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**Government
of South Australia**

SACE BOARD OF SOUTH AUSTRALIA

2022 Annual Report



SACE Board of South Australia
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2022 ANNUAL REPORT for the SACE Board of South Australia

To:

The Hon Blair Boyer MP

Minister for Education, Training and Skills

This annual report will be presented to Parliament to meet the statutory reporting requirements of *SACE Board of South Australia Act 1983* 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:

Date 31st March 2023

Signature



Michaela Bensley
Chief Executive

From the Chief Executive



Our purpose of *shaping education so students thrive* and the delivery of our bold vision set out in the SACE Board's 2020-2023 Strategic Plan was our focus in 2022. Alongside the development of strategic initiatives, was a focus on continuous improvement to the delivery of our high-quality services to students and schools.

The SACE Change Network was the mechanism for engaging stakeholders including community members, industry representatives and tertiary institutions and schools in over 40 workshops to prototype, test and design new policy initiatives to bring the SACE Board's connected qualification and thriving learner strategy to life. We established a thrive liaison group to partner with education sectors to support school leaders with SACE Change Network initiatives associated with the SACE Board Strategic plan.

Of particular importance was the ongoing work associated with transformation of the Personal Learning Plan and Research Project subjects. These new subjects with the working titles of Exploring and Activating Identities and Futures, were the focus of a school pilot in 2022. These subjects are intended to be the book ends of the SACE with a clear learning progression for students who complete both. Our promise to students in Exploring Identities and Futures, is that they will be able to explore who they are and who they want to be, rather than the current predominate focus on careers.

Activating Identities and Futures is broadening its current focus on a primarily Research Methodologies approach, to make it more accessible for more students. The new subject prototype allows for every student's unique learning style and supports them to develop agency and ownership of their learning. Through this subject, students select individual strategies to plan and create learning in an area of personal interest. These subjects were piloted by 70 schools and evaluated in 2022.

In preparation for full implementation, a larger scale pilot involving 110 schools has been designed for 2023.

The SACE Board continued to play a lead role in the National recommendations from the Shergold Review related to the development of a student learner profile and the recognition of Aboriginal students' cultural knowledge and learning. The foregrounding of the development of capabilities within the SACE was a key focus for the Board in 2022. In that context, prototypes were developed to effectively integrate SACE capabilities into SACE curriculum and assessment by successfully managing Pilot 1 of the Capabilities and Learner Profile project involving 30 schools across SA, NT and SACE International. To support teachers with the implications of these changes the SACE Board developed, delivered and evaluated 20 pedagogical practice workshops to 200 pilot teachers in the SACE Change Network. In addition, we piloted new methods of quality assurance that enhance student learning outcomes and support building capability of teachers.

The SACE Board is particularly excited by the work we are pursuing in partnership with Aboriginal community leaders, the ambition of which is to recognise in its own right Aboriginal cultural knowledge and learning in the SACE. We have completed a successful first pilot with a small group of strategically selected schools across South Australia and the Northern Territory. Through the pilot activities 22 students received recognition for their cultural knowledge and learning toward the completion of their SACE qualification.

The implications of COVID-19 created significant challenges for schools particularly as a result of teacher shortages and the complications caused by quarantine and close contact regulations. To alleviate some of these pressures on schools the SACE Board responded by implementing a range of subject adjustments designed to provide additional flexibility in planning, curriculum, and assessment. In addition, assessment submission dates were adjusted to provide schools with more time for teaching and learning, particularly given the challenges schools faced in covering the subject content and associated assessments. The SACE Board as an entity worked through the challenges of COVID-19 and were able to maintain business continuity while supporting and providing regular communications to the community, schools, parents and students, and enabling a remote workforce as required throughout the year. In the context of this complexity the SACE Board in partnership with schools was able to deliver results accurately and on time without incident.

The transition to electronic exams has continued, with 15 of 29 locally assessed examinations being delivered electronically. In 2022, SACE successfully delivered its first character-based language, Japanese (continuers) exam in the online platform.

The NT Certificate of Education and Training is delivered through a renewed partnership between the SACE Board and the Northern Territory Department of Education. This relationship continues to strengthen with strong school and government participation in our strategic projects.

The SACE International program (SACEi) also supported our schools throughout Malaysia, China, Vietnam, and the Pacific Islands, many of whom were significantly disrupted due to COVID-19 and the political context. We have extended the SACE footprint with new schools in Sri Lanka and Vietnam.

The SACE Board is committed to working in strong partnership with our key stakeholders to be an enabler in a complex eco-system. Through these relationships, particularly with school leaders, teachers and students we can drive changes to the SACE that support all students to Thrive. We are steadfast in our ambition to reframe senior secondary education such that student health and well-being is as much a focus as academic performance. The strategic initiatives associated with our Thrive framework focus on evolving the SACE so that the growth and development of the whole person is an intentional outcome of participating and completing the qualification.



Michaela Bensley

Chief Executive

SACE Board of South Australia

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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, Training and Skills. 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, South Korea, New Caledonia and Vanuatu that deliver the SACE International program.

Our strategic focus

Our Purpose	Shaping Education so that Students Thrive
Our Vision	<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"> • integrity • equity • quality
Our Priorities	<p>The SACE Board Strategic Plan 2020-2023 is a bold new vision for the SACE Board that has three key priorities.</p> <p>Bold Leader – 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>Connected Qualification – 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>Thriving Learner - We will lead the development of learners who, with the six elements of thrive can develop with vigour in whatever context they find themselves. The elements of thrive are:</p> <ul style="list-style-type: none"> • Zest for Life (lifelong learning) • Deep understanding and skilful action

	<ul style="list-style-type: none"> • Ability to transfer learning • Agency • Human connectedness • Belonging
<p>Our functions, objectives and deliverables</p>	<p>The SACE Board functions include:</p> <ul style="list-style-type: none"> • 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. • 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. • Accrediting subjects and courses and approving learning frameworks. • Maintaining records of assessments or achievements. • Supporting educators and influencing stakeholders to ensure that the intended impact and value of students' education is achieved.

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.

There are currently no Deputy Board members appointed to the Board.

Board Member details

Name	Position	Term Dates	Number of meetings attended
CAMPBELL, Kerry	Deputy Presiding Member	1/7/2021 to 30/6/2024	7 of 7
BALKWILL, Andrew	Board Member	1/7/2021 to 30/6/2024	7 of 7
BROWNING, Tim	Board Member	1/7/2021 to 30/6/2024	6 of 7
CHUI, Eliza	Board Member	1/7/2021 to 30/6/2024	4 of 7
HAY, Iain	Board Member	1/7/2021 to 30/6/2024	6 of 7
KEOUGH, Andy	Board Member	1/7/2021 to 30/6/2024	5 of 7
MASTERS, Kristen	Board Member	1/7/2021 to 30/6/2024	7 of 7
PAGE, Roy	Board Member	1/7/2021 to 30/6/2024	5 of 7
PREST, Peter	Board Member	1/7/2021 to 30/6/2024	7 of 7
RONAN, Pam	Board Member	1/7/2021 to 30/6/2024	6 of 7

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 2021 a new organisational structure was confirmed to identify and address, at the functional level, the gaps between current and future workforce resources and needs. The transition to the new functional structure was completed in 2022.

During 2022 there were no changes to the agency's structure and objectives as a result of internal reviews or machinery of government changes.

Our Minister



The Hon. Blair Boyer MP is the Minister for Education, Training and Skills.

He represents the electorate of Wright in Adelaide's North-Eastern suburbs.

Hon. Blair Boyer MP

Minister for Education, Training and Skills

Member for Wright

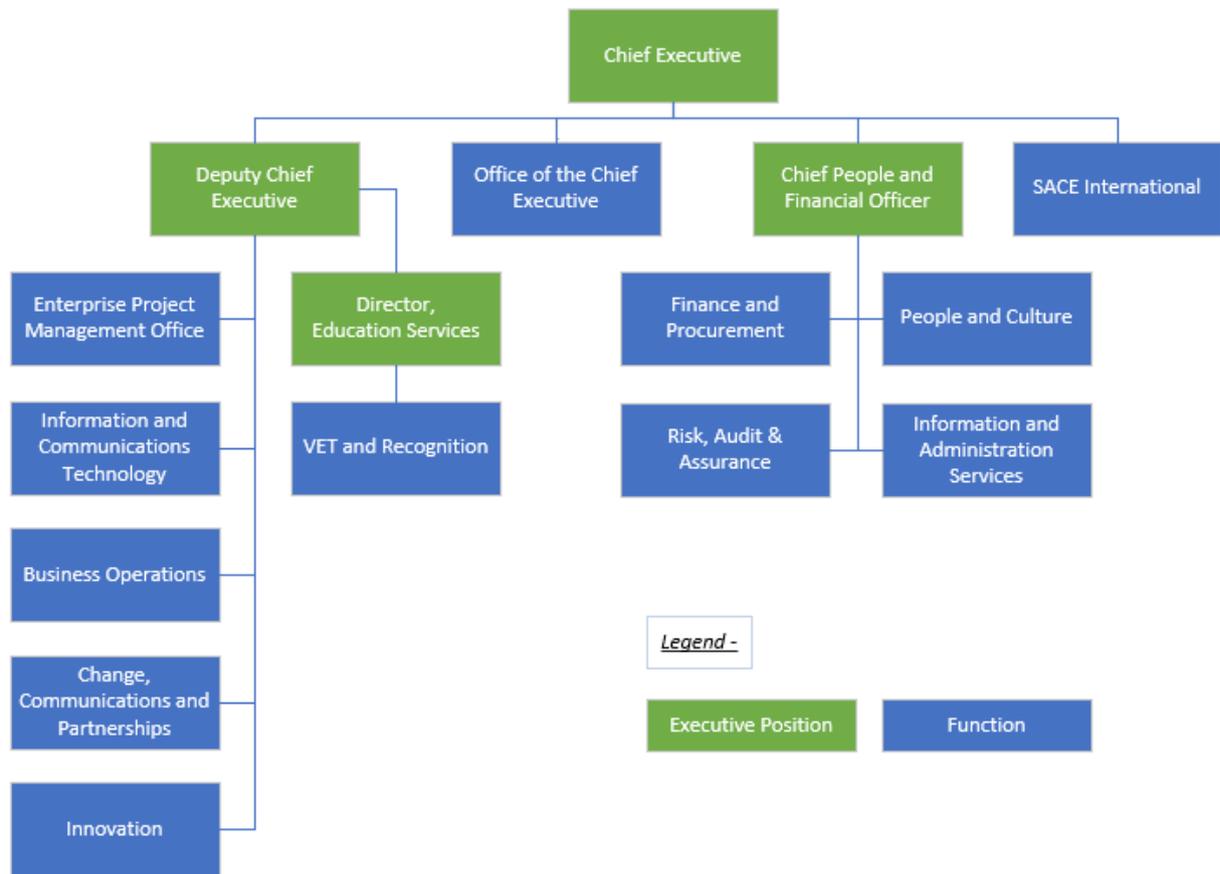
Our Executive team

The SACE Board of South of Australia is led by Chief Executive Michaela Bensley, 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.

Natalie Hamood, Acting 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.

Michelle Cox, Chief People & Financial Officer is a member of the Executive team with responsibility for the strategic leadership and management of the People and Performance group.

Hassan Mekawy, Acting Director Education Services is a member of the Executive team with responsibility for strategic development, recognition and implementation of curriculum, assessment and quality assurance.



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
- TAFE SA
- Teachers Registration Board
- Education Standards Board

The agency's performance

Performance at a glance

During 2022, the SACE Board of South Australia led a range of programs, initiatives, policies and activities to achieve its priorities.

- Played a lead role in the National recommendations from the Shergold Review related to the development of a student learner profile and the recognition of Aboriginal students' cultural knowledge and learning.
- Successfully managed Pilot 1 of the Capabilities and Learner Profile project involving 30 schools across SA, NT and SACE International.
- Two new subjects, Stage 1 Exploring Identities and Futures and Stage 2 Activating Identities and Futures, were piloted by 70 schools and evaluated in 2022. The new subjects represent the revitalised Stage 1 Personal Learning Plan and Stage 2 Research Project. In preparation for full implementation, a larger scale pilot involving 110 schools has been designed for 2023.
- Successfully managed Pilot 1 of the Recognition of Aboriginal Cultural Knowledge and Learning project with a small group of strategically selected schools across South Australia and the Northern Territory. 22 students received recognition for their cultural knowledge and learning toward the completion of their SACE qualification.
- Delivered 19 online and face-to-face SACE Change Network stakeholder engagement workshops involving over 190 teachers, SACE Coordinators and school leaders from 82 schools on multiple occasions during 2022, to prototype and test new policy initiatives associated with the realisation of the SACE Board's strategic plan to transform education so that students thrive.
- Increased recognition locally, nationally and internationally of the SACE as a qualification that entitles students to thrive through public events, media and marketing.
- A range of subject adjustments were delivered to alleviate potential pressure on schools and students in the 2022 school year as a result of COVID-19 and its impact on students and staff. These subject adjustments were designed to provide additional flexibility in planning curriculum and assessment.
- Result submission dates were adjusted to provide schools with more time to submit their assessment information given the impact of COVID-19 on our schools and students.
- Results were delivered to students in South Australia, Northern Territory, Malaysia, China, Vanuatu, New Caledonia and Vietnam accurately and on time on 19 December 2022.
- The transition to electronic exams has continued, with 15 of 29 locally assessed examinations being delivered electronically. In 2022, SACE successfully delivered its first character-based language, Japanese (continuers) exam in the online platform.
- Integrated the new Collaborative Curriculum and Assessment Framework for Languages (CCAFL) into the SACE Board's subject outline for nationally assessed languages at continuers level.

A snapshot of achievements for South Australia's class of 2022 includes:

- 14,676 students completed their SACE
- 3,042 students completed a VET Certificate III as part of their SACE
- 355 students of Aboriginal or Torres Strait Islander (ATSI) descent completed senior secondary education
- A total of 64 Aboriginal students also completed a VET Certificate III qualification in their SACE studies
- A total of 1,277 merit certificates were awarded to 1,034 students for outstanding achievement in Stage 2 subjects
- A record number of 398 students completed the SACE by studying at least one modified subject at a Stage 1 or Stage 2 level. Modified subjects meet the learning needs of students with significant impairment in intellectual functioning or adaptive behaviours

Agency response to COVID-19

In response to the challenges of the COVID-19 pandemic, the SACE Board supported schools in 2022 to continue the learning so that students could achieve their SACE.

SACE Board staff maintained operational service delivery managing a COVID-19 Management Plan including a remote working model where required, whilst minimising the risk of COVID-19 in the workplace.

Overseas travel to SACE international regions recommenced in the second half of 2022 following a suspension in 2021.

Agency contribution to whole of Government objectives

Key Objective	Agency's contribution
<ul style="list-style-type: none"> • 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>
<ul style="list-style-type: none"> • Lower costs 	<p>In 2021 the SACE Board relocated its premises from Greenhill Road, Wayville to 11 Waymouth Street, Adelaide, which through consolidation of government tenancies provided a saving to State Government in 2022.</p>
<ul style="list-style-type: none"> • Better Services 	<p>Electronic assessment remains a key priority of the SACE Board. 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 15 examinations online in 2022. The move to electronic assessment is being progressed and embedded as normal practice.</p>

Agency specific objectives and performance

Agency objectives	Indicators	Performance
<p>Assessment and quality assurance</p>	<p>Progress electronic assessment for marking, moderation, and examination.</p> <p>Subjects have a stronger focus on new technology and 21st 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>	<ul style="list-style-type: none"> • Successfully delivered and marked 15 electronic examinations, including the first character based online exam for Japanese • Received submissions and moderated all Stage 2 subjects online • Provided online calibration of standards courses for teachers • Trained all SACE Board appointed assessors with reference to the performance standards, so that students in all classes across all schools received comparable grades • Updated the training for moderators and markers to reflect the subject adjustment requirements • Piloted new methods of quality assurance that enhance student learning outcomes and support building of capability of teachers • Implemented process improvements for processing of assessment and results to increase automation
<p>Professional learning and support for teachers</p>	<p>A high-quality teaching workforce.</p> <p>Strengthen and further develop educators' expertise in assessment knowledge and pedagogical practice.</p> <p>Changes to teacher practice that improves student learning.</p>	<ul style="list-style-type: none"> • Provided curriculum and assessment professional learning by offering over 160 online PLATO professional learning courses • Developed, delivered and evaluated 20 pedagogical practice workshops to 200 pilot teachers in the SACE Change Network

		<ul style="list-style-type: none"> • Delivered a Prescient professional learning event with a focus on student agency to 150 participants • Developed and delivered a renewed onboarding program for new SACE International schools • Delivered four community assessor training workshops to over 60 teachers, including Special Assistance Schools
<p>Curriculum Development and Support</p>	<p>Innovate SACE curriculum, assessment and quality assurance to ensure that they suitably prepare young people for work, life, and future pathways.</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 capabilities alongside their curriculum achievement.</p>	<ul style="list-style-type: none"> • Provided quality accreditation, certification, and recognition of SACE subjects • Commenced teaching 5 new and 1 renewed subject: <ul style="list-style-type: none"> • Stage 2 Psychology • Stage 1 and Stage 2 Spiritualities, Religion and Meaning • Stage 2 Community Connections • Stage 2 Industry Connections • Stage 1 Nepali • Refined the Activating Identities and Futures subject outline in preparation for pilot 2 delivery in Semester 1 of 2023 • Refined the Exploring Identities and Futures subject outline in preparation for pilot 2 delivery in Semester 1 of 2023 • Incorporated Skills Sets into VET recognition policy and systems to complement the SA Australian Government's VET for School Students strategy

		<ul style="list-style-type: none"> • Introduced Stage 2 “Industry Connections” designed to increase opportunities for student transitions beyond school using practical skills and VET as their focus • Developed prototypes to effectively integrate SACE capabilities into SACE curriculum and assessment • Initiated Languages Discovery project to explore curriculum innovation in the delivery of languages
<p>Community and stakeholder engagement</p>	<p>Build capacity to listen and respond to stakeholders through research, and new systems and processes.</p> <p>Increased recognition among South Australians of the SACE as a qualification that entitles students to thrive.</p>	<ul style="list-style-type: none"> • Communicated SACE relevance and value to the community through public events, media, and marketing, including the SACE Merit Ceremony, SACE Art Show, and the results release media event • Continued the monthly communications, <i>The Standard</i>, with the latest news and updates from the SACE Board • Hosted 8 Principal’s forums across metropolitan and regional areas • Embedded the SACE Change Network and engaged stakeholders including community members, industry representatives and tertiary institutions and schools in 40 workshops to prototype, test and design new policy initiatives to bring the SACE Board’s connected qualification and thriving learner strategy to life • Established a thrive liaison group to partner with education sectors to support school leaders with SACE

		<p>Change Network initiatives associated with the SACE strategic plan</p> <ul style="list-style-type: none"> Continued consultative approach with the Australian Education Union and Independent Education Union in quarterly meetings throughout the year
<p>SACE International</p>	<p>Strengthen the international profile of the SACE, to enhance its reputation and contribute to the state's economy</p>	<ul style="list-style-type: none"> Managed 27 accredited SACE schools delivering the SACE to 1,117 students across eight countries, including the People's Republic of China, Republic of Korea, Taiwan (ROC), Vietnam, Malaysia, Sri Lanka, New Caledonia, and Vanuatu, delivering \$1.691m in gross revenue Participated in a series of launch activities in Sri Lanka to support the successful launch of Gateway College, Columbo, the first SACE-accredited school in South Asia Successfully launched the SACE for the first time with Hillside Collegiate IS, Republic of Korea, and, in doing so, became the first Australian senior secondary qualification offered in the country Extended the SACE footprint in Vietnam through the launch of the Scotch AGS, Ho Chi Minh City - the first K-12 Australian curriculum school in the country

		<ul style="list-style-type: none"> • Accredited new schools in Vietnam and Malaysia with contractual arrangements expected to be finalised in 2023 • Delivered a series of webinars in partnership with Austrade in India and Bangladesh as part of SACE Internationals South Asia market entry strategy that attracted 200 school leaders from 90 schools across the region • SACE International was invited to participate in the IEAA Transnational Education Forum 2022 to share insights on successes and strategies in a post-COVID-19 environment • SACE International participated in the Governor of South Australia’s Southeast Asia mission led by Study Adelaide, facilitating visits to SACE schools in Hanoi and Ho Chi Minh City, resulting in enhanced publicity for the SACE in Vietnam
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Corporate performance summary

During 2022, the SACE Board of South Australia led a range of corporate and operating initiatives and activities, highlights include:

- Continued the delivery of the Strategic Plan 2020-2023, a bold new vision for the SACE Board that has three key priorities; Bold Agency, Connected Qualification and Thriving Learner.
- Completed the transition to the new functional operating structure, which addressed, at the functional level, the gaps between current and future workforce resources and needs.
- A project team was formed to create a Reconciliation Action Plan (RAP) that is used to develop and strengthen respectful relationships and create meaningful opportunities with, and for, Aboriginal and Torres Strait Islanders.

The RAP was completed and endorsed by Reconciliation Australia in October 2022. The SACE Board participated in the Workplace RAP Barometer (WRB), a Reconciliation Australia survey designed to measure attitudes towards and perceptions of reconciliation amongst employees. The insights from the survey are being used to inform the implementation of the SACE Board RAP.

- Worked through the challenges of COVID-19 to maintain business continuity while supporting and providing regular communications to the community, schools, parents and students, and enabling a remote workforce as required throughout the year. Supported schools with extensions to assessment timelines, whilst maintaining the delivery of results release to students on the scheduled date.

Employment opportunity programs

Program name	Performance
Disability Employment	During 2022 the SACE Board did not engage any individuals via the Disability Employment Program.
OCPSE Skilling SA	<p>During 2022 the SACE Board engaged one individual via the Cyber Security Traineeships initiative coordinated by OCPSE.</p> <p>The SACE Board allocation for the program in 2021-22 was one, which was met through pathway 3 – upskilling of an existing public sector worker.</p>

Agency performance management and development systems

Performance management and development system	Performance
All employees are required to take part in a formal performance management and development discussion with their manager biannually	<p>56% of SACE Board of South Australia employees participated in a performance management and development review within the previous six months.</p> <p>The SACE Board launched an online performance and development system <i>MyCareer</i> late in 2022. In 2023 discussions will occur as part of a twice-yearly cycle. Team members and leaders have participated in training to support the introduction of the new system and to focus on effective performance and development conversations and planning.</p>

Work health, safety and return to work programs

Program name	Performance
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"> • Conducted workstation and ergonomic assessments for employees (where requested); • Conducted a fire drill for Waymouth St, Adelaide; • WHS Committee met four times during the year; • Sought expressions of interest for two Health and Safety Representatives; and • Appointed two new Health and Safety Representatives. • Expanded Emergency Wardens to enable adequate coverage across the new Waymouth Street tenancy.
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 2023.</p>
Employee Assistance Program	<p>An Employee Assistance Program (EAP) is in place to provide support for employees and family. The number of staff and family consultations totalled 17 in 2022.</p> <p>EAP provided an information session to all employees in September as part of the 2022 RUOK? Day initiative which was in addition to contracted service arrangement.</p>
Health & Wellbeing	<p>A focus on health and wellbeing included:</p> <ul style="list-style-type: none"> • Flu vaccinations offered to all staff; • RUOK? Day initiatives; • Ergonomic assessments conducted by an external Occupational Therapist for all new employees; • Intranet resources for employees to focus on wellbeing during COVID-19; and • Commenced development of a Health & Wellbeing Program for implementation in 2023.

Workplace injury claims	2022	2021	% Change (+ / -)
Total new workplace injury claims	0	0	-
Fatalities	0	0	-
Seriously injured workers*	0	0	-
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	0	-

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

Work health and safety regulations	2022	2021	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	0	1	-100%
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	0	0	-

Return to work costs**	2022	2021	% Change (+ / -)
Total gross workers compensation expenditure (\$)	\$ 200	\$ 495	- 59.6%
Income support payments – gross (\$)	\$ 0	\$ 0	Nil

**before third party recovery

Executive employment in the agency

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

Executive classification	Number of executives
Executive Level C (Not SAES)	1
Executive Level B (Not SAES)	2
Executive Level A (Not SAES)	1

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 2022 are attached to this report.

Statement of Comprehensive Income	2022 Actual \$000s	2021 Actual \$000s
Total Income	22 513	25 661
Total Expenses	22 966	22 336
Net Result	(453)	3 325
Total Comprehensive Result	(453)	3 325

Statement of Financial Position	2022 Actual \$000s	2021 Actual \$000s
Current assets	17 605	17 178
Non-current assets	7 352	7 861
Total assets	24 957	25 039
Current liabilities	3 190	2 533
Non-current liabilities	1 737	2 023
Total liabilities	4 927	4 556
Net assets	20 030	20 483
Equity	20 030	20 483

Consultants disclosure

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

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

Consultancies	Purpose	\$ Actual payment
All consultancies below \$10,000 each - combined	Various	\$ 7,500

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

Consultancies	Purpose	\$ Actual payment
Clear Horizon Consulting Pty Ltd	Evaluation services	\$ 25,676
Cambridge University Press & Assessment	Professional Learning – Assessment	\$ 46,361
	Total	\$ 72,037

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 - \(Budget Statement Appendix C\)](#) for total value of consultancy contracts across the South Australian Public Sector.

Contractors disclosure

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

Contractors with a contract value below \$10,000

Contractors	Purpose	\$ Actual payment
All contractors below \$10,000 each - combined	Various	\$ 41,127

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

Contractors	Purpose	\$ Actual Payment
Atd Audio & Media	Voice over & editing services	\$ 14,338
Baidam Solutions Pty Ltd	Security testing services	\$ 36,000
Ball Public Relations Pty Ltd	Public Relations / Training	\$ 15,884
Blue Crystal Solutions	Database management	\$ 119,922
Braw Media	Project videography	\$ 11,139
Brenda Harris	Education services	\$ 11,320
Cubesys Pty Ltd	Cloud implementation services	\$ 30,555
Cybercx Pty Ltd	Security testing services	\$ 50,640
Dbusiness Pty Ltd	Event management services	\$ 17,630
Dxc Technology Australia Pty Ltd	Server and Cloud management services	\$ 49,842
Fisher Leadership	Recruitment & selection services	\$ 59,793
Fragile To Agile (Asian Pac) Pty Ltd	Software architectural services	\$ 23,400
Hays Specialist Recruitment	Recruitment & temporary staff	\$ 450,461
Hender Careers	Recruitment & temporary staff	\$ 78,228
Hudson Global Resources	Recruitment & temporary staff	\$ 94,169
Kik Enterprises	Recruitment & temporary staff	\$ 39,040
Kojo Studios Pty Ltd	Website Audit Services	\$ 13,680
Megt (Australia) Ltd	Recruitment & temporary staff	\$ 49,843
Michael Vnuk	Editing services	\$ 78,924
Paxus Australia Pty Ltd	Recruitment & temporary staff	\$ 91,507
Randstad Pty Ltd	Recruitment & temporary staff	\$ 359,694
Talent International (SA) Pty Ltd	Recruitment & temporary staff	\$ 248,896

Taptu Pty Ltd	ICT Strategic planning	\$ 19,250
Transforming Education (Dr David D Curtis)	Education services	\$ 41,250
	Total	\$ 2,005,405

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 Management is an integral part of reporting to the Board. The Risk Management Framework and Risk Management Policy are provided to all staff via the intranet.

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, risk management and oversight of the audit strategies. PFPC has four committee members that are external to the SACE Board and three committee observers that are employees of the SACE Board.

The SACE Board Risk Management Framework, Risk Appetite Statement, Risk Matrices and Strategic Risk Register were reviewed throughout 2022 and endorsed by the Board in October 2022.

Fraud detected in the agency

Category/nature of fraud	Number of instances
Nil	-

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

Strategies implemented to control and prevent fraud

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

- The SACE Board adopts the *South Australian Public Sector Fraud and Corruption Control Policy* issued by the Commissioner for Public Sector Employment. The SACE Board *Fraud and Corruption Prevention Policy* is applicable to all SACE Board employees, contractors, consultants and service providers. The policy formalises and communicates the processes and systems in place for preventing, detecting, managing and reporting fraud and corruption;

- Staff are aware of their obligations under the *SACE Board of South Australia Act 1983* and the *Code of Ethics for the South Australian Public Sector*. As a component of their induction, employees are required to complete the Code of Ethics Awareness Program and sign the Code of Ethics and IT Users Agreement relevant to their role to support their employment at the SACE Board;
- 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;
- Monthly reconciliations of balance sheet accounts are reviewed in accordance with segregation of duties to facilitate independent review;
- Post-transaction review — regular reconciliations of financial accounts and cash transactions are undertaken. Monthly comparisons of actual financial performance with budget are undertaken by management and variances are investigated and reported to the Planning, Finance and Performance Committee; and
- A financial management compliance program — this is an ongoing process that requires the Chief Executive to oversee the documentation of 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

Act or Regulation	Requirement
<p><i>SACE Board of South Australia Act 1983</i></p>	<p>20—Report</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"> (a) incorporate the audited accounts of the Board for the relevant year; and (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 (c) contain any other information required by this Act. <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

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	N/A

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

Service Improvements

The SACE Board has in place mechanisms which enable stakeholders and customers to make enquiries, provide feedback and submit grievances.

Channels available to provide feedback, make enquiries and access policy information include:

- Direct email enquires via the AskSACE platform which allow electronic feedback to be provided via email.
- Direct telephone enquiries via the AskSACE customer service team.
- Policy information is accessible on the SACE Board website.

The SACE Board policy framework includes processes for submitting assessment related grievances, appeals and investigations.

Compliance Statement

SACE Board of South Australia is compliant with Premier and Cabinet Circular <i>PC039 – Complaint Management in the South Australian Public Sector</i>	Partial
SACE Board of South Australia has communicated the content of PC039 and the agency's related complaints policies and procedures to employees. <i>The SACE Board policies and procedures for grievances are communicated to staff, in addition to the roles and responsibilities of team members who deliver services via the AskSACE mechanisms.</i>	No

During 2022 the SACE Board commenced a customer service program of work. In 2023 this focus will continue with internal customer service training and continuous improvement of mechanisms that support the feedback processes. This activity will enhance compliance with *PC039 – Complaint Management in the South Australian Public Sector*.

Appendix: Audited financial statements 2022

SACE Board of South Australia
Annual Financial Statements for the year ended 31 December 2022

SACE Board of South Australia
Statement of Comprehensive Income
for the year ended 31 December 2022

	Note	2022 \$'000	2021 \$'000
Income			
SA Government grants, subsidies and transfers	2.1	17 058	20 618
Sales of goods and services	2.2	4 781	4 550
Resources received free of charge	2.3	74	96
Replacement teachers' write-back	2.4	88	70
Other income	2.5	512	327
Total income		22 513	25 661
Expenses			
Employee benefits expenses	3.3	14 201	14 498
Supplies and services	4.1	7 238	6 459
Depreciation and amortisation	5.1	1 308	1 185
Replacement teachers' expense	4.2	219	194
Total expenses		22 966	22 336
Net result		(453)	3 325
Other comprehensive income		-	-
Total comprehensive result		(453)	3 325

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 2022

SACE Board of South Australia
Statement of Financial Position
as at 31 December 2022

	Note	2022 \$'000	2021 \$'000
Current Assets			
Cash and cash equivalents	6.2	16 554	16 246
Receivables	6.3	1 051	932
Total current assets		17 605	17 178
Non-current Assets			
Receivables	6.3	12	8
Plant and equipment	5.2	1 203	1 371
Intangible assets	5.3	6 137	6 482
Total non-current assets		7 352	7 861
Total assets		24 957	25 039
Current Liabilities			
Payables	7.2	1 140	915
Contract liabilities	2.2	554	335
Employee benefits liability	3.4	1 337	1 145
Replacement teachers	7.3	135	118
Provisions	7.4	24	20
Total current liabilities		3 190	2 533
Non-current Liabilities			
Payables	7.2	116	169
Employee benefits liability	3.4	1 205	1 802
Provisions	7.4	416	52
Total non-current liabilities		1 737	2 023
Total liabilities		4 927	4 556
Net assets		20 030	20 483
Equity			
Retained earnings		20 030	20 483
Total equity		20 030	20 483

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 2022

SACE Board of South Australia
Statement of Changes in Equity
 for the year ended 31 December 2022

	Note	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 January 2021		17 158	17 158
Net result for 2021		3 325	3 325
Total comprehensive result for 2021		3 325	3 325
Balance at 1 January 2022		20 483	20 483
Net result for 2022		(453)	(453)
Total comprehensive result for 2022		(453)	(453)
Balance at 31 December 2022		20 030	20 030

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 2022

SACE Board of South Australia
Statement of Cash Flows
for the year ended 31 December 2022

	Note	2022 \$'000	2021 \$'000
<u>Cash Flows from Operating Activities</u>			
<i>Cash Inflows</i>			
SA Government grants, subsidies and transfers		17 058	20 618
Sales of goods and services		5 298	4 419
Interest received		193	29
GST recovered from the ATO		368	349
Other receipts		328	332
Cash generated from operations		23 245	25 747
<i>Cash Outflows</i>			
Employee benefit payments		(14 528)	(15 653)
Payments for supplies and services		(7 500)	(6 794)
Replacement teachers		(114)	(111)
Cash used in operations		(22 142)	(22 558)
Net cash provided by (used in) operating activities		1 103	3 189
<u>Cash Flows from Investing Activities</u>			
<i>Cash Outflows</i>			
Purchases of intangible assets		(659)	(1 323)
Purchases of leasehold improvements		(136)	(1 523)
Net cash provided by (used in) investing activities		(795)	(2 846)
Net increase (decrease) in cash and cash equivalents		308	343
Cash and cash equivalents at the beginning of the calendar year		16 246	15 903
Cash and cash equivalents at the end of the calendar year	6.2	16 554	16 246

The accompanying notes form part of these financial statements.

SACE Board of South Australia
Annual Financial Statements for the year ended 31 December 2022

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SACE Board of South Australia
Annual Financial Statements for the year ended 31 December 2022

1. About the SACE Board of South Australia (the SACE Board)

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, applying simplified disclosures.

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 identified in the notes to the financial statements.

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

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

Cash flows include GST in the Statement of Cash Flows.

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 priorities:

- Bold Leader - further develop the SACE Board as a leader in education and as an exemplary public service agency.
- Connected Qualification - further develop a qualification through which students can thrive and provide evidence of their knowledge, skills, capabilities and other attributes that will connect them to industry sectors and other pathways.
- Thriving Learner - lead the development of learners who, with the six elements of thrive, can develop with vigour in whatever context they find themselves.

The main programs of the SACE Board, prescribed by the Act, 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. The key impacts in 2022 were:

- SACE Board staff using a remote working model where required 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).
- Overseas travel to SACE International regions recommenced in the second half of 2022 following a suspension in 2021.

SACE Board of South Australia
Annual Financial Statements for the year ended 31 December 2022

2. Income

2.1 SA Government grants, subsidies and transfers

	2022	2021
	\$'000	\$'000
Transfers from the Department for Education	17 058	18 983
Transfers from the Department for Innovation and Skills	-	1 635
Total SA Government grants, subsidies and transfers	17 058	20 618

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 \$15 614 000 (2021: \$17 294 000) for operational funding and \$1 444 000 (2021: \$3 324 000) for capital projects.

\$1 635 000 was received in 2021 from the then Department for Innovation and Skills for reimbursement of the fitout of the Waymouth Street office.

2.2 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.

	2022	2021
	\$'000	\$'000
Northern Territory Government	2 592	2 415
SACE International Program	1 691	1 349
Overseas students studying in South Australia	444	635
Prescient	10	116
Other	44	35
Total sales of goods and services	4 781	4 550

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 International Program

SACE International Program provides services to schools in China, Vietnam, Vanuatu, Malaysia, New Caledonia, Sri Lanka, Taiwan and Republic of Korea 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 South Australia

The SACE Board charges fees to international students who hold a sub-class visa 500 under the *SACE Board of South Australia Regulations 2008*.

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.

SACE Board of South Australia
Annual Financial Statements for the year ended 31 December 2022

Prescient

Prescient 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 courses which are separately identifiable and can be sold separately. Therefore revenue is recognised at a point in time at completion of the delivery of each individual course.

Contract balances

	2022	2021
	\$'000	\$'000
Receivables from contracts with customers included in 'Receivables'	454	87
Contract assets	-	-
Contract liabilities	554	335

Under revenue standard *AASB 15 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 or receivable from SACE International schools who have prepaid their fees. Revenue from contract liabilities will be earned within the next 12 months.

2.3 Resources received free of charge

	2022	2021
	\$'000	\$'000
Services received free of charge - Shared Services SA	74	96
Total resources received free of charge	74	96

2.4 Replacement teachers' write-back

	2022	2021
	\$'000	\$'000
Replacement teachers' write-back income	88	70
Total Replacement teacher's write-back income	88	70

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 7.3 for additional explanation of the liability for replacement teachers.

2.5 Other income

	2022	2021
	\$'000	\$'000
Miscellaneous income	277	299
Interest on cash and cash equivalents	235	28
Total other income	512	327

Miscellaneous income includes the scaling grant, 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 *AASB 15* over the academic year. This fee is charged annually.

3. Board, committees and employees

3.1 Key management personnel

Key management personnel of the SACE Board include the Minister, the Chief Executive, Board Members, the Deputy Chief Executive, the Chief People and Financial Officer and Director, Education Services.

Total compensation for the SACE Board's key management personnel was \$1 012 000 (2021: \$981 000). Salaries and other benefits the Minister for Education, Training and Skills 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 of the *Parliamentary Remuneration Act 1990*.

The SACE Board has not identified any material transactions with key management personnel and other related parties during 2022.

SACE Board of South Australia
Annual Financial Statements for the year ended 31 December 2022

3.2 Board and committee members

Members during the 2022 calendar year were:

SACE Board of South Australia

Acting Presiding Member

Ms Kerrie Campbell

Members

Mr Andrew Balkwill

Mr Timothy Browning

Ms Eliza Chui

Prof. Iain Hay

Mr Andrew Keough

Ms Kristen Masters*

Mr Roy Page*

Mr Peter Prest

Ms Pamela Ronan

* 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:

	2022	2021
	No.	No.
\$1 to \$19 999	7	11
\$20 000 to \$39 999	1	1
Total number of Board and committee members	8	12

The total remuneration received or receivable by members was \$115 000 (2021: \$129 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax.

3.3 Employee benefits expenses

	2022	2021
	\$'000	\$'000
Salaries and wages	8 912	9 368
Casual salaries external assessment	1 864	1 937
Casual salaries moderation	637	660
Casual salaries other	48	140
Long service leave (LSL)	(174)	(452)
Annual leave	824	750
Skills and experience retention leave (SERL)	42	54
Employment on-costs - superannuation*	1 259	1 252
Employment on-costs - other	646	658
Fringe benefits tax	38	13
Board and committee fees	105	118
Total employee benefits expenses	14 201	14 498

***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 2022

Executive remuneration

	2022 No.	2021 No.
The number of employees whose remuneration received or receivable falls within the following bands:		
\$157 001 to \$177 000	4	2
\$177 001 to \$197 000	1	-
\$197 001 to \$217 000	-	1
\$217 001 to \$237 000	1	-
\$237 001 to \$257 000	-	1
\$297 001 to \$317 000	1	-
\$317 001 to \$337 000	-	1
Total	7	5

The total remuneration received by those employees for the year was \$1 356 000 (2021: \$1 121 000).

The table includes all employees whose normal remuneration was 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.

3.4 Employee benefits liability

	2022 \$'000	2021 \$'000
Current		
Accrued salaries and wages	93	83
Annual leave	876	771
Long service leave	325	250
SERL	43	41
Total current employee benefits	1 337	1 145
Non-current		
Long service leave	1 205	1 802
Total non-current employee benefits	1 205	1 802
Total employee benefits	2 542	2 947

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.

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 7.2. The expected timing and amount of long service leave payments is determined through whole-of-government actuarial calculations, which is then applied to the SACE Board's employee details. Key assumptions include whether the characteristics of employee remuneration, terms of service with the public sector, and expectations as to when employees take long service leave, as established by the actuary, are applicable to employees of the SACE Board. These assumptions affect the expected amount to be paid that has been factored into the calculation of the liability. The discount rate used in measuring the liability is another key assumption. The discount rate is reflective of long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds has increased from 2021 (1.5%) to 2022 (4%).

This increase in the bond yield results in a decrease in the reported long service leave liability.

SACE Board of South Australia
Annual Financial Statements for the year ended 31 December 2022

4. Expenses

Employee benefits expenses are disclosed in note 3.3.

4.1 Supplies and services

	2022	2021
	\$'000	\$'000
Office accommodation	1 135	1 270
Computing and communication	803	883
Fleet management costs	3	7
Shared Services SA charges	98	121
Consultants	80	189
Contractors	2 060	1 784
Printing	122	116
Travel and accommodation	93	40
Postage, courier, and freight	280	316
Motor vehicle transport	21	17
Software	1 319	1 038
Venue hire	64	78
Hospitality	55	35
Stationery and office supplies	38	29
Equipment hire	66	86
Repairs and maintenance	355	(208)
Security	6	10
Staff development	208	72
Impairment loss on receivables	31	40
Other	401	536
Total supplies and services	7 238	6 459

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:

	No.	2022	No.	2021
		\$'000		\$'000
Below \$10 000	1	8	-	-
\$10 000 or above	2	72	4	189
Total	3	80	4	189

Other

Other expenses include audit fees payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* were \$60 000 (2021: \$58 000). No other services were provided by the Auditor-General's Department.

4.2 Replacement teachers' expense

	2022	2021
	\$'000	\$'000
Temporary replacement teachers	219	194
Total replacement teachers' expense	219	194

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 2022, plus indexation.

See also Note 7.3 for details of the unclaimed funds as at 31 December 2022.

SACE Board of South Australia
Annual Financial Statements for the year ended 31 December 2022

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 integrity of the information. 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 Useful life and depreciation

Depreciation and amortisation	2022	2021
	\$'000	\$'000
Equipment	13	13
Computer equipment	7	7
Leasehold improvements	284	177
Intangible assets	1 004	988
Total depreciation and amortisation	1 308	1 185

All non-current assets 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.

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

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 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.

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5.2 Plant and equipment

Equipment comprises owned and leased tangible assets.

	2022 \$'000	2021 \$'000
Leasehold improvements		
Leasehold improvements at fair value	1 659	1 523
Accumulated depreciation at the end of the period	(461)	(177)
Total leasehold improvements	1 198	1 346
Equipment		
Equipment at cost (deemed fair value)	110	127
Accumulated depreciation at the end of the period	(110)	(114)
Total equipment	-	13
Computer equipment		
Computer equipment at cost (deemed fair value)	475	475
Accumulated depreciation at the end of the period	(470)	(463)
Total computer equipment	5	12
Total plant and equipment	1 203	1 371

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.

Impairment

There were no indications of impairment, as at 31 December 2022.

Reconciliation 2022

	Leasehold improve- ments \$'000	Equipment \$'000	Computer equipment \$'000	Total \$'000
Carrying amount at 1 January 2022	1 346	13	12	1 371
Additions	136	-	-	136
Depreciation	(284)	(13)	(7)	(304)
Carrying amount at 31 December 2022	1 198	-	5	1 203

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5.3 Intangible assets

	2022 \$'000	2021 \$'000
Internally developed computer software		
Internally developed computer software	13 366	12 573
Accumulated amortisation	(7 592)	(6 631)
Total Internally developed computer software	5 774	5 942
Purchased computer software		
Purchased computer software	351	346
Accumulated amortisation	(206)	(163)
Total Purchased computer software	145	183
Work in progress		
Internally developed computer software	218	357
Total Work in progress	218	357
Total intangible assets	6 137	6 482

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 \$5 774 000.

Reconciliation 2022

	Internally developed computer software \$'000	Other computer software \$'000	WIP \$'000	Total \$'000
Carrying amount at 1 January 2022	5 942	183	357	6 482
Additions	30	5	624	659
Transfers (Work in progress)	763	-	(763)	-
Amortisation	(961)	(43)	-	(1 004)
Carrying amount at 31 December 2022	5 774	145	218	6 137

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6. Financial assets

6.1 Categorisation of financial assets

Notes	2022 Carrying amount \$'000	2021 Carrying amount \$'000
Financial assets		
Cash and equivalents		
- Cash and cash equivalents	16 554	16 246
Financial assets at amortised cost		
- Receivables	489	165
Total financial assets	17 043	16 411

Receivables as disclosed in this note does not include statutory amounts, overpayment recoveries and prepayments as these are not financial instruments.

6.2 Cash and cash equivalents

	2022 \$'000	2021 \$'000
Operating account	6 261	6 056
Deposit with SAFA	10 293	10 190
Total cash and cash equivalents	16 554	16 246

6.3 Receivables

	2022 \$'000	2021 \$'000
Current		
Contractual receivables		
From government entities	-	87
From non-government entities	484	100
Less allowance for impairment loss on receivables	(8)	(24)
Total contractual receivables	476	163
Salary overpayment recoveries	62	235
Less allowance for salary overpayment recoveries	(31)	-
Prepayments	435	295
Accrued revenues	44	2
GST receivable	65	237
Total current receivables	1 051	932
Non-current		
Prepayments	12	8
Total non-current receivables	12	8
Total receivables	1 063	940

Contractual receivables arise in the normal course of selling goods and services to other government agencies and to the public. Contractual receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Overpayment recoveries include assessment panellist members who were overpaid in December 2021. Recoveries are ongoing and are expected to be resolved within the next twelve months.

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.

Receivables, prepayments and accrued revenues are non-interest bearing. Contractual receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost. The GST included as part of the receivables, is the net amount recoverable from the ATO.

Allowance for impairment losses relate to contracts with customers external to SA Government and salary overpayment recoveries.

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Allowance for impairment loss on receivables

	2022 \$'000	2021 \$'000
Carrying amount at 1 January 2022	24	17
Amounts written off	(16)	(33)
Increase/(decrease) in the allowance	31	40
Carrying amount at 31 December 2022	39	24

7. Liabilities

Employee benefits liabilities are disclosed in note 3.4.

7.1 Categorisation of financial liabilities

	Notes	2022 Carrying amount \$'000	2021 Carrying amount \$'000
Financial liabilities			
Financial liabilities at amortised cost			
- Payables	7.2	627	288
- Other financial liabilities (Replacement Teachers)	7.3	135	118
Total financial liabilities		762	406

Payables as disclosed in this note does not include statutory amounts as these are not financial instruments.

7.2 Payables

	2022 \$'000	2021 \$'000
Current		
Contractual payables	66	82
Accrued expenses	561	459
Statutory payables	66	58
Employment on-costs	440	316
Paid Parental Leave Scheme payable	7	-
Total current payables	1 140	915
Non-current		
Employment on-costs	116	169
Total non-current payables	116	169
Total payables	1 256	1 084

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.

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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 remained the same as 2021 (42%) and the average factor for the calculation of employer superannuation on-cost has increased in 2022 (10.6%) from 2021 (10.1%). 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.

7.3 Replacement teachers

	2022 \$'000	2021 \$'000
Current		
Temporary replacement teachers	135	118
Total replacement teachers' liability	135	118

The liability for replacement teachers represents the estimated cost of amounts owing to schools but not yet claimed as at 31 December 2022.

7.4 Provisions

	2022 \$'000	2021 \$'000
Current		
Provision for workers' compensation	24	20
Total current provisions	24	20
Non-current		
Provision for workers' compensation	70	52
Make Good Provision	346	-
Total non-current provisions	416	52
Total provisions	440	72
Movement in provisions	2022	2021
	\$'000	\$'000
Carrying amount at the beginning of the period	72	361
Amount of provision expensed	-	75
Derecognition	-	(375)
Additional provisions recognised	368	11
Carrying amount at the end of the period	440	72

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 2022 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.

An additional provision was recognised in 2022 for contractual obligations at the conclusion of the tenancy term at Waymouth Street. The provision is based on advice received from the Department for Infrastructure and Transport. The provision is for the estimated cost of repairs and maintenance required to complete decommissioning activities.

SACE Board of South Australia
Annual Financial Statements for the year ended 31 December 2022

8. Outlook

8.1 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

	2022	2021
	\$'000	\$'000
Within one year	-	111
Total other commitments	-	111

The SACE Board's capital commitment in 2021 was for the final fitout works to the Waymouth Street office.

Expenditure commitments

	2022	2021
	\$'000	\$'000
Within one year	3 621	2 520
Later than one year but not longer than five years	6 302	5 241
Total other commitments	9 923	7 761

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 Memoranda of Administrative Arrangements with the Department for Infrastructure and Transport.

8.2 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.

8.3 Events after the reporting period

There are no known events after balance date that affect these financial statements.

SACE Board of South Australia
Annual Financial Statements for the year ended 31 December 2022

Certification of the Financial Statements

To the best of our knowledge and belief we certify that the attached draft 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 2022 and the results of its operations and cash flows for the calendar year.

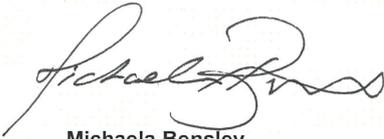
We certify that the internal controls employed by the SACE Board of South Australia for the calendar year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



Kerrie Campbell
Deputy Presiding Member

20/3/2023

Date:



Michaela Bensley
Chief Executive

20/3/23

Date:



Michelle Cox (FCPA)
Chief People and Financial Officer

20/3/2023

Date:

INDEPENDENT AUDITOR'S REPORT



Government of South Australia

Auditor-General's Department

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**To the Chief Executive
SACE Board of South Australia**

Opinion

I have audited the financial report of the SACE Board of South Australia for the financial year ended 31 December 2022.

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 2022, 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 – Simplified Reporting Requirements.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 31 December 2022
- a Statement of Financial Position as at 31 December 2022
- a Statement of Changes in Equity for the year ended 31 December 2022
- a Statement of Cash Flows for the year ended 31 December 2022
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Deputy Presiding Member, the Chief Executive and the Chief People and 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 of South Australia. 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-Simplified Reporting Requirements, 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.

In preparing the financial report, the Chief Executive is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The SACE Board are 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 the SACE Board of South Australia for the financial year ended 31 December 2022.

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 of South Australia's internal control

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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.



Daniel O'Donohue

Assistant Auditor-General (Financial Audit)

24 March 2023