue their learning.

This partnership approach was a real strength as together we navigated the challenges of remote online learning, continuing the learning and having a SACE certificate that was as robust as certificates of the past or future.

We responded swiftly in Term 1, by supporting schools and teachers to use the flexibilities of the SACE to continue the learning.

We worked with more than 1,000 teachers in Term 1 to co-construct temporary modifications to 35 SACE subjects. We still assessed the students' full range of knowledge and skills, but trusted teachers with the flexibility to reduce an assessment task, if they needed to.

As the school year unfolded, we kept school communities regularly updated in a variety of ways. The COVID-19 portal on the SACE website provided the latest information for students, teachers, and parents, while we sent regular communication updates to schools.

We provided reassurance for students through our series of *You Can Ask That!* videos with SATAC Chief Executive Officer Stuart Mossman, and TAFE SA Chief Executive David Coltman, where together we answered students' questions on SATAC and VET processes. The videos were viewed 42,000 times on the SACE Board Facebook page and YouTube channel.

Throughout 2020, our message was clear about end-of-year exams – they would go ahead with the same dates and arrangements in place. We worked with curriculum and assessment authorities in the other states and territories to ensure there was a nationally consistent approach to the timing of exams.

My team worked behind the scenes to support international students enrolled in SACE Stage 2 subjects to sit their exams, despite the COVID-19 international travel restrictions.

The disruption caused by COVID-19 also saw oral examinations for all language subjects conducted online via Zoom for the first time. In a short space of time, we

successfully worked in close partnership with schools to ensure they were supported and ready to deliver oral exams for their students in this new way.

We fulfilled our promise that students would sit their end-of-year exams, which included an expansion of our electronic examination program from three to nine subjects in 2020. This included the incorporation of multimedia in examinations in Psychology, Modern History and Indonesian.

Unfortunately, a system failure saw the cancellation of the Psychology examination. We were extremely disappointed and shared the understandable frustration that students and parents had about this incident. Lessons have been learned, and we remain committed to this direction of travel with electronic examinations.

Despite all the challenges of COVID-19, the Class of 2020 rose to the challenge with 15,259 students completing their SACE – the same proportion as previous years.

For those students who were expecting their completed Certificate III qualification to contribute towards an ATAR, for 2020 there was an additional opportunity to submit VET results after the deadline and still have them count for Round 1 University entry in 2021.

In the midst of a global pandemic, the SACE Board launched its new Strategic Plan 2020-2023, with Shaping Education so that Students Thrive the centrepiece of our vision. Our strategic plan includes developing a Learner Profile – a living document that will help universities, TAFE, industry, and employers, form a more holistic view of the capabilities of the 21st century student.

We are identifying the capabilities students are entitled to develop to thrive and how they can be assessed.

We have revitalised the VET Recognition Register and are renewing the Research Project and Personal Learning Plan subjects. We are working with community stakeholders to strengthen the value of VET and other forms of recognised learning that support students to thrive.

We are exploring ways to value, recognise and celebrate Aboriginal students' language and cultural learning, skills, and capabilities.

We are also focused on creating learning experiences and assessments that support students to transfer their learning to contexts beyond those in which they were taught.



Professor Martin Westwell

**Chief Executive**

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## Overview: about the agency

The SACE Board of South Australia is an independent statutory authority that reports to the Parliament of South Australia through the Minister for Education. It provides services to all schools in South Australia that offer Stage 1 and Stage 2 studies for the South Australian Certificate of Education (SACE).

The SACE Board services schools that are part of the South Australian Department for Education as well as non-government schools, including those linked with Catholic Education South Australia and the Association of Independent Schools of South Australia.

Through negotiated arrangements, the Board offers its subjects and assessment services to schools in the Northern Territory that deliver the Northern Territory Certificate of Education and Training and to a number of centres in Malaysia, China, Vietnam, and Vanuatu that deliver the SACE International program.

### Our strategic focus

<b>Our Purpose</b>	Shaping Education so that Students Thrive
<b>Our Values</b>	<p>The SACE Board of South Australia upholds the public sector values through its decisions, actions, and interactions. In addition, we are committed to our agency values:</p> <ul style="list-style-type: none"> <li>• integrity</li> <li>• equity</li> <li>• quality</li> </ul>
<b>Our Priorities</b>	<p>The SACE Board delivered the new Strategic Plan 2020-2023 during 2020, a bold new vision for the SACE Board that has three key priorities.</p> <p><b>Bold Leader</b> – Maintain and further develop the SACE Board as a leader in education and as an exemplary public service agency. We will be agile in our work, collaborative in our approach, and have beneficial impact on education and on our students.</p> <p><b>Connected Qualification</b> – Maintain and further develop a qualification through which students can thrive and provides evidence of their knowledge, skills, capabilities, and other attributes that will connect them to industry sectors and other pathways.</p> <p><b>Thriving Learner</b> - We will lead the development of learners who, with the six elements of thrive can develop with vigour in</p>

	<p>whatever context they find themselves. The elements of thrive are:</p> <ul style="list-style-type: none"> <li>• Zest for Life (lifelong learning)</li> <li>• Deep understanding and skilful action</li> <li>• Ability to transfer learning</li> <li>• Agency</li> <li>• Human connectedness</li> <li>• Belonging</li> </ul>
<p><b>Our functions, objectives and deliverables</b></p>	<p>The SACE Board functions include:</p> <ul style="list-style-type: none"> <li>• Maintaining the South Australian Certificate of Education (SACE) qualification, ensuring that it provides for the learning to which students are entitled on leaving school and for a successful transition to their next step whether that be employment, a traineeship or apprenticeship or a pathway through TAFE or University.</li> <li>• Determining the requirements for the achievement of the SACE and assessing achievement, and developing those requirements over time in response to the changing needs of students, employers, and the wider community.</li> <li>• Accrediting subjects and courses and approving learning frameworks.</li> <li>• Maintaining records of assessments or achievements.</li> <li>• Supporting educators and influencing stakeholders to ensure that the intended impact and value of students' education is achieved.</li> </ul>

## Our organisational structure

The SACE Board of South Australia is overseen by a Board and two standing committees.

### The Board

The Board consists of 11 members nominated by the Minister and appointed by the Governor of South Australia, and the Chief Executive (ex officio). Membership of the Board is by call for expression of interest, and, as per the *SACE Board of South Australia Act 1983*, Board membership comprises persons who:

- (a) together provide a broad range of backgrounds that are relevant to the activities and interests of the Board; and
- (b) together have the abilities, knowledge, and experience necessary to enable the Board to carry out its functions effectively.

All 11 Board membership tenures will conclude on 30 June 2021. There are currently no Deputy Board members appointed to the Board.



## **Planning, Finance, and Performance Committee**

The Planning, Finance, and Performance Committee focuses on the SACE Board's budget, the financial performance of the SACE Board, the agency's internal and external risk management, and oversight of the audit strategies for the SACE Board.

## **Accreditation, Recognition, and Certification Committee**

The Accreditation, Recognition and Certification Committee recommends to the Board the accreditation of subject outlines and the recognition of courses delivered and quality assured by schools, institutions and other authorities and organisations that contribute towards the SACE.

## **Changes to the agency**

During 2020 there were no changes to the agency's structure and objectives as a result of machinery of government changes.

Strategic workforce planning commenced to identify and address, at the functional level, the gaps between current and future workforce resources and needs. This project continues into 2021 focusing on the right people, right capabilities at the right time.

## **Our Minister**



Hon. John Gardner MP is Minister for Education.

He has represented the seat of Morialta, in Adelaide's north-eastern suburbs and near-hills townships, since 2010.

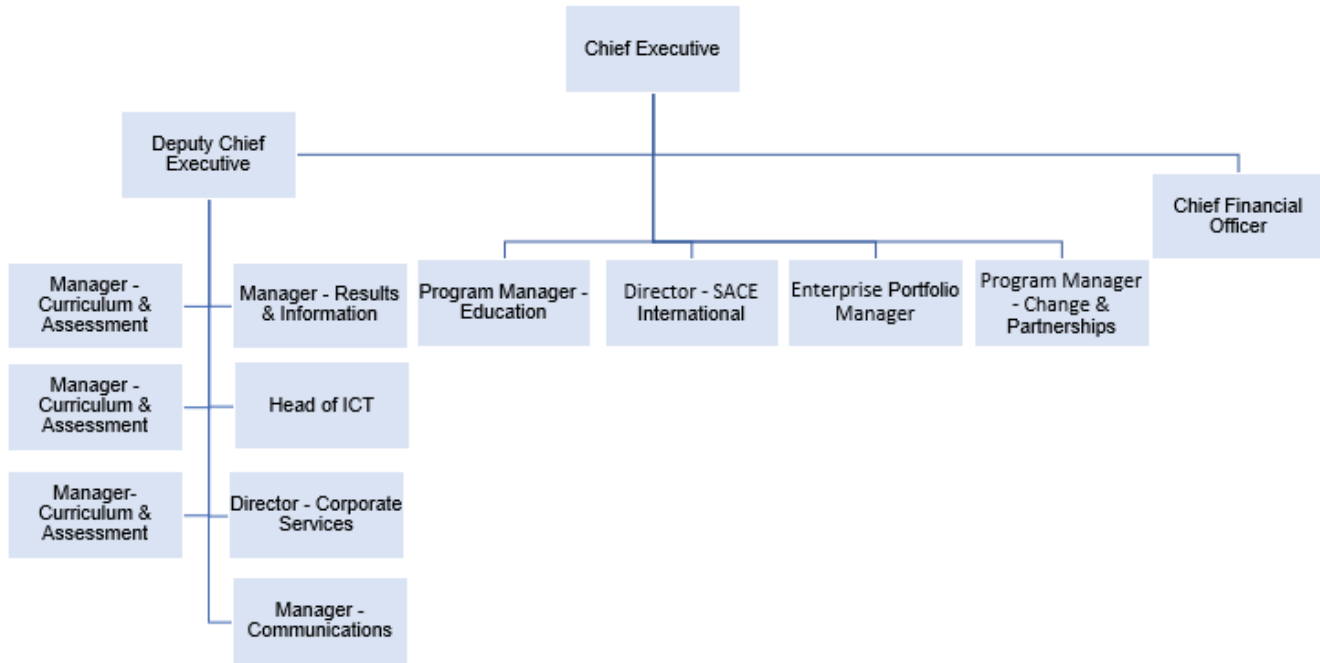
**Hon. John Gardner MP**  
**Minister for Education**  
**Member for Morialta**

## **Our Executive team**

The SACE Board of South of Australia is led by Professor Martin Westwell, Chief Executive, who is responsible for the leadership and management of the SACE Board of South Australia's policies and for the provision of its curriculum, assessment, certification, reporting and data/information services.

Michaela Bensley, Deputy Chief Executive works in close partnership with the Chief Executive, and provides cultural, strategic and operational leadership across the SACE Board to ensure the achievement of operational and strategic goals.

Supporting the Chief Executive and Deputy Chief Executive is the Executive and Leadership Team who have responsibility for the day-to-day management of SACE Board operational activity.



**Legislation administered by the agency**

- *SACE Board of South Australia Act 1983*
- *SACE Board of South Australia Regulations 2008*

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

- Department for Education
- Higher Education and Skills (TAFE functions)

## The agency's performance

### Performance at a glance

During 2020, the SACE Board of South Australia led a range of programs, initiatives, policies, and activities to achieve its priorities. The agency:

- Continued to transition assessment from paper-based methods to electronic assessment by successfully delivering eight electronic examinations, an increase from three electronic examinations in 2019.
- Delivered online oral exams for all language subjects for the first time.
- Commenced the delivery of the SACE Stage 2 Review Recommendations: renewing the Stage 2 Research Project, Personal Learning Plan, Vocational Education and Training Recognition Register and embedding capabilities into the SACE learning.
- Results were delivered to students in South Australia, Northern Territory, Malaysia, China, Vanuatu and Vietnam accurately and on time on 15 December 2020.
- Reconceptualised, rebranded and launched the new professional learning service, *Prescient*. *Prescient* builds on the strong foundations of the previous professional learning offerings of the Institute of Educational Assessors to offer transformative professional learning with a broad focus, including pedagogy and assessment.
- 16 renewed subjects were taught for the first time to students in 2020.
- 10 renewed subjects were accredited during 2020 for teaching in 2021.
- The SACE Board of South Australia delivered SACE International to an additional five overseas schools compared to 2019.
- Increased recognition among South Australians of the SACE as an international certificate by communicating SACE relevance and value through public events, media and marketing.

A snapshot of achievements for South Australia's class of 2020 includes:

- 15,259 students completed their SACE.
- A record number of 3,093 students completed a VET Certificate III as part of their SACE – compared with 2,932 in 2019.
- 404 Aboriginal students completed senior secondary education (an increase on the 393 Aboriginal students who completed their SACE in 2019).
- A total of 143 Aboriginal students also included a VET Certificate III qualification in their studies, compared to 152 in 2019.
- A total of 1,271 merit certificates were awarded to 1,018 students for outstanding achievement in Stage 2 subjects.
- A record number of 325 students completed the SACE by studying at least one modified subject at a Stage 1 or Stage 2 level, offered to students with intellectual disabilities (compared to 296 students in 2019).

**Agency contribution to whole of Government objectives**

<b>Key objective</b>	<b>Agency's contribution</b>
More jobs	<p>Through the SACE, the SACE Board provides students with the knowledge, skills and capabilities required to make the transition to their next step beyond school whether that be employment, a traineeship or apprenticeship or a pathway through TAFE or University.</p> <p>The SACE Board maintains connections with a range of industry stakeholders to stay connected to the developing needs of employers and the South Australian economy.</p>
Economic Benefit	<p>In 2020, 129 graduates of the SACE International program, mainly students from Malaysia and China, came to SA for their tertiary studies. These students contribute to the local economy through payment of tuition fees, as well as living expenses, tourism, and hospitality and entertainment.</p> <p>A study by Deloitte Access Economics (2018) has valued this contribution at \$51,500 per student.</p> <p>COVID-19 imposed border closures impacted the ability of international students to travel to Australia for tertiary study in 2020.</p>
Better Services	<p>Electronic assessment was a key priority of the SACE Board's Strategic Plan 2016-2020. It encompasses a shift from traditional paper-based methods to enable year 12 students to sit electronic exams that match more closely the way that they work in the classroom. This move also allows teachers who are members of assessment panels to mark and moderate student work online, eliminating the need for the physical movement of thousands of documents and exam papers.</p> <p>The e-exam program successfully delivered eight examinations online in 2020, some of which included audio and video content for the first time. The move to electronic assessment is being progressed and embedded as normal practice. It is anticipated that 13 subjects will have electronic examinations in 2021.</p> <p>In response to the challenges of the COVID-19 pandemic, the SACE Board supported schools in 2020 to continue the learning so that students could achieve their SACE. Regular communication with schools gave them the confidence to press ahead and the changes that the SACE Board made to some of the assessment requirements enhanced the flexibility of the SACE without compromising on the standard. SACE Board staff hosted many videoconferences with subject teachers to ensure that they could use these flexibilities to support students to be successful despite the disruptions due to COVID.</p>

**Agency specific objectives and performance**

<b>Agency objectives</b>	<b>Indicators</b>	<b>Performance</b>
Assessment and quality assurance	<p>Progress electronic assessment for marking, moderation, and examination.</p> <p>Subjects have a stronger focus on new technology and 21<sup>st</sup> century learning.</p> <p>Students have the flexibility to present assignments in various modes and file types.</p> <p>Increased use of online tools to facilitate better collaboration with schools outside metropolitan Adelaide; teachers can undertake learning at times that suit them.</p> <p>Teachers interpret and apply performance standards consistently to students' work.</p>	<p>In 2020 the SACE Board of South Australia:</p> <ul style="list-style-type: none"> <li>• successfully delivered and marked eight electronic examinations;</li> <li>• moderated 92% of Stage 2 subjects online;</li> <li>• submitted, marked and moderated Research Project A and B online;</li> <li>• moved all submission and marking of student investigations to online methods;</li> <li>• received submissions and moderated 103 subjects online using a dispersed model for the end of year processes;</li> <li>• provided clarifying forums for teachers online as well as targeted face-to-face support;</li> <li>• ensured all SACE Board appointed assessors and SACE teachers assessed with reference to the performance standards, so that students in all classes across all schools received comparable grades.</li> </ul>
Results delivery	Continue to ensure the accurate and timely delivery of end-of-year results.	The SACE Board ensured the timely and accurate delivery of SACE results to students in South Australia, Northern Territory, Malaysia, China, Vanuatu and Vietnam on 15 December 2020.

<p>SACE International</p>	<p>Strengthen the international profile of the SACE, to enhance its reputation and contribute to the state's economy.</p>	<p>In 2020 the SACE Board of South Australia:</p> <ul style="list-style-type: none"> <li>• implemented a retention strategy for schools impacted by COVID-19;</li> <li>• launched the Pre-SACE curriculum which is intended to build on the learning styles and strengths that students bring with them, while providing explicit teaching in the learning activities and tasks that they will encounter in the SACE;</li> <li>• increased the number of SACE International accredited schools from 19 in 2019 to 31 in 2020;</li> <li>• delivered Stage 1 of the SACE International program in nine schools to 155 students across 12 subjects;</li> <li>• delivered the SACE International program to offshore students as part of the northern hemisphere assessment cycle;</li> <li>• engaged with South Australian Universities to establish a range of scholarships for SACEi graduates to help drive interest in studying in South Australia.</li> </ul>
<p>Professional learning and support for teachers</p>	<p>Contribute to a high-quality teaching workforce through <i>Prescient</i>.</p> <p>Strengthen and further develop educators' expertise in assessment knowledge and pedagogical practice.</p> <p>Improve student outcomes by providing professional learning</p>	<p>In 2020 the SACE Board of South Australia:</p> <ul style="list-style-type: none"> <li>• provided strategic and operational SACE curriculum and assessment by offering over 130 online professional learning courses supporting teachers in the judgment</li> </ul>

	<p>for educators that is connected to and enriches teachers' professional standards.</p>	<p>and calibration of standards;</p> <ul style="list-style-type: none"> <li>• built professional networks relating to SACE curriculum and assessment by offering over 40 workshops supporting teachers to share experiences and professional practice. Online workshops were offered due to COVID-19 restrictions, allowing greater participation per workshop as well as increasing equity for rural and NT schools;</li> <li>• launched <i>Prescient</i> and its services, including new courses, tailored professional learning, consultative services and professional learning events. Built professional networks through <i>Prescient</i> delivering a total of 30 course modules, tailored professional learning sessions and professional learning events to almost 1000 participants, in a COVID-safe environment.</li> </ul>
<p>Curriculum development and support</p>	<p>Renew SACE subjects to ensure that they suitably prepare young people for work, life, and further learning.</p> <p>Increase recognition among South Australians of the SACE as a high quality international secondary school qualification.</p> <p>Better shape an education system that defines success through the development of entrepreneurial thinking in every student, no matter what their subject choices.</p>	<p>In 2020 the SACE Board of South Australia:</p> <ul style="list-style-type: none"> <li>• provided quality accreditation, certification, and recognition of SACE subjects;</li> <li>• commenced teaching 16 renewed SACE subjects;</li> <li>• accredited 10 renewed subjects ready for teaching in 2021;</li> <li>• commenced the transition of 35 subject outlines from document-based format to digital content;</li> </ul>

		<ul style="list-style-type: none"> <li>• commenced the project to renew the Stage 2 Research Project, Personal Learning Plan, Vocational Education and Training Recognition Register and embedding capabilities into the SACE learning.</li> </ul>
<p>Community and stakeholder engagement</p>	<p>Build capacity to listen and respond to stakeholders through research, and new systems and processes.</p> <p>Increase recognition among South Australians of the SACE as a high-quality international qualification.</p> <p>Improved engagement through online platforms, including forums, video, and interactive content.</p>	<p>In 2020 the SACE Board of South Australia:</p> <ul style="list-style-type: none"> <li>• communicated SACE relevance and value to the community through public events, media, and marketing, including the SACE Merit Ceremony, SACE Art Show (online due to COVID-19), the SACE Aboriginal Student Pathways Conference, and the results release media event;</li> <li>• continued its monthly e-newsletter, <i>The Standard</i>, with the latest news and updates from the SACE Board;</li> <li>• created an online portal and hosted a series of online Zoom meetings with teachers to support the continuation of learning through disruption of COVID-19;</li> <li>• hosted two series SACE management conferences in February and August;</li> <li>• launched <i>Prescient</i>, the SACE Board’s professional learning service to support teachers in their practice;</li> <li>• launched the Thrive Launchpad to communicate the framework behind the SACE Board’s new strategic plan;</li> </ul>



		<ul style="list-style-type: none"> <li>• established the SACE Change Network in November, inviting school leaders and teachers to express interest and participate in SACE projects throughout 2021;</li> <li>• continued its consultative approach with the Australian Education Union and Independent Education Union in quarterly meetings throughout the year.</li> </ul>
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### Corporate performance summary

During 2020, the SACE Board of South Australia led a range of corporate and operating initiatives and activities, highlights for 2020 include:

- Delivered a new Strategic Plan 2020-2023, a bold new vision for the SACE Board that has three key priorities; Bold Agency, Connected Qualification and Thriving Learner.
- Commenced strategic workforce planning to identify and address, at the functional level, the gaps between current and future workforce resources and needs. It is an ongoing project that is focusing on the right people, right capabilities at the right time.
- Worked through the challenges of COVID-19 to maintain business continuity while supporting and providing regular communications to the community, schools, parents and students.
- Developed a Disability Access and Inclusion Plan 2020-2024 which supports the participation of people with disability across a range of areas.
- Developed a Diversity and Inclusion Strategy to promote an inclusive culture for all people.

### Employment opportunity programs

Program name	Performance
Disability Employment	During 2020 the SACE Board did not engage any individuals via the Disability employment program.

## Agency performance management and development systems

<b>Performance management and development system</b>	<b>Performance</b>
<p>All employees are required to take part in a formal performance management and development discussion with their manager at least once every 6 months.</p>	<p>At 31 December 2020, 36% of SACE Board of South Australia employees participated in a documented performance management and development review within the previous six months. During 2021 an online performance management and development platform will be implemented, which will see the SACE Board move from a manual to digital performance review process.</p>

**Work health, safety and return to work programs**

<b>Program name</b>	<b>Performance</b>
Work Health and Safety Management	<p>The SACE Board of South Australia implemented the following initiatives to meet our legislative requirements and to improve employee health and wellbeing:</p> <ul style="list-style-type: none"> <li>• Conducted workstation assessments for employees (where requested).</li> <li>• Delivered mandatory manager training on Notifiable Incidents.</li> <li>• Conducted two fire drills.</li> <li>• WHS Committee met four times facilitated via digital platforms.</li> </ul>
Injury management	<p>The SACE Board of South Australia renewed its service level agreement with the Department for Education to provide injury management services for a further year, until 30 June 2021.</p>
Employee Assistance Program	<p>An employee assistance program is in place to provide support for employees. During 2020 the number of staff and family consultations rose from 20 to 47.</p>
COVID-19	<p>A COVID-19 working party was formed and delivered:</p> <ul style="list-style-type: none"> <li>• A hybrid working model to enable a mix of work from home and in office work.</li> <li>• Nominations of staff for the whole of government mobilisation program.</li> <li>• In office initiatives to support the requirements of physical distancing.</li> </ul>
Health & Wellbeing	<p>A focus on health and wellbeing included:</p> <ul style="list-style-type: none"> <li>• Flu vaccinations offered to all staff.</li> <li>• Initiatives including R u OK Day during the year.</li> <li>• Intranet resources for employees to focus on wellbeing during COVID-19.</li> </ul>

<b>Workplace injury claims</b>	2020	2019	% Change (+ / -)
Total new workplace injury claims	0	1	-100%
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)

<b>Work health and safety regulations</b>	2020	2019	% Change (+ / -)
Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )	1	0	+100%
Number of provisional improvement, improvement and prohibition notices ( <i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i> )	1	0	+100%

<b>Return to work costs**</b>	2020	2019	% Change (+ / -)
Total gross workers' compensation expenditure (\$)	\$22,125	\$1,945	+1138%
Income support payments – gross (\$)	\$0	\$0	0%

\*\*before third party recovery

Data for previous years is available at: <https://data.sa.gov.au/data/organization/sace>

### **Executive employment in the agency**

<b>Executive classification</b>	<b>Number of executives</b>
Executive Level C (not SAES)	1
Executive Level B (not SAES)	1
Executive Level A (not SAES)	2

Data for previous years is available at: <https://data.sa.gov.au/data/organization/sace>

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 2020 are attached to this report.

<b>Statement of Comprehensive Income</b>	<b>2020 Actual \$000s</b>	<b>2019 Actual \$000s</b>
Total Income	\$26,610	\$26,099
Total Expenses	\$23,479	\$23,174
<b>Net Result</b>	<b>\$ 3,131</b>	<b>\$ 2,925</b>
<b>Total Comprehensive Result</b>	<b>\$3,131</b>	<b>\$2,925</b>

<b>Statement of Financial Position</b>	<b>2020 Actual \$000s</b>	<b>2019 Actual \$000s</b>
Current assets	\$16,774	\$15,457
Non-current assets	\$ 6,213	\$ 5,231
<b>Total assets</b>	<b>\$22,987</b>	<b>\$20,688</b>
Current liabilities	\$ 2,748	\$ 3,396
Non-current liabilities	\$ 3,081	\$ 3,265
<b>Total liabilities</b>	<b>\$ 5,829</b>	<b>\$ 6,661</b>
<b>Net assets</b>	<b>\$17,158</b>	<b>\$14,027</b>
<b>Equity</b>	<b>\$17,158</b>	<b>\$14,027</b>

### 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

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Nuago Pty Ltd	Cloud Transition Planning Advisory Services	\$7,000

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

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Human Dynamics Consulting Pty Ltd	Strategic Organisational Design	\$ 138,500

Data for previous years is available at: <https://data.sa.gov.au/data/organization/sace>

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 (external to SA Government)	Purpose	\$ Actual payment
All contractors below \$10,000 each - combined	Various	\$79,111

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

Contractors (external to SA Government)	Purpose	\$ Actual payment
Adept Technology Assignments	Development & Test management Services	\$67,805
Airlock Digital	Application whitelisting services	\$13,500
ATD Audio & Media	Voice over & editing services	\$13,989
Blue Crystal Solutions	Cloud application services	\$12,800
CQR consulting Australia Pty Ltd	IT Security Penetration Testing	\$45,600
Creativation Pty Ltd	Marketing services	\$23,497
Davies Stewart Recruitment & HR	Recruitment & temporary staff	\$10,007
DBusiness Pty Ltd	Event management services	\$25,900
Excel – RNTT Pty Ltd	Recruitment & temporary staff	\$71,665

<b>Contractors (external to SA Government)</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Experience Matters Pty Ltd	Information and records management services	\$45,093
Flock Creative	Graphic design services	\$23,800
Hays Specialist Recruitment	Recruitment & temporary staff	\$558,142
Hender Careers	Recruitment & temporary staff	\$41,829
Manpower Services Australia Pty Ltd	Recruitment & temporary staff	\$26,509
Michael Vnuk	Editing services	\$32,177
Modis	Recruitment & temporary staff	\$113,463
Nucleus	Website services	\$29,400
Objective Corporation Ltd	Electronic records management services	\$132,751
Paxus Australia Pty Ltd	Recruitment & temporary staff	\$273,040
Randstad Pty Ltd	Recruitment & temporary staff	\$88,648
Servicerocket Pty Ltd	Jira project management services	\$30,000
Simple Integrated Marketing	Website services	\$29,950
Talent International (SA) Pty Ltd	Recruitment & temporary staff	\$492,608
The University of Melbourne	Capabilities services	\$30,426
University of Adelaide	Machine learning services	\$10,242
	Total	\$2,242,841

Data for previous years is available at: <https://data.sa.gov.au/data/organization/sace>

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.](#)



## Risk management

### Risk and audit at a glance

Risk and audit is managed and reported through the Planning, Finance, and Performance Committee (PFPC). PFPC focuses on the SACE Board's budget, financial performance, internal and external risk management, and oversight of the audit strategies. PFPC has six committee members that are external to the SACE Board and three committee observers that are employees of the SACE Board.

### Fraud detected in the agency

Category/nature of fraud	Number of instances
Nil	0

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

### Strategies implemented to control and prevent fraud

The SACE Board has in place strategies to prevent fraud, including:

- Appropriate segregation of duties — the SACE Board implements controls that ensure individual employees are unable to complete transactions involving procurements, purchase requisitions, and payments to suppliers without separate approval from a second authorised employee.
- Awareness and training for employees — all managers ensure their employees are aware of their obligations under relevant legislation, policies, and procedures, and that they complete the Code of Ethics and Independent Commission Against Corruption training as part of the SACE Board's induction program.
- Policies and procedures — the SACE Board adheres to all relevant SA Public Sector legislation and has internal policies and procedures in place, including the Fraud and Corruption Prevention Policy and the Gifts and Benefits Policy.
- Post-transaction review — regular reconciliations of financial accounts and cash transactions are undertaken.
- Monitoring and reporting — processes are in place for recording, monitoring, and reporting data, which is checked and approved by the appropriate delegate(s).
- A comprehensive audit program — an audit program is in place incorporating both internal and external audits.
- A financial management compliance program — this is an ongoing process that requires the Chief Executive to document the internal controls and their effectiveness relating to critical functions and processes, including the management and control of fraud, corruption, and maladministration risks within the SACE Board.

Data for previous years is available at: <https://data.sa.gov.au/data/organization/sace>

## **Public interest disclosure**

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

Nil

Data for previous years is available at: <https://data.sa.gov.au/data/organization/sace>

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

Reporting required under the *SACE Board of South Australia Act 1983*

Act or Regulation	Requirement
<p><b><i>SACE Board of South Australia Act 1983</i></b></p>	<p><b>20—Report</b></p> <p>(1) The Board must, on or before 31 March in each year, deliver to the Minister a report of its operations during the period of 12 months that ended on the preceding 31 December.</p> <p>(1a) The report must—</p> <ul style="list-style-type: none"> <li>(a) incorporate the audited accounts of the Board for the relevant year; and</li> <li>(b) include a specific report on the consultation processes that the Board has established or used for the purposes of this Act during the relevant year, including an assessment of the extent to which those processes have assisted the Board in the performance of its functions; and</li> <li>(c) contain any other information required by this Act.</li> </ul> <p>(2) The Minister must, within 14 sitting days after receiving a report under this section, cause a copy of the report to be laid before each House of Parliament.</p>

## Public complaints

### Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of public Complaints 2020
Service delivery	Systems/technology	<p>The Psychology electronic examination could not be completed following technical issues with video content in the exam and the examination platform.</p> <p>No public complaints were received. Feedback and enquiry mechanisms included:</p> <ul style="list-style-type: none"> <li>• Direct enquires via the AskSACE platform</li> <li>• Direct contact with the DCE, CE and management</li> <li>• Application of the <i>Assessment related grievances appeals and investigations policy</i> as part of the SACE policy framework.</li> </ul>	Nil
		<b>Total</b>	Nil

Additional Metrics	Total
Number of positive feedback comments	Nil
Number of negative feedback comments	Nil
Total number of feedback comments	Nil
% complaints resolved within policy timeframes	Nil

Data for previous years is available at: <https://data.sa.gov.au/data/organization/sace>

<b>Service Improvements resulting from complaints or consumer suggestions over 2020</b>
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Nil
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## **Appendix: Audited financial statements 2020**

SACE Board of South Australia  
Annual Financial Statements for the year ended 31 December 2020

SACE Board of South Australia  
**Statement of Comprehensive Income**  
for the year ended 31 December 2020

	Note	2020 \$'000	2019 \$'000
<b>Income</b>			
SA Government grants, subsidies and transfers	4.1	21 653	21 081
Sales of goods and services	4.2	4 175	4 095
Interest	4.3	74	192
Resources received free of charge	4.4	126	91
Replacement teachers' write-back	4.5	300	347
Other income	4.6	282	293
<b>Total income</b>		<b>26 610</b>	<b>26 099</b>
<b>Expenses</b>			
Employee benefits expenses	2.3	14 908	14 487
Supplies and services	3.1	7 499	7 098
Depreciation and amortisation	3.2	903	757
Replacement teachers' expense	3.3	169	832
<b>Total expenses</b>		<b>23 479</b>	<b>23 174</b>
<b>Net result</b>		<b>3 131</b>	<b>2 925</b>
Other comprehensive income		-	-
<b>Total comprehensive result</b>		<b>3 131</b>	<b>2 925</b>

The accompanying notes form part of these financial statements.  
The net result and total comprehensive result are attributable to the SA Government as owner.

SACE Board of South Australia  
Annual Financial Statements for the year ended 31 December 2020

SACE Board of South Australia  
Statement of Financial Position  
as at 31 December 2020

	Note	2020 \$'000	2019 \$'000
<b>Current Assets</b>			
Cash and cash equivalents	6.1	15 903	14 779
Receivables	6.2	871	674
Right-of-use assets	5.2	-	4
<b>Total current assets</b>		<b>16 774</b>	<b>15 457</b>
<b>Non-current Assets</b>			
Receivables	6.2	21	28
Plant and equipment	5.1	45	75
Intangible assets	5.3	6 147	5 128
<b>Total non-current assets</b>		<b>6 213</b>	<b>5 231</b>
<b>Total assets</b>		<b>22 987</b>	<b>20 688</b>
<b>Current Liabilities</b>			
Payables	7.1	780	1 329
Contract liabilities	4.2	363	368
Employee benefits liability	2.4	1 175	1 232
Replacement teachers	7.2	105	463
Lease liabilities	7.3	-	4
Provisions	7.4	325	-
<b>Total current liabilities</b>		<b>2 748</b>	<b>3 396</b>
<b>Non-current Liabilities</b>			
Payables	7.1	259	274
Employee benefits liability	2.4	2 786	2 991
Provisions	7.4	36	-
<b>Total non-current liabilities</b>		<b>3 081</b>	<b>3 265</b>
<b>Total liabilities</b>		<b>5 829</b>	<b>6 661</b>
<b>Net assets</b>		<b>17 158</b>	<b>14 027</b>
<b>Equity</b>			
Retained earnings		17 158	14 027
<b>Total equity</b>		<b>17 158</b>	<b>14 027</b>

The accompanying notes form part of these financial statements.  
The total equity is attributable to the SA Government as owner.



SACE Board of South Australia  
**Annual Financial Statements for the year ended 31 December 2020**

SACE Board of South Australia  
**Statement of Changes in Equity**  
for the year ended 31 December 2020

	Note	Staff Entitlements Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 January 2019		2 625	8 477	11 102
<b>Net result for 2019</b>		-	2 925	2 925
<b>Total comprehensive result for 2019</b>		-	2 925	2 925
Transfer between equity components	8.1	(2 625)	2 625	-
<b>Balance at 1 January 2020</b>		-	<b>14 027</b>	<b>14 027</b>
<b>Net result for 2020</b>		-	3 131	3 131
<b>Total comprehensive result for 2020</b>		-	3 131	3 131
<b>Balance at 31 December 2020</b>		-	<b>17 158</b>	<b>17 158</b>

The accompanying notes form part of these financial statements.  
All changes in equity are attributable to the SA Government as owner.

SACE Board of South Australia  
Annual Financial Statements for the year ended 31 December 2020

SACE Board of South Australia  
 Statement of Cash Flows  
 for the year ended 31 December 2020

	Note	2020 \$'000	2019 \$'000
<b><u>Cash Flows from Operating Activities</u></b>			
<b><i>Cash Inflows</i></b>			
SA Government grants, subsidies and transfers		21 653	21 081
Sales of goods and services		4 587	3 987
Interest received		85	199
GST recovered from the ATO		533	502
Other receipts		310	319
<b>Cash generated from operations</b>		<b>27 168</b>	<b>26 088</b>
<b><i>Cash Outflows</i></b>			
Employee benefit payments		(14 756)	(14 226)
Payments for supplies and services		(9 169)	(7 480)
Replacement teachers		( 227)	( 665)
<b>Cash used in operations</b>		<b>(24 152)</b>	<b>(22 371)</b>
<b>Net cash provided by (used in) operating activities</b>		<b>3 016</b>	<b>3 717</b>
<b><u>Cash Flows from Investing Activities</u></b>			
<b><i>Cash Outflows</i></b>			
Purchases of intangible assets		(1 888)	(1 530)
<b>Net cash provided by (used in) investing activities</b>		<b>(1 888)</b>	<b>(1 530)</b>
<b><u>Cash Flows from Financing Activities</u></b>			
<b><i>Cash Outflows</i></b>			
Repayment of principal portion of lease liabilities		( 4)	( 13)
<b>Net cash provided by (used in) financing activities</b>		<b>( 4)</b>	<b>( 13)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>1 124</b>	<b>2 174</b>
Cash and cash equivalents at the beginning of the calendar year		14 779	12 605
<b>Cash and cash equivalents at the end of the calendar year</b>	6.1	<b>15 903</b>	<b>14 779</b>

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**

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**SACE Board of South Australia**  
**Annual Financial Statements for the year ended 31 December 2020**

**1. About the SACE Board of South Australia**

The SACE Board of South Australia is a statutory authority established under the *SACE Board of South Australia Act 1983* (the Act). The SACE Board does not control any other entity and has no interests in unconsolidated structured entities. The SACE Board has not entered into any contractual arrangements that involve the sharing of control or significant influence over another entity. The financial statements and accompanying notes include all the controlled activities of the authority.

**1.1 Basis of preparation**

These financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards.

For the purposes of preparing the financial statements, the SACE Board is a not-for-profit entity.

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

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 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.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

**1.2 Objectives and programs**

The SACE Board aims to achieve student success through the South Australian Certificate of Education (the SACE), by providing a locally and internationally respected qualification that gives all students the capabilities to move successfully into further learning and work as confident and responsible citizens.

The SACE Board is actively pursuing three key strategic objectives:

1. Increase the number of students completing the SACE
2. Support quality curriculum, teaching, learning, and assessment
3. Secure financial sustainability for the SACE Board, and economic benefit for the state.

The main programs of the SACE Board, prescribed by the *SACE Board Act of South Australia Act 1983*, are to:

- establish a qualification to be called the South Australian Certificate of Education (SACE)
- determine the requirements for the achievement of the SACE
- accredit subjects and courses that will be recognised by the SACE Board as being suitable for the purposes of the SACE
- assess achievements in or satisfactory completion of subjects or courses
- assure the quality and suitability of processes and standards used to assess the achievements of students for the purposes of the SACE, and
- prepare and publish information and guidelines in relation to the requirements of the SACE.

The SACE Board is predominantly funded from grants provided by the State Government.

**1.3 Impact of COVID-19 pandemic on the SACE Board of South Australia**

The COVID-19 pandemic has impacted on the operations of the SACE Board and the impacts are included under the relevant disclosure notes. The key impacts in 2020 were:

- SACE Board staff transitioning to a remote working model to continue operational service delivery, whilst minimising the risk of COVID-19 in the workplace.
- Scenario planning and operational changes to ensure the delivery of SACE Board objectives and annual programs (note 1.2) in a changing environment.
- Suspension of overseas travel to SACEi regions with a transition to electronic engagement to service international customers.

**SACE Board of South Australia**  
**Annual Financial Statements for the year ended 31 December 2020**

**2. Board, committees and employees**

**2.1 Key management personnel**

Key management personnel of the SACE Board include the Minister, the Chief Executive Officer, Board members, the Deputy Chief Executive Officer and Chief Financial Officer.

Total compensation for the SACE Board's key management personnel was \$790 000 (2019: \$683 000). Salaries and other benefits the Minister for Education receives are excluded from this total. 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 SACE Board has not identified any material transactions with key management personnel and other related parties during 2020.

**2.2 Board and committee members**

Members during the 2020 calendar year were:

**SACE Board of South Australia**

**Presiding Member**

Ms Jane Danvers

**Deputy Presiding Member**

Ms Ann Doolette

**Members**

Mr Andrew Balkwill

Mr Alistair Brown\*

Ms Kerrie Campbell

Mr Kim Hebenstreit

Mr Andy Keough

Mr Peter Prest

Mr Trevor Read\*

Ms Pamela Ronan

Ms Shannon Warren

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

**Board and committee remuneration**

The number of Board and committee members whose remuneration received or receivable falls within the following bands:

	2020	2019
	No.	No.
\$0 to \$19 999	8	10
\$20 000 to \$39 999	1	1
<b>Total number of Board and committee members</b>	<b>9</b>	<b>11</b>

The total remuneration received or receivable by members was \$130 000 (2019: \$129 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax.

**2.3 Employee benefits expenses**

	2020	2019
	\$'000	\$'000
Salaries and wages	9 373	9 072
Casual salaries external assessment	1 840	1 807
Casual salaries moderation	584	241
Casual salaries other	106	159
Long service leave (LSL)	( 95)	408
Annual leave	861	775
SERL	56	52
Employment on-costs - superannuation*	1 392	1 191
Employment on-costs - other	674	658
Fringe benefits tax	( 2)	7
Board and committee fees	119	117
<b>Total employee benefits expenses</b>	<b>14 908</b>	<b>14 487</b>

\*Employment on-costs - superannuation

The superannuation employment on-cost charge represents the authority's contributions to superannuation plans in respect of current services of current employees.

SACE Board of South Australia  
Annual Financial Statements for the year ended 31 December 2020

Executive remuneration

	2020 No.	2019 No.
The number of employees whose remuneration received or receivable falls within the following bands:		
\$151 001 to \$154 000*	-	1
\$154 001 to \$174 000	1	2
\$174 001 to \$194 000	2	1
\$194 001 to \$214 000	1	-
\$214 001 to \$234 000	-	1
\$234 001 to \$254 000	-	1
\$264 001 to \$284 000	1	-
\$314 001 to \$334 000	-	1
\$384 001 to \$404 000	1	-
<b>Total</b>	<u>6</u>	<u>7</u>

\* This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2020.

The total remuneration received by those employees for the year was \$1.349 million (2019: \$1.447 million).

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits, and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits.

2.4 Employee benefits liability

	2020 \$'000	2019 \$'000
<b>Current</b>		
Accrued salaries and wages	9	306
Annual leave	953	710
Long service leave	149	154
Skills and experience retention leave	64	62
<b>Total current employee benefits</b>	<u>1 175</u>	<u>1 232</u>
<b>Non-current</b>		
Long service leave	2 786	2 991
<b>Total non-current employee benefits</b>	<u>2 786</u>	<u>2 991</u>
<b>Total employee benefits</b>	<u>3 961</u>	<u>4 223</u>

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave

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

The annual leave liability and the SERL liability in full is expected to be payable within 12 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.

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. Details about the measurement of long service leave liability is provided at note 7.1 and 10.1.

**SACE Board of South Australia  
Annual Financial Statements for the year ended 31 December 2020**

**3. Expenses**

Employee benefits expenses are disclosed in note 2.3.

The SACE Board incurs a range of other expenses associated with its ongoing and strategic programs. The present modernisation of the SACE Board's major functions, including electronic exams, has required a large spend on external contractors. These contractors are mainly temporary staff working on those initiatives, and organisations procured to provide expertise, supplies and services to assist in the transition.

**3.1 Supplies and services**

	2020 \$'000	2019 \$'000
Office accommodation	1 311	1 285
Computing and communication	884	997
Fleet management costs	9	8
Shared Services SA charges	138	106
Consultants	146	51
Contractors	2 350	1 536
Printing	139	129
Travel and accommodation	40	277
Postage, courier, and freight	264	313
Motor vehicle transport	16	67
Software	950	885
Venue hire	1	111
Hospitality	27	69
Stationery and office supplies	41	57
Equipment hire	72	69
Repairs and maintenance	348	182
Security	2	20
Staff development	117	256
Impairment loss on receivables	18	20
Other	626	660
<b>Total supplies and services</b>	<b>7 499</b>	<b>7 098</b>

**Accommodation**

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

**Consultants**

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

	2020 No.	2020 \$'000	2019 No.	2019 \$'000
Below \$10 000	1	7	1	2
\$10 000 or above	1	139	2	49
<b>Total</b>	<b>2</b>	<b>146</b>	<b>3</b>	<b>51</b>

**3.2 Depreciation and amortisation**

	2020 \$'000	2019 \$'000
Motor Vehicles - Leased	4	11
Equipment	21	27
Computer equipment	9	12
Intangible assets	869	707
<b>Total depreciation and amortisation</b>	<b>903</b>	<b>757</b>

All non-current assets not held for sale with a limited useful life are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

**Useful life**

Depreciation and amortisation are calculated on a straight-line basis.

Leased property, plant and equipment, are depreciated over the lease term. Owned property, plant and equipment and intangible assets are depreciated and amortised over the estimated useful life as follows:

SACE Board of South Australia  
Annual Financial Statements for the year ended 31 December 2020

Class of asset	Useful Life (Years)
Equipment	3 - 10 years
Computer Equipment	3 - 8 years
Off the Shelf Software	5 - 10 years
Internally Developed Software	5 - 10 years
Leasehold improvements	Lease term

The useful lives of intangible assets are assessed to be either finite or indefinite. The SACE Board only has intangible assets with finite lives. The amortisation period and the amortisation method for intangible assets is reviewed on an annual basis.

#### Review of accounting estimates

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted if appropriate, on an annual basis. Changes in the expected life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

In 2020, the SACE Board reviewed the useful life of internally developed computer software and did not make any adjustments.

#### 3.3 Replacement teachers' expense

	2020 \$'000	2019 \$'000
Temporary replacement teachers	169	832
<b>Total replacement teachers' expense</b>	<b>169</b>	<b>832</b>

This expense relates to costs incurred by schools for the release of teachers to undertake duties for the SACE Board. The SACE Board issues schools with vouchers entitling them to make a claim for reimbursement of their costs. The expense comprises a total of the amount of claims paid by the SACE Board plus an estimate of the cost of outstanding claims not yet received. The estimate of the cost of claims not yet received is equal to the number of unclaimed vouchers issued to schools at a value per voucher of the average cost per claim in 2020, plus indexation.

See also Note 7.2 for details of the unclaimed funds as at 31 December 2020.

### 4. Income

#### 4.1 SA Government grants, subsidies and transfers

	2020 \$'000	2019 \$'000
Transfers from the Department for Education	21 653	21 081
<b>Total SA Government grants, subsidies and transfers</b>	<b>21 653</b>	<b>21 081</b>

The transfer of funds is recognised as revenue when the SACE Board obtains control over the funding. Control over the funds is normally obtained upon receipt.

Total revenues consist of \$19 179 000 (2019: \$18 446 000) for operational funding and \$2 474 000 (2019: \$2 635 000) for capital projects.

#### 4.2 Sales of goods and services

All revenue from the sales of goods and services is revenue recognised from contracts with customers and therefore AASB 15 has been applied.

	2020 \$'000	2019 \$'000
Northern Territory Government	2 278	2 154
SACE International Program	1 198	1 113
Overseas students studying in South Australia	617	641
Prescient	63	152
Other	19	35
<b>Total sales of goods and services</b>	<b>4 175</b>	<b>4 095</b>

#### Northern Territory arrangement

The SACE Board has an exclusive agreement with the Northern Territory Government to have the SACE delivered through all Northern Territory government schools.

This contract includes a number of performance obligations with related transaction prices allocated against each obligation. The majority of the performance obligations are recognised over the academic year as services are provided. The provision of results, being one of the performance obligations, is recognised at a point in time at the end of the academic year.



**SACE Board of South Australia**  
**Annual Financial Statements for the year ended 31 December 2020**

**SACE International program**

SACE International program provides services to schools in China, Vietnam, Vanuatu and Malaysia to support the provision of the SACE to students who select to undertake it.

Contracts with each school include performance obligations. In such cases, the transaction price is allocated to each obligation to determine when revenue is recognised based on expected work effort. Two components of the transaction price are outlined below:

- a cycle fee annually charged to the school represents the provision of services to enable the school to offer the courses of study in accredited subjects. This is recognised over the academic year.
- student fee charged per student recognised at a point in time at completion of the academic year when results are released.

**Overseas students studying in SA**

The SACE Board charges fees to international students who hold a sub-class visa 500 under the SACE Board Regulations.

The SACE Board has assessed that there is an implied contract between the SACE Board and each student with the performance obligation being the release of results and certificate. The revenue is recognised when the performance obligation is met at the end of the academic year.

**Prescient**

Prescient (formerly Institute of Educational Assessors) provides professional learning for teachers who are seeking to strengthen their expertise in the quality assessment of student achievement in accordance with the SACE Board's standards.

The learning program consists of the delivery of 5 modules which are separately identifiable and can be sold separately. Therefore revenue is recognised at a point in time on completion of the delivery of each individual module being considered the satisfaction of the performance obligation.

**Contract balances**

	2020 \$'000	2019 \$'000
Receivables from contracts with customers included in 'Receivables'	53	365
Contract assets	-	-
Contract liabilities	363	368
<b>Total revenue from contracts with customers</b>	<b>416</b>	<b>733</b>

Under revenue standard AASB15 *Revenue from Contracts with Customers*, receivables relate to the sales of goods and services from contracts with customers and contract liabilities relate to cash received from SACE International schools and customers of Prescient who have prepaid their fees. These revenues will be earned within the next 12 months.

**4.3 Interest**

	2020 \$'000	2019 \$'000
Interest on cash and cash equivalents	74	192
<b>Total interest revenues</b>	<b>74</b>	<b>192</b>

**4.4 Resources received free of charge**

	2020 \$'000	2019 \$'000
Services received free of charge - Shared Services SA	126	91
<b>Total resources received free of charge</b>	<b>126</b>	<b>91</b>

**4.5 Replacement teachers' write-back**

	2020 \$'000	2019 \$'000
Replacement teachers' write-back income	300	347
<b>Total Replacement teacher's write-back income</b>	<b>300</b>	<b>347</b>

The write-back relates to outstanding amounts, recorded as expenses, raised up to semester 2 of the previous year, for which schools have not sought reimbursement within the allowable claim time. This write-back is recorded as revenue in the statement of comprehensive income in accordance with accounting standards. Refer to Note 3.3 for additional explanation of the liability for replacement teachers.

**4.6 Other income**

	2020 \$'000	2019 \$'000
Scaling grant	190	190
Miscellaneous income	92	103
<b>Total other income</b>	<b>282</b>	<b>293</b>

The Scaling grant is provided by the South Australian Tertiary Admissions Centre (SATAC), for the SACE Board to provide services on their behalf. This revenue has been recognised under AASB15 over the academic year. This fee is charged annually.

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5. Non-financial assets

The SACE Board is required to manage a large range of information, including students' results over many years. Bespoke IT systems deliver the required functionality to manage the information, as well as maintain the integrity of the authority. Software is under constant development and enhancement to support the SACE Board's functions, with much of this effort capitalised in accordance with Australian Accounting Standards. The SACE Board does not require significant physical assets to perform its functions.

5.1 Plant and equipment

Equipment comprises owned and leased tangible assets.

	2020 \$'000	2019 \$'000
<b>Leasehold improvements</b>		
Leasehold improvements at fair value	196	196
Accumulated depreciation at the end of the period	( 196)	( 196)
<b>Total leasehold improvements</b>	<u>-</u>	<u>-</u>
<b>Equipment</b>		
Equipment at cost (deemed fair value)	127	147
Accumulated depreciation at the end of the period	( 101)	( 100)
<b>Total equipment</b>	<u>26</u>	<u>47</u>
<b>Computer equipment</b>		
Computer equipment at cost (deemed fair value)	490	984
Accumulated depreciation at the end of the period	( 471)	( 956)
<b>Total computer equipment</b>	<u>19</u>	<u>28</u>
<b>Total plant and equipment</b>	<u>45</u>	<u>75</u>

Owned equipment with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed.

Owned equipment is recorded at fair value. Detail about the SACE Board's approach to fair value is set out in note 10.2.

Impairment

There were no indications of impairment of equipment assets as at 31 December 2020.

Reconciliation 2020

	Leasehold improve- ments \$'000	Equipment \$'000	Computer equipment \$'000	Total \$'000
<b>Carrying amount at 1 January 2020</b>	-	47	28	75
Additions	-	-	-	-
Assets derecognised (including disposals)	-	-	-	-
Transfers	-	-	-	-
Depreciation	-	( 21)	( 9)	( 30)
<b>Carrying amount at 31 December 2020</b>	<u>-</u>	<u>26</u>	<u>19</u>	<u>45</u>

5.2 Right-of-use assets

	2020 \$'000	2019 \$'000
Vehicles	-	4
<b>Total right-of-use assets</b>	<u>-</u>	<u>4</u>

The SACE Board has only one type of lease with the South Australian Financing Authority (SAFA) for the authority's vehicles.

Short-term and low value leases

Short-term leases of 12 months or less and low value leases where the underlying asset value is less than \$15 000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and are disclosed in note 3.1.

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5.3 Intangible assets

	2020 \$'000	2019 \$'000
<b>Internally developed computer software</b>		
Internally developed computer software	11 506	9 460
Accumulated amortisation	(5 692)	(4 890)
<b>Total Internally developed computer software</b>	<u>5 814</u>	<u>4 570</u>
<b>Purchased computer software</b>		
Purchased computer software	323	238
Accumulated amortisation	( 114)	( 69)
<b>Total Purchased computer software</b>	<u>209</u>	<u>169</u>
<b>Work in progress</b>		
Internally developed computer software	124	348
Purchased computer software	-	41
<b>Total Work in progress</b>	<u>124</u>	<u>389</u>
<b>Total intangible assets</b>	<u>6 147</u>	<u>5 128</u>

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

The acquisition of or internal development of software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to \$10 000.

The internally developed computer software relates to the SACE Board's *Schools Online* and *Students Online* systems. These systems are recorded in the SACE Board's asset register as a consolidated asset with a remaining useful life of 10 years and carrying amount of \$5 814 000.

Reconciliation 2020

	Internally developed computer software \$'000	Other computer software \$'000	WIP	Total \$'000
<b>Carrying amount at 1 January 2020</b>	4 570	169	389	5 128
Additions	-	-	1 888	1 888
Transfers (Work in progress)	2 042	85	(2 127)	-
Amortisation	( 824)	( 45)	-	( 869)
Adjustments	26	-	( 26)	-
<b>Carrying amount at 31 December 2020</b>	<u>5 814</u>	<u>209</u>	<u>124</u>	<u>6 147</u>

6. Financial assets

6.1 Cash and cash equivalents

	2020 \$'000	2019 \$'000
Operating account	5 720	4 652
Deposit with SAFA	10 183	10 127
<b>Total cash and cash equivalents</b>	<u>15 903</u>	<u>14 779</u>

6.2 Receivables

	2020 \$'000	2019 \$'000
<b>Current</b>		
<b>Trade receivables</b>		
From government entities	152	-
From non-government entities	54	376
Less impairment loss on receivables	( 16)	( 15)
<b>Total trade receivables</b>	<u>190</u>	<u>361</u>
Overpayment recoveries	7	7
Prepayments	564	204
Accrued revenues	3	14
GST receivable	107	88
<b>Total current receivables</b>	<u>871</u>	<u>674</u>
<b>Non-current</b>		
Overpayment recoveries	6	12
Prepayments	15	16
<b>Total non-current receivables</b>	<u>21</u>	<u>28</u>
<b>Total receivables</b>	<u>892</u>	<u>702</u>

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Trade receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Receivables, prepayments and accrued revenues are non-interest bearing. Trade receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Statutory receivables do not arise from contracts with customers. They are recognised and measured similarly to contractual receivables (except impairment) but are not classified as financial instruments for disclosure purposes.

The GST included as part of the receivables, is the net amount recoverable from the ATO.

**Allowance for impairment loss on receivables**

	2020 \$'000	2019 \$'000
<b>Carrying amount at 1 January 2020</b>	15	10
Amounts written off	( 16)	( 15)
Increase/(decrease) in the allowance	18	20
<b>Carrying amount at 31 December 2020</b>	17	15

Refer to note 10.3 for details regarding credit risk and the methodology for determining impairment.

**7. Liabilities**

Employee benefits liabilities are disclosed in note 2.4.

**7.1 Payables**

	2020 \$'000	2019 \$'000
<b>Current</b>		
Trade payables	59	426
Accrued expenses	293	542
Statutory payables	60	60
Employment on-costs	368	296
Paid Parental Leave Scheme payable	-	5
Other	-	-
<b>Total current payables</b>	780	1 329
<b>Non-current</b>		
Employment on-costs	259	274
<b>Total non-current payables</b>	259	274
<b>Total payables</b>	1 039	1 603

Payables and accruals are raised for all amounts owing but unpaid. Sundry payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short term nature.

Statutory payables do not arise from contracts with customers. They are recognised and measured similarly to contractual/trade payables but are not classified as financial instruments for disclosure purposes.

The net amount of GST recoverable from the ATO is included as part of receivables. However, if a net GST payable arises then this amount would be disclosed in this Payables note.

**Employment on-costs**

Employment on-costs include payroll tax, Return to Work SA levies and superannuation contributions, and are settled when the respective employee benefits that they relate to are discharged.

The SACE Board makes contributions to several South Australian Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries, as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to either the South Australian Superannuation Board, or non-SA Government funds.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave has changed from 2019 rate (41%) to 42% and the average factor for the calculation of employer superannuation on-cost has remained the same as 2019 (9.8%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current year is not material. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions. A key assumption is the proportion of Long Service Leave taken as leave instead of a lump sum, a result determined by the actuary based on current period data.

**7.2 Replacement teachers**

	2020 \$'000	2019 \$'000
<b>Current</b>		
Temporary replacement teachers	105	463
<b>Total replacement teachers' liability</b>	105	463

The liability for replacement teachers represents the estimated cost of amounts owing to schools but not yet claimed as at 31 December 2020.

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7.3 Lease liabilities

	2020 \$'000	2019 \$'000
Vehicles	-	4
<b>Total lease liabilities</b>	<b>-</b>	<b>4</b>

The SACE Board has only one lease with the South Australian Financing Authority (SAFA) for the authority's vehicles.

7.4 Provisions

	2020 \$'000	2019 \$'000
<b>Current</b>		
Provision for workers' compensation	25	-
Make Good Provision	300	-
<b>Total current provisions</b>	<b>325</b>	<b>-</b>
<b>Non-current</b>		
Provision for workers' compensation	36	-
Make Good Provision	-	-
<b>Total non-current provisions</b>	<b>36</b>	<b>-</b>
<b>Total provisions</b>	<b>361</b>	<b>-</b>
<b>Movement in provisions</b>	<b>2020 \$'000</b>	
Carrying amount at the beginning of the period	-	
Additional provisions recognised	361	
<b>Carrying amount at the end of the period</b>	<b>361</b>	

A provision has been reported to reflect unsettled workers' compensation claims. The workers' compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2020 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

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

During the reporting year a provision has been created for the decommissioning costs required to make good our Greenhill Road tenancy premises. An estimate of the make good cost has been provided by the Department for Infrastructure and Transport (DIT) in accordance with our Memoranda of Administrative Arrangement (MoAA).

8. Other disclosures

8.1 Equity

The SACE Board previously maintained a separate staff entitlements reserve to represent funds retained by the SACE Board to meet liabilities for long service leave, annual leave, and SERL accrued by employees. This reserve was closed in 2019 with the balance transferred to general equity.

8.2 Cash flow

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 ATO is classified as part of operating cash flows.

Total cash outflows for leases, including short-term and low-value leases, was \$9 000 (2020: \$21 000).

9. Outlook

9.1 Unrecognised contractual commitments

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

Capital commitments

	2020 \$'000	2019 \$'000
Within one year	90	90
Later than one year but not longer than five years	-	-
<b>Total other commitments</b>	<b>90</b>	<b>90</b>

The SACE Board's capital commitments are for the development of software to be used for conducting online examinations, and the marking of examinations online.

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**Expenditure commitments**

	2020 \$'000	2019 \$'000
Within one year	1 738	2 766
Later than one year but not longer than five years	270	1 278
<b>Total other commitments</b>	<b>2 008</b>	<b>4 044</b>

The SACE Board's expenditure commitments are for a range of outsourcing services and contracts including printing and distribution of SACE results, ICT services, and facility maintenance.

Office accommodation is provided for via an agreement for memoranda of administrative arrangements (MoAA) with the Department of Infrastructure and Transport.

**9.2 Contingent assets and liabilities**

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.

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

**10. Measurement and risk**

**10.1 Long service leave liability - measurement**

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability.

The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

AASB 119 *Employee Benefits* requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has decreased from 2019 (1.25%) to 2020 (0.75%).

This decrease in the bond yield, which is used as the rate to discount future long service leave cash flows, results in a decrease in the reported long service leave liability.

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability of \$115 000 and employee benefits expense of \$115 000. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

The actuarial assessment performed by the Department of Treasury and Finance has decreased the salary inflation rate from 4% (2019) to 2.50% (2020) for long service leave liability. As a result, there is a small decrease in the net financial effect resulting from changes in the salary inflation rate.

The estimate of expected future payments for the current portion of long service leave is based on an average over a three year period on long service leave taken.

**10.2 Fair value**

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

**Initial recognition**

Non-current tangible assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements, then the assets are recognised at book value (i.e. the amount recorded by the transferor public authority immediately prior to the restructure).

**Revaluation**

Plant and equipment are subsequently measured at fair value after allowing for accumulated depreciation.

The SACE Board does not hold any non-current tangible assets, either individually or as a group, where the fair value at the time of acquisition is greater than \$1.5 million or estimated useful life is greater than three years. As a result, there are no present needs for undertaking revaluation processes.

**Plant and equipment**

All items of plant and equipment owned by the SACE Board had a fair value at the time of acquisition less than \$1.5 million or had an estimated useful life that was less than three years have not been revalued. This is in accordance with APS 116.D. The carrying value of these items is deemed to approximate fair value.

**SACE Board of South Australia**  
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**10.3 Financial instruments**

**Financial risk management**

Risk management is managed by the SACE Board's Corporate Services group. The authority's risk management policies are in accordance with the *Risk Management Policy Statement* issued by the Premier and Treasurer and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

The SACE Board's exposure to financial risk (liquidity risk, credit risk, and market risk) is low due to the nature of the financial instruments held.

**Liquidity risk**

The SACE Board is funded principally from transfers from the Department of Education, provided by the SA Government. The SACE Board works with the Department of Treasury and Finance to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

**Impairment of financial assets**

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9. The SACE Board uses an allowance matrix to measure the expected credit loss of receivables from non-government debtors which comprise a large number of small balances.

To measure the expected credit losses, receivables are grouped based on shared risks characteristics and the days past due. When estimating expected credit loss, the SACE Board considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the authority's historical experience and informed credit assessment, including forward-looking information.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the SACE Board is exposed to credit risk.

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties.

Loss rates are calculated based on the probability of a receivable progressing through stages to write off based on the common risk characteristics of the transaction and debtor.

Loss rates are based on actual history of credit loss, these rates have been adjusted to reflect differences between previous economic conditions, current conditions and the SACE Board's view of the forecast economic conditions over the expected life of the receivables.

Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the SACE Board and a failure to make contractual payments for a period of greater than 90 days past due.

Receivables with a contractual amount of \$16 000 written off during the year are still subject to enforcement activity.

The allowance was recognised when there was objective evidence that a receivable was impaired. The allowance for impairment was recognised in other expenses for specific debtors and debtors assessed on a collective basis for which such evidence existed.

Impairment losses on the SACE Board receivables arising from contracts with customers were as follows. No impairment losses were recognised in relation to contract assets during the year.

	2020	2019
	\$'000	\$'000
Impairment loss on receivables and contract assets arising from contracts with customers	16	15

**Cash and debt investments**

The SACE Board considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties and therefore the expected credit loss is nil.

**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 and financial liability are disclosed in the respective financial asset / financial liability note.

**Classification of Financial Instruments**

The SACE Board measures all financial instruments at amortised cost.

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**Annual Financial Statements for the year ended 31 December 2020**

**Maturity analysis of Financial Instruments**

**Category of financial asset and financial liability**

Notes	2020 Carrying amount \$'000	Contractual maturities			
		Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000	
<b>Financial assets</b>					
Cash and equivalents					
- Cash and cash equivalents	6.1	15 903	15 903	-	-
Financial assets at amortised cost					
- Receivables**	6.2	193	193	-	-
<b>Total financial assets</b>		<b>16 096</b>	<b>16 096</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>					
Financial liabilities at amortised cost					
- Payables**	7.1	352	352	-	-
- Other financial liabilities (Replacement Teachers)	7.2	105	105	-	-
<b>Total financial liabilities</b>		<b>457</b>	<b>457</b>	<b>-</b>	<b>-</b>

**Category of financial asset and financial liability**

Notes	2019 Carrying amount \$'000	
<b>Financial assets</b>		
Cash and equivalents		
- Cash and cash equivalents	6.1	14 779
Financial assets at amortised cost		
- Receivables**	6.2	375
<b>Total financial assets</b>		<b>15 154</b>
<b>Financial liabilities</b>		
Financial liabilities at amortised cost		
- Payables**	7.1	973
- Lease liabilities	7.3	4
- Other financial liabilities (Replacement Teachers)	7.2	463
<b>Total financial liabilities</b>		<b>1 440</b>

\*Maturities analysis is presented using the undiscounted cash flows and therefore may not total to the carrying amount/fair value of the financial instrument.

\*\* Total amounts disclosed here exclude statutory amounts. Receivables do not include prepayments as these are not financial instruments. Prepayments are presented in note 6.3.

**Statutory receivables and payables**

The receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables. This includes Commonwealth, State and Local Government taxes, fees and charges; Auditor-General's Department audit fees. This is in addition to employee related receivables and payables, such as payroll tax, Fringe Benefits Tax, Pay As You Go Withholding and Return to Work SA levies. In government, certain rights to receive or pay cash may not be contractual and therefore, in these situations, the disclosure requirements of AASB 7 will not apply. Where rights or obligations have their source in legislation such as levies, tax and equivalents, they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost.



**Certification of the Financial Statements**

We certify that the attached general purpose financial statements for the SACE Board of South Australia:

- 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 SACE Board of South Australia; and
- present a true and fair view of the financial position of the SACE Board of South Australia as at 31 December 2020 and the results of its operations and cash flows for the calendar year.

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



Jane Danvers  
Presiding Member

17/13/2021

Date:



Prof. Martin Westwell  
Chief Executive

17/13/2021

Date:



Michelle Cox (FCPA)  
Chief Financial Officer

17/13/2021

Date:



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## To the Chief Executive SACE Board of South Australia

### Opinion

I have audited the financial report of SACE Board of South Australia (the SACE Board) for the financial year ended 31 December 2020.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the SACE Board of South Australia as at 31 December 2020, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 31 December 2020
- a Statement of Financial Position as at 31 December 2020
- a Statement of Changes in Equity for the year ended 31 December 2020
- a Statement of Cash Flows for the year ended 31 December 2020
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Presiding Member, Chief Executive and the Chief Financial Officer.

### Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the SACE Board. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) have been met.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## **Responsibilities of the Chief Executive and the SACE Board for the financial report**

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

The SACE Board is responsible for overseeing the entity's financial reporting process.

## **Auditor's responsibilities for the audit of the financial report**

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 19A of the *SACE Board of South Australia Act 1983*, I have audited the financial report of SACE Board of South Australia for the financial year ended 31 December 2020.

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 SACE Board's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- 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.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive and the SACE Board about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.

A handwritten signature in black ink, appearing to read 'A. Richardson', with a long horizontal flourish extending to the right.

Andrew Richardson

**Auditor-General**

23 March 2021