



School Curriculum  
and Standards  
Authority

# 2012 Annual Report



**Copyright**

© School Curriculum and Standards Authority, 2012

This document may be freely copied or communicated for non-commercial purposes provided that it is not changed in any way and that the School Curriculum and Standards Authority is acknowledged as the copyright owner.

ISSN 1440-8740

TRIM: 2012/20661v3 PDF: 2012/28783

# Table of Contents

---

Executive summary.....	2
Operational structure .....	3
Overview of the Authority.....	4
Board membership.....	4
Agency performance.....	6
Significant issues impacting the Authority.....	6
Curriculum and Assessment.....	7
Standards and Moderation.....	8
School moderation program.....	8
International education.....	8
Social media .....	10
Compliance section.....	10
Occupational safety, health and injury management .....	11
Complaints management.....	12
Financial targets.....	13
Summary of key performance indicators.....	14
Certification of Financial Statements.....	15
Financials and Performance .....	16
Statement of Comprehensive Income.....	18
Statement of Financial Position .....	19

Statement of Changes in Equity .....	20
Statement of Cash Flows.....	21
Index of Notes to the Financial Statements .....	22
Notes to the Financial Statements .....	24
Ministerial directives.....	48
Contracts with senior officers.....	48
Other financial disclosures.....	48
Capital works.....	48
Statement of Compliance with <i>Electoral Act 1907</i> section 175ZE (Advertising).....	48
Additional key performance indicator information .....	49
Detailed Information in Support of Key Performance Indicators .....	50
Services .....	51
Service 1: Curriculum development, evaluation and support.....	51
Service 2: Student assessment and certification .....	51

# Tables

---

Table 1: Year 12 overseas WACE enrolments .....	9
Table 2: A report of annual performance for 2011–12 .....	12
Table 3: Outcome: Quality curriculum framework (Kindergarten to Year 12) and assessment (years 11–12) in Western Australia (variation).....	14
Table 4: Outcome: Quality curriculum framework (Kindergarten to Year 12) and assessment (years 11–12) in Western Australia.....	50



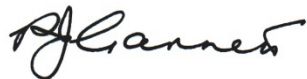
## Statement of Compliance

Hon Peter Collier MLC


MINISTER FOR EDUCATION; ENERGY; INDIGENOUS AFFAIRS

In accordance with Section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of the School Curriculum and Standards Authority for the period 1 March 2012 to 30 June 2012.

The Annual Report has been prepared in accordance with the provisions of the Financial Management Act (2006).



**EMERITUS PROFESSOR P. J. GARNETT  
CHAIR**



**A. BLAGAICH  
ACTING CHIEF EXECUTIVE OFFICER**

**16 August 2012**

Contact details

27 Walters Drive, Osborne Park, WA 6017

Internet: [www.scsa.wa.edu.au](http://www.scsa.wa.edu.au)

Email: [info@scsa.wa.edu.au](mailto:info@scsa.wa.edu.au)

Telephone: (08) 9273-6300

Facsimile: (08) 9273-6301

## **Executive summary**

The School Curriculum and Standards Authority (the Authority) replaced the Curriculum Council on 1 March 2012. Assets, rights and liabilities of the Curriculum Council as at 29 February 2012 were transferred to the Authority.

Since the proclamation of the *School Curriculum and Standards Authority Act 1997* on 1 March 2012, the *Curriculum Council Regulations 2005* have been reviewed. Changes to the current regulations were necessary because of the expanded remit of the School Curriculum and Standards Authority.

### **Responsible Minister**

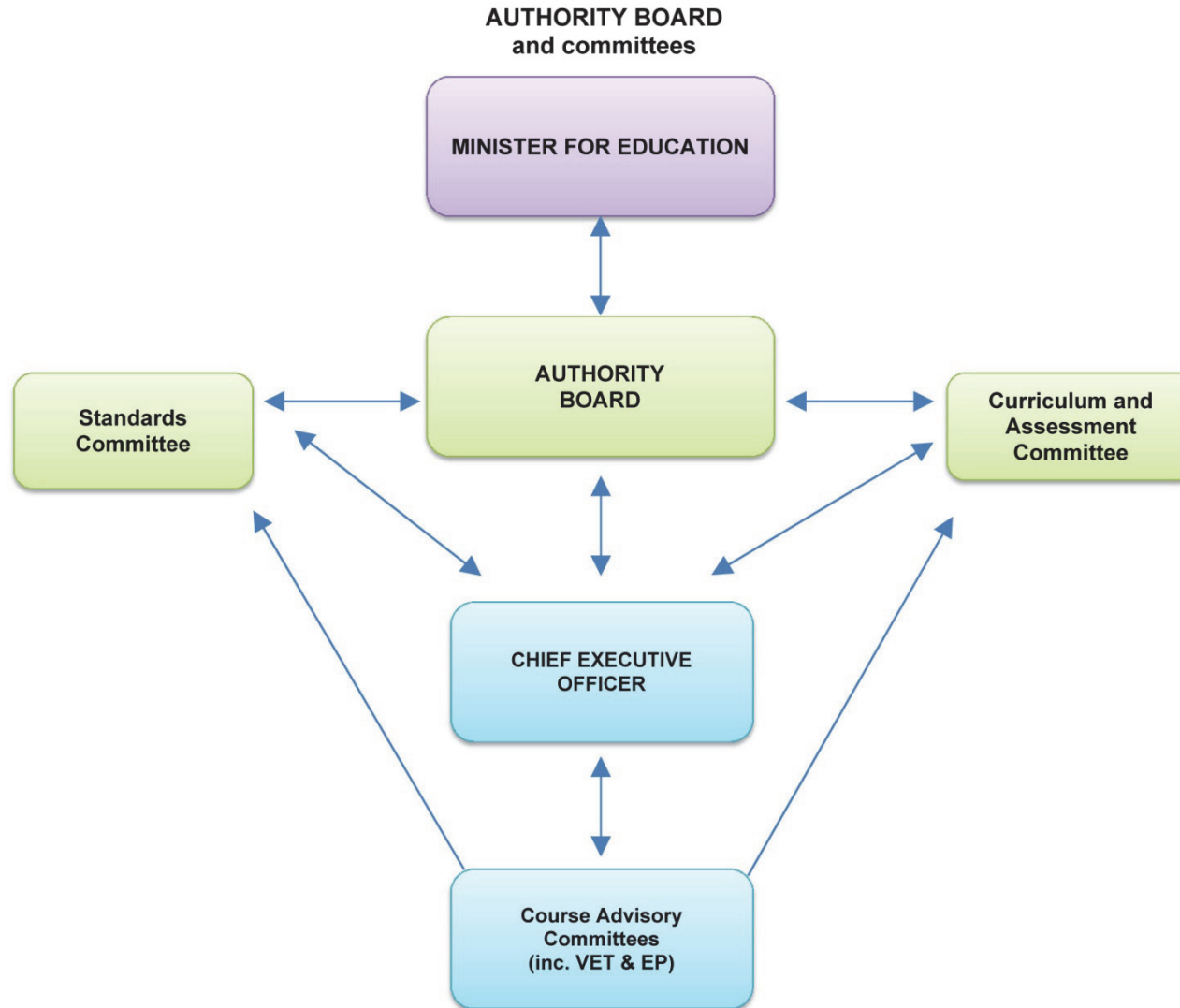
Hon. Peter Collier MLC

### **Mission**

To provide quality curriculum, assessment and standards to enable all Western Australian students to become confident, creative learners and active, informed citizens who contribute positively to society.



## Operational structure



## Overview of the Authority

The role of the Authority is to provide for school curriculum and assessment, set standards and report on those standards for all Western Australian students from Pre-primary to Year 12.

The Authority's board consists of seven members with a balance of expertise in early childhood, primary, secondary and post-school options.

### Board membership

#### **Emeritus Professor Patrick Garnett (Chair)**

A former Deputy Vice-Chancellor of Edith Cowan University, Emeritus Professor Garnett has extensive teaching experience in chemistry and science, with involvement in the application of new technologies, including online learning.

He has extensive experience in educational leadership and management.

#### **Chaple Professor David Andrich**

Professor Andrich has been Chapple Professor of Education at the University of Western Australia since 2007. He has conducted research at a national and State level on certification and selection into tertiary education.

#### **Ms Lucina Cross**

Ms Cross is a Martu and Yamatji woman with more than 20 years' experience in education, particularly in the Mid-West and North-West of Western Australia.

#### **Ms Margaret Herley**

Ms Herley recently completed a two-year contract with Curtin University as Director of Partnerships in the School of Education. She was previously principal of Iona Presentation College.

#### **Dr Ruth Shean**

Dr Shean is the Director General of the Department of Training and Workforce Development. She has a great depth of knowledge about the vocational and training sector, as well as experience as a public school teacher.

#### **Professor Christine Ure**

Professor Ure is head of the School of Education at Edith Cowan University. She has contributed to research and development in early childhood education, schools and higher education.

#### **Dr Bruce Matthews**

Dr Matthews was the headmaster at Bunbury Cathedral Grammar School from 1998 to 2011. Before that, he was deputy headmaster and head of senior school at Guildford Grammar School.

#### **A/Chief Executive Officer Allan Blagaich**

Acting Chief Executive Officer. Prior to his appointment, Mr Blagaich was Executive Director, Statewide Planning and Delivery at the Department of Education. He was previously principal at Melville Senior High School.

**Senior officers**

Mr Allan Blagaich, A/Chief Executive Officer (from May 2011)

Mr Steve Donatti, Director, Moderation and Standards

Ms Robyn Smith, Director, Curriculum and Assessment

**Enabling legislation**

The Council operates under the *School Curriculum and Standards Authority Act 1997*. The School Curriculum and Standards Authority is responsible for

- setting standards of student achievement and for the assessment and certification of student achievement according to those standards
- developing an outline of curriculum and assessment in schools that, taking account of the needs of students, sets out the knowledge, understanding, skills, values and attitudes that students are expected to acquire and guidelines for the assessment of student achievement
- developing and accrediting courses for schools
- maintaining a database of information relating to:
  - the participation by students during their school years in education, training or employment as provided by the School Education Act
  - the achievement of students during those years
  - records of assessment in respect to students.

**Administered legislation**

The Minister for Education also administers the following related legislation:

*Education Service Providers (Full-Fee Overseas Students)*

*Registration Act 1991*

*School Education Act 1999*

*Vocational Education and Training Act 1996.*

**Other key legislation**

In the performance of its functions, the Curriculum Council complies with all relevant written laws, but is particularly responsive to the requirements of the following legislation:

*Auditor General Act 2006*

*Corruption and Crime Commission Act 2003*

*Copyright Act 1968*

*Disability Services Act 1993*

*Electoral Act 1907*

*Equal Opportunity Act 1984*

*Financial Management Act 2006*

*Freedom of Information Act 1992*

*Industrial Relations Act 1979*

*Minimum Conditions of Employment Act 1993*

*Occupational Safety and Health Act 1984*

*Public Interest Disclosure Act 2003*

*Public Sector*

*Management Act 1994*

*Salaries and Allowances Act 1975*

*State Records Act 2000*

*State Supply Commission Act 1991*

*Workers' Compensation and Injury Management Act 1981.*

## Agency performance

This is the Authority's first set of financial statements and covers the period from 1 March 2012 to 30 June 2012.

Treasurer's Instruction 945 requires an explanation of the significant variations between the actual income and expenses for the financial period and the estimate for each class of income and expense identified in the annual estimates published in the State Government's budget papers.

When the Authority was established on 1 March 2012, it took over the unexpired portion of the 2011–12 budget appropriated by the State to the Curriculum Council. The budget was for a full year of operation, whereas the Authority's actual outturn covered only four months. A comparison would not be meaningful.

## Significant issues impacting the Authority

### Australian Curriculum

The Authority has continued the work of the Curriculum Council to ensure that consistent messages in relation to the implementation of the Australian Curriculum are passed to schools through the relevant school sector/systems. Much of this work has taken place through the Australian Curriculum Working Group which promotes cross-sectoral discussions and agreement on issues including representation on the Australian Curriculum and Reporting Authorities (ACARA) consultation, guidance to schools, developing funding applications and monitoring implementation.

The Authority has now completed a full survey of all schools in Western Australia to gauge progress in implementation of the Australian Curriculum. The results of this survey are currently being used to inform future implementation planning and funding priorities.

### Declining Stage 2 enrolments

The pattern of declining enrolments in Stage 2 courses has continued this year and concerns regarding the costs of development and delivery of examinations with critically few enrolments have been expressed by schools and the Tertiary Institutions Service Centre (TISC).

Concerns have been raised by principals and teachers in terms of the compulsory examination of courses at Stage 2.

## Curriculum and Assessment

### Australian Curriculum

The Australian Curriculum sets out what young people should be taught (described through curriculum content from learning areas, general capabilities and cross-curriculum priorities) and an expectation of the quality of their learning (described through achievement standards). The learning areas for which Australian Curriculum will be developed are:

- English, Mathematics, Science, Humanities and Social Science (comprising History, Geography, Civics and Citizenship and Business and Economics), The Arts (comprising Dance, Drama, Media Arts, Music and Visual Arts), Languages, Health and Physical Education, and Technologies (comprising ICT and Design and Technology).

Consultation drafts of the 14 Year 11 and Year 12 courses of the Australian Curriculum for English, science, mathematics and history were released for public consultation in June 2012.

Through the work of the cross sectoral coordinator for the Australian Curriculum Working Group, the Authority has developed a project which has allowed more than 150 teachers (Pre-primary to Year 10) to develop illustrations of good assessment practise that will be shared across all sectors of education in WA. The Authority is also coordinating teachers' involvement in a range of the Australian Curriculum, Assessment and Reporting Authority (ACARA) projects, including the ACARA F–10 Work Samples Project which will improve the national collection of annotated students work.

The Authority has coordinated discussions and sharing of expertise by cross-sectoral reference groups in English, mathematics, science, history, and the early years to support the implementation of the Australian Curriculum. The Authority continues to provide support and guidance to schools, professional associations and other education providers in relation to the Australian Curriculum.

### Endorsed programs

Endorsed programs provide relevant curriculum options for senior secondary students in compliance with the Disability Discrimination Act – Education Standards and the role of the Authority.

The endorsed programs panel met in April to examine the applications for endorsement and re-endorsement of community organisation and personal development programs. The panel's recommendations were endorsed by the Board in June. As a result, 16 new programs have been added to the endorsed programs listed on the Authority's website. Nine programs were not re-endorsed and will be deleted from the list when they expire at the end of 2012.

### Vocational Education and Training

This year the Authority received a total of 2,319 applications for exemption from WACE examinations. A total of 2,279 students were granted an exemption. Forty students were not granted an exemption.

## Standards and Moderation

### School moderation program

#### Teacher seminars and workshops

Four types of teacher seminars and workshops were delivered:

- WACE assessment and moderation requirement seminars
- Small group moderation procedures seminars
- Interpreting student achievement data seminars
- Improving student performance workshops.

More than 600 teachers attended one or more of the seminars/workshops. At each seminar/workshop, teachers completed an evaluation sheet which required them to rate, on a scale of one to five, their level of understanding/confidence on each of the objectives. Teachers gave a second rating at the end of the seminar/workshop. In all four forms of seminars/workshops, teachers indicated a significant improvement in their understanding/confidence.

#### Consensus moderation

Consensus moderation was conducted for 17 courses for all stages where schools delivered them. This group of courses included most of those in the early phases of WACE course implementation. Half of the 217 meetings were completed between 11 June and 29 June, with the remainder to be completed later this year. The process was similar to that used for the past five years, requiring teachers to bring the assessed work from three students at three grades (mid-A, mid-B and mid-C). Each student assessment file was independently reviewed by two teachers who provided a grading judgement and a comment justifying their decision. The teacher received a summary sheet that collated the two judgements for each of the three files.

Formal teacher evaluation data and comparability data will be collated at the completion of the process later in the year. Anecdotal feedback from the moderation officers who facilitated these meetings was positive. In most meetings, the comparability of grades between schools was strong, as evidenced by the teachers' expected grade matching the grade of their colleagues during the two independent reviews.

#### Examination development

Examination materials for 2012 were prepared in readiness for both the practical and written WACE examinations, which will start in September 2012. All examination materials undergo quality assurance to ensure that they are valid and fair. Processes are in place to ensure a balanced coverage of the various syllabuses so that candidates have every opportunity to demonstrate their knowledge.

#### Examination logistics

During the reporting period, there were no measurable outputs in examination logistics and awards. During this time, staff started planning for the 2012 WACE examinations.

#### International education

The Authority, under the powers of the *School Curriculum and Standards Authority Act 1997*, delivers the WACE to a range of overseas schools. The program enables students from foreign countries to qualify for entry to tertiary institutions in Australia and overseas.

#### Contractual arrangements

Each overseas school signs an agreement with the Authority that specifies the services that will be offered by the Authority and the commitments of the school. A supplementary agreement is signed

each year that specifies the courses offered, as well as charges and timelines.

### Management

The program is managed by a senior officer at the Authority and that officer visits each school in March/April, and again later in the year.

Moderation of school-based assessments and processes are undertaken to ensure that each overseas school meets the same

requirements for recognition as a school in Western Australia delivering the WACE.

### Costs

Expenses involved with the management and delivery of the program were funded from income received from overseas schools and student fees.

**Table 1: Year 12 overseas WACE enrolments**

Provider	Started WACE program	2012 Year 12 student enrolment
Sunway University College (Malaysia)	1987	348
Methodist College Kuala Lumpur (Malaysia)	2000	68
KBU International College (Malaysia)	2003	36
St Francis Methodist School (Singapore)	2004	24
National Institute of Technology (China)	2004	108
Saigon International College (Vietnam)	2005	72
China-Australia College (China)	2007	35
Sunway College Johor Bahru (Malaysia)	2007	49
Shanghai Gold Apple School (China)	2009	23
Australian International School Manila (Philippines)	2010	0
Australian International School Dhaka (Bangladesh)	2010	3
KDU College (Penang Campus)	2011	5
KDU University Sdn Bhd (Petaling Jaya Campus)	2011	26
<b>Total Year 12 students</b>		<b>797</b>

### Social media

The Authority's social media was re-launched this year. The Facebook and Twitter accounts were redesigned to reflect the Authority's youthful target audience. As at 30 June 2012, 52 people "liked" the Facebook page, and that figure had been increasing steadily.

## Compliance section

### Disability Access and Inclusion Plan Outcomes

The Authority's Disability Access and Inclusion Plan committee, which is chaired by a member of executive, met once during the period 1 March 2012 to 30 June 2012 and continues to work towards identifying initiatives to achieve the seven outcomes.

### Compliance with Public Sector Standards and Ethical Codes

The Authority has recently reviewed its *Code of Conduct* in line with the *WA Code of Ethics*. These documents are located on the intranet for access by all staff.

An *Accountable and Ethical Decision Making* training session was conducted by Annaliza Jackson & Associates in June 2012 for 23 staff. All staff have now undertaken this training.

### Recordkeeping plans

The Authority complied with the agreed joint Recordkeeping Plan with the Department of Education (DoE), the Department of Education Services (DES), the Public Education Endowment Trust (PEET) and the Country High School Hostels Authority (CHSHA). The arrangement was formally re-endorsed by the Department of Education's Director General on 7 May 2012. Under this arrangement, the Authority's records manager liaised with the Department of Education's nominated representative to draft amendments to the current Education Agencies' Recordkeeping Plan and Retention and Disposal Schedule. In keeping with current legislative requirements, the finalised plan will be provided to the State Records Office by September 2012.

Evaluation of the efficiency and effectiveness of the Authority's recordkeeping has been undertaken as part of the amendments to the joint Recordkeeping Plan. As a result, the Authority's file classification system, functional retention and disposal schedule, policies and procedures have been reviewed to support the latest business processes by the Authority.

The Authority's filing system has been reviewed, and files relating to discontinued functions have been closed. From 1 March 2012, the documents placed on existing Curriculum Council's files were gradually transferred to SCSA files, when a new file was required.



Assessment of efficiency and effectiveness of recordkeeping training programs was based on users' responses and on feedback provided in questionnaires completed by participants after training sessions. This feedback assisted with the revision of existing programs, as well as influencing the development of new training programs.

Each new employee was provided with recordkeeping training, followed by one-on-one training. This included recordkeeping guidelines and hands-on TRIM training. This training was supported by intranet-based recordkeeping training materials and PowerPoint presentations.

## **Occupational safety, health and injury management**

### **Statement of commitment to occupational safety and health, and injury management**

The A/CEO chairs the Occupational Safety and Health committee. Committee members are self-nominated and represent a cross-section of staff. Meetings are held quarterly.

The Authority is committed to providing and maintaining a healthy and safe working environment for all staff, contractors and visitors.

The agency has an *Occupational Safety and Health* policy manual and an *Injury Management System* on the intranet for all staff to access. The committee is currently working towards the development of a health and wellbeing program.

The Authority has very few reports of accidents in the workplace and is committed to maintaining a safe workplace.

### **Formal mechanism for consultation with employees on occupational safety and health, and injury management matters**

- Membership of the OSH committee has been communicated to all staff via the intranet, and on signage throughout both buildings.
- The safety and health representative and committee members are accessible to all staff and can be contacted to report any safety and health issues which have been identified.
- Staff are made aware of any temporary safety and health issues in the workplace through emails.
- A standardised accident and incident reporting form and procedure is available on the intranet.
- Staff are regularly updated via email and/or intranet on safety and health matters (e.g. employee assistance program, eyesight policy).

### Statement of compliance with the injury management requirements of the Workers' Compensation and Injury Management Act 1981

The Authority has an Injury Management System which includes a Return to Work program. This information is on the intranet for all staff to access.

### Statement confirming that an assessment of the OSH management system has been completed

The OSH committee worked towards the development of an occupational safety and health framework document. Upon completion of this document, an external assessor will be engaged to conduct an assessment of the framework.

**Table 2: A report of annual performance for 2011–12**

Indicator	Target 2011–12
Number of fatalities	0
Lost time injury/disease incidence rate	0
Lost time injury severity rate	0
Percentage of injured workers returned to work within (i) 13 weeks, and (ii) 26 weeks	0
Percentage of managers and supervisors trained in occupational safety, health and injury management responsibilities	87%

### Complaints management

The Authority received, registered and resolved two complaints, which were handled in accordance with our complaints management policy.

A number of concerns raised with the Authority were dealt with satisfactorily outside the formal complaints management process.

## Financial targets

	1 March 2012 to 30 June 2012 (i)
	Actual
	\$000
Total cost of services	6 757
Net cost of services	6 539
Total equity	6 273
Net increase/(decrease) in cash held	(1 121)
	Number
Full-time equivalent (FTE) staff level (ii)	136

- i. The Authority took over the unexpired portions of the annual 2011–12 budget funding appropriated by the State to the Curriculum Council when it was created on 1 March 2012. There was no requirement to establish a set of financial targets for the four-month operation from 1 March 2012 to 30 June 2012.
- ii. The FTE of 136 reported above was two FTE higher than the approved ceiling of 134 due to the employment of two finite FTE to carry out the cross-sectoral project for the implementation of the Australian Curriculum. When the project started in 2010–11, it was carried out by the school sector and systems by way of a grant from the Curriculum Council's budget funding from the State. During 2011–12, the sector and systems transferred the project to the Curriculum Council. The Authority replaced the Curriculum Council and ongoing projects have continued.

## Summary of key performance indicators

### Key effectiveness indicators

The indicators were not reported in the final report of the Curriculum Council for the period from 1 July 2011 to 29 February 2012 as the

compilation of survey information occurred in March 2012. The Authority, created on 1 March 2012 to replace the Curriculum Council, retained the same performance management framework for the four months of operation from 1 March 2012 to 30 June 2012. The Authority was required to report on the outcome of the effectiveness survey.

**Table 3: Outcome: Quality curriculum framework (Kindergarten to Year 12) and assessment (years 11–12) in Western Australia (variation)**

Key effectiveness indicators (KEI) <sup>(2)(3)</sup> :	2012 Target <sup>(1)</sup>	2012 Actual	Variation
• Engagement of and acceptance by stakeholders of responsible syllabuses, accreditation and review	3.80	4.14	(0.34)
• Engagement of and acceptance by stakeholders of comprehensive and easily understood assessment policy and support	3.80	4.08	(0.28)
• Engagement of and acceptance by stakeholders of valid and reliable external and school-based assessment	3.80	4.09	(0.29)

1

1. The targets as specified in the 2011–12 State Budget for the Curriculum Council.
2. The scale range is from 1 (low) to 5 (high).
3. The variations indicated increased support for syllabuses assessment and examinations conducted by the Curriculum Council.

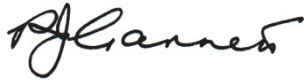
## Disclosure and Legal Compliance

### Certification of Financial Statements

#### Period 1 March 2012 to 30 June 2012

The accompanying financial statements of the School Curriculum and Standards Authority have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the financial period 1 March 2012 to 30 June 2012 and the financial position as at 30 June 2012.

At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



**EMERITUS PROFESSOR P. J. GARNETT  
CHAIR**



**A. BLAGAICH  
ACTING CHIEF EXECUTIVE OFFICER**



**Y. H. SEETOH  
CHIEF FINANCE OFFICER**

**Date: 16 August 2012**

## Financials and Performance



### Auditor General

#### INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

#### SCHOOL CURRICULUM AND STANDARDS AUTHORITY

##### Report on the Financial Statements

I have audited the accounts and financial statements of the School Curriculum and Standards Authority.

The financial statements comprise the Statement of Financial Position as at 30 June 2012, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the four months then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

##### *Board's Responsibility for the Financial Statements*

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

##### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial statements.

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

##### *Opinion*

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the School Curriculum and Standards Authority at 30 June 2012 and its financial performance and cash flows for the four months then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

##### Report on Controls

I have audited the controls exercised by the School Curriculum and Standards Authority during the four months ended 30 June 2012.

Controls exercised by the School Curriculum and Standards Authority are those policies and procedures established by the Board to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

##### *Board's Responsibility for Controls*

The Board is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

##### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the School Curriculum and Standards Authority based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Authority complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

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

##### *Opinion*

In my opinion, the controls exercised by the School Curriculum and Standards Authority are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions during the four months ended 30 June 2012.

##### Report on the Key Performance Indicators

I have audited the key performance indicators of the School Curriculum and Standards Authority for the four months ended 30 June 2012.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

##### *Board's Responsibility for the Key Performance Indicators*

The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such controls as the Board determines necessary to ensure that the key performance indicators fairly represent indicated performance.

##### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Board's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

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

**Opinion**

In my opinion, the key performance indicators of the School Curriculum and Standards Authority are relevant and appropriate to assist users to assess the Authority's performance and fairly represent indicated performance for the four months ended 30 June 2012.

**Independence**

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

**Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators**

This auditor's report relates to the financial statements and key performance indicators of the School Curriculum and Standards Authority for the period 1 March 2012 to 30 June 2012 included on the Authority's website. The Authority's management is responsible for the integrity of the Authority's website. This audit does not provide assurance on the integrity of the Authority's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.

DON CUNNINGHAME  
ASSISTANT AUDITOR GENERAL ASSURANCE SERVICES  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
14 September 2012

## Statement of Comprehensive Income

For the period 1 March 2012 to 30 June 2012

	Note	1 March to 30 June 2012 \$000
<b>COST OF SERVICES</b>		
<b>Expenses</b>		
Employee benefits expense	7	5 047
Supplies and services	8	887
Accommodation expenses	9	474
Depreciation and amortisation expenses	10	199
Grants and awards	11	90
Other expenses	12	60
Total cost of services		6 757
<b>Income Revenue</b>		
Fees	13	103
Other revenue and recoveries	14	115
<b>Total income other than income from State Government</b>		218
NET COST OF SERVICES		6 539
INCOME FROM STATE GOVERNMENT	15	
Service appropriation		4 794
Resources received free of charge		93
Total income from State Government		4 887
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>		(1 652)
Other comprehensive income		-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		(1 652)



## Statement of Financial Position

As at 30 June 2012

	Note	As at 30 June 2012 \$000
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	16	3 150
Receivables	17	89
Amount receivable for services	18	2 470
Prepayments		42
Total current assets		5 751
<b>Non-Current Assets</b>		
Restricted cash and cash equivalents	19	373
Amount receivable for services	18	2 133
Plant and equipment	20	113
Intangible assets	21	2 625
Total non-current assets		5 244
<b>Total assets</b>		10 995
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Payables	22	360
Provisions	23	2 896
Other liabilities	24	48
Total current liabilities		3 304
<b>Non-Current Liabilities</b>		
Provisions	23	1 418
Total non-current liabilities		1 418
<b>Total liabilities</b>		4 722
<b>NET ASSETS</b>		6 273
<b>EQUITY</b>	25	
Contributed equity		7 925
Accumulated surplus/(deficit)		(1 652)
<b>TOTAL EQUITY</b>		6 273

## Statement of Changes in Equity

For the period 1 March 2012 to 30 June 2012

	Note	Contributed Equity \$000	Accumulated surplus/(deficit) \$000	Total Equity \$000
<b>Balance at 1 March 2012</b>	25	7 925	0	7 925
Total comprehensive income for the period		–	(1 652)	(1 652)
Transactions with owners in their capacity as owners		–	–	–
<b>Balance at 30 June 2012</b>		7 925	(1652)	6 273

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Statement of Cash Flows

For the period 1 March 2012 to 30 June 2012

	Note	1 March 30 June 2012 \$000
<b>CASH FLOWS FROM STATE GOVERNMENT</b>		
Service appropriation		4 812
Holding account drawdowns		–
Net cash provided by State Government		4 812
Utilised as follows:		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Payments</b>		
Employee benefits		(4 922)
Supplies and services		(709)
Accommodation expenses		(473)
Grants and awards		(90)
GST payments on purchases		(133)
<b>Receipts</b>		
Sale of services		152
Other receipts		115
GST receipts on sales		32
GST receipts from taxation authority		125
<b>Net cash used in operating activities</b>	26	(5 903)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Purchase of non-current physical assets		(30)
Net cash used in investing activities		(30)
Net increase/(decrease) in cash		(1 121)
Cash and cash equivalents at the beginning of period		4 644
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	26	3 523

## Index of Notes to the Financial Statements

Note	Page
1... First set of financial statements.....	24
2... Australian Accounting Standards.....	24
3... Summary of significant accounting policies .....	24
4... Judgements made by management in applying accounting policies .....	31
5... Key sources of estimation uncertainty .....	31
6... Disclosure of changes in accounting policy and estimates .....	32
7... Employee benefits expense.....	36
8... Supplies and services .....	36
9... Accommodation expenses.....	36
10.. Depreciation and amortisation expenses.....	36
11.. Grants and awards.....	37
12.. Other expenses.....	37
13.. Fees .....	37
14.. Other revenues and recoveries.....	37
15.. Income from State Government.....	38
16.. Cash and cash equivalents.....	38
17.. Receivables .....	38
18.. Amount receivable for services.....	39
19.. Restricted cash and cash equivalents .....	39

20. . Plant and equipment .....	39
21. . Intangible assets .....	40
22. . Payables .....	40
23. . Provisions .....	40
24. . Other liabilities .....	41
25. . Equity .....	41
26. . Notes to the Statement of Cash Flows.....	42
27. . Lease commitments .....	43
28. . Capital commitments .....	43
29. . Contingent liabilities and contingent assets .....	43
30. . Events occurring after the end of the reporting period .....	43
31. . Financial instruments .....	43
32. . Remuneration of board members and senior officers .....	46
33. . Remuneration of Auditor .....	46
34. . Explanatory statement for comparison of annual estimates and actual results for the financial period.....	46
35. . Schedule of income and expenses by service .....	47

## Notes to the Financial Statements

### 1. First set of financial statements

The School Curriculum and Standards Authority (the Authority) was created on 1 March 2012 under the *School Curriculum and Standards Authority Act 1997* to replace the Curriculum Council that was abolished on 29 February 2012. All the assets, rights and liabilities of the Curriculum Council as at 29 February 2012 were transferred to the Authority.

This is the Authority's first set of financial statements for the period from 1 March 2012 to 30 June 2012.

### 2. Australian Accounting Standards

#### General

The Authority's financial statements for the period 1 March 2012 to 30 June 2012 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refers to Standards and Interpretations issued by the Australian Accounting Standard Board (AASB).

The Authority has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

#### Early adoption of standards

The Authority cannot adopt an early Australian Accounting Standard unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. There has been no early adoption of Australian Accounting Standards that have been

issued or amended (but not operative) by the Authority for the reporting period ended 30 June 2012.

### 3. Summary of significant accounting policies

#### (a) General Statement

The Authority is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The *Financial Management Act* and the Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

#### (b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars rounded to the nearest thousand dollars (\$'000).

Note 4 'Judgements made by management in applying accounting policies' discloses judgements that have been made in the process of applying the Authority's accounting policies resulting in the most significant effect on amounts recognised in the financial statements.

Note 5 'Key sources of estimation uncertainty' discloses key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

### (c) Reporting Entity

The reporting entity is the Authority and has no related bodies.

### (d) Contributed Equity

AASB Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers, other than as a result of a restructure of administrative arrangements, in the nature of equity contributions to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by Treasurer's Instruction (TI) 955 'Contributions by Owners made to Wholly Owned Public Sector Entities' and have been credited directly to contributed equity.

The transfer of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated

as contributions by owners where the transfers are non-discretionary and non-reciprocal.

### (e) Income

#### Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. Specific recognition criteria must also be met before revenue is recognised for the following major business activities:

#### *Sale of goods*

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership control transfer to the purchaser and can be measured reliably.

#### *Provision of services*

Revenue is recognised on delivery of the service to the client or by reference to the stage of completion of the transaction.

#### *Service appropriations*

Service appropriations are recognised as revenues at fair value in the period in which the Authority gains control of the appropriated funds. The Authority gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

#### *Grants, donations, gifts and other non-reciprocal contributions*

Revenue is recognised at fair value when the Authority obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

### *Gains*

Realised and unrealised gains are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

### **(f) Plant and Equipment**

#### **Capitalisation/Expensing of assets**

Items of plant and equipment costing over \$5,000 are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of plant and equipment costing less than \$5,000 and fit-outs for office premises on short-term leases are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

#### **Initial recognition and measurement**

All items of plant and equipment are initially recognised at cost.

For items of plant and equipment acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

#### **Subsequent measurement**

All items of plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

### **Depreciation**

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Computer hardware	3 years
Communication and audiovisual equipment	3 years
Other equipment and fittings	5–10 years

### **(g) Intangible Assets**

#### **Capitalisation/Expensing of assets**

Acquisitions of intangible assets and internally generated intangible assets costing over \$5,000 are capitalised. The cost of utilising the assets is expensed (amortised) over their useful lives. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Projects-in-progress are not amortised until it is fully completed.



Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life which is reviewed annually) on the straight line basis using rates which are reviewed annually. All intangible assets controlled by the Authority have a finite useful life and zero residual value. The expected useful lives for each class of intangible asset are:

Software <sup>(a)</sup>	3 years
Student Information and Records System	7–10 years

(a) Software that is not integral to the operation of any related hardware.

#### Computer software

Software that is an integral part of the related hardware is recognised as property, plant and equipment. Software that is not an integral part of the related hardware is treated as an intangible asset. Software costing less than \$5,000 is expensed in the period of acquisition.

#### Website costs

Website costs are charged as expenses when they are incurred unless they relate to the acquisition or development of an asset when they may be capitalised and amortised. Generally, costs in relation to feasibility studies during the planning phase of a website, and ongoing costs of maintenance during the operating phase are expensed.

#### (h) Impairment of assets

Plant and equipment and intangible assets are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. As the Authority is a not-for-

profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at the end of each reporting period irrespective of whether there is any indication of impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

#### (i) Leases

The Authority holds operating leases for its office premises and vehicles. Lease payments are expensed on a straight line basis over

the lease term as this represents the pattern of benefits derived from the leased properties.

#### **(j) Financial instruments**

In addition to cash, the Authority has two categories of financial instrument:

- Receivables; and
- Financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

##### *Financial assets*

- Cash and cash equivalents
- Restricted cash and cash equivalents
- Receivables
- Amounts receivable for services

##### *Financial liabilities*

- Payables
- Other liabilities

Initial recognition and measurement of financial instruments is at fair value which usually equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

#### **(k) Cash and cash equivalents**

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

#### **(l) Accrued salaries**

Accrued salaries (Note 22 'Payables') represent the amount due to staff but unpaid at the end of the financial period. Accrued salaries are settled within a fortnight of the financial period end. The Authority considers the carrying amount of accrued salaries to be equivalent to its fair value.

The accrued salaries suspense account (Note 19 'Restricted cash and cash equivalents').consists of amounts paid into the Department of Treasury's suspense account over a period of 10 financial years to largely meet the additional cash outflow in each 11th year when 27 pay days occur instead of the normal 26. No interest is received on this account.

#### **(m) Receivables**

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (that is, impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Authority will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

**(n) Amounts receivable for services (Holding Account)**

The Authority receives income from the State Government partly in cash and partly as an asset (holding account receivable). The accrued amount appropriated is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

**(o) Inventories**

Inventories are measured at the lower of cost or net realisable value. Costs are assigned by the method most appropriate for each particular class of inventory, with the majority being valued on a first in first out basis.

**(p) Payables**

Payables are recognised when the Authority becomes obliged to make future payments as a result of a purchase of assets or services at fair value, as they are generally settled within 30 days.

**(q) Provisions**

Provisions are liabilities of uncertain timing and amount and are recognised where there is a present legal, equitable or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

**(i) Provisions – Employee Benefits**

All annual and long service leave provisions are in respect of employees' services up to the end of the reporting period.

**Annual leave**

Annual leave not expected to be settled within 12 months after the end of the reporting period is measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments, consideration is given to expected future wage and salary levels, including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as the Authority does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**Long service leave**

The liability for long service leave expected to be settled within 12 months after the end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Long service leave not expected to be settled within 12 months after the end of the reporting period is measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments, consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Unconditional long service leave provisions are classified as current liabilities as the Authority does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Conditional long service leave provisions are classified as non-current liabilities because the Authority has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

#### **Deferred leave**

The provision for deferred leave relates to public service employees who have entered into an agreement to self-fund an additional 12 months leave in the fifth year of the agreement. The provision recognises the value of salary set aside for employees to be used in the fifth year. This liability is measured on the same basis as annual leave. Deferred leave is reported as a current provision as employees can leave the scheme at their discretion at any time.

#### **Superannuation**

The Government Employees Superannuation Board (GESB) and other funds administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligible criteria for membership in particular

Schemes for public sector employees varies according to commencement and implementation dates.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

The GSS is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the Authority to GESB extinguishes the agency's obligations to the related superannuation liability.

The Authority has no liabilities under the Pension Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS Scheme transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS Scheme obligations are funded by concurrent contributions made by the Authority to the GESB.

Employees commencing employment before 16 April 2007, who were not members of either the Pension or the GSS Schemes, became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). From 30 March 2012, existing members of the WSS or GESBS and new employees became able to choose their preferred superannuation fund. The Authority makes concurrent contributions to GESB or other funds on behalf of employees in compliance with the Commonwealth

Government's Superannuation Guarantee (Administration) Act 1992. Contributions to these accumulation schemes extinguish the Authority's liability for superannuation charges in respect of employees who are members of the Pension Scheme or the GSS, the WSS and the GESBS.

The GESB makes all benefit payments in respect of the Pension and GSS Schemes, and is recouped from the Treasurer for the employer's share.

**(ii) Provisions – Other**

**Employment on-costs**

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Authority's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

**(r) Superannuation expense**

The superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS and the GESBS, or other superannuation fund.

**(s) Resources received free of charge or for nominal cost**

Resources received free of charge or for nominal cost that can be reliably measured are recognised as income at fair value. Where the resource received represents a service that the authority would

otherwise pay for, a corresponding expense is recognised. Receipts of assets are recognised in the Statement of Financial Position.

Assets or services received from other State Government agencies are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

**(t) Comparative figures**

No comparative figures are available as this is the Authority's first set of financial statements (Note 1).

**4. Judgements made by management in applying accounting policies**

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The Authority evaluates these judgements regularly.

**5. Key sources of estimation uncertainty**

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial period.

**Long Service Leave**

Several estimations and assumptions used in calculating the Authority's long service leave provision include expected future salary rates, salary inflation, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

## 6. Disclosure of changes in accounting policy and estimates

### (a) Initial application of an Australian Accounting Standard

The Authority has applied the following Australian Accounting Standards for annual reporting periods beginning on or after 1 July 2011 that impacted on the Authority:

#### **AASB 1054**

##### **Australian additional disclosures**

This Standard, in conjunction with AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.

#### **AASB 2009-12**

##### **Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]**

This Standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.

#### **AASB 2010-4**

##### **Further amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, 7, 101 & 134 and Int 13]**

The amendments to AASB 7 clarify financial instrument disclosures in relation to credit risk. The carrying amount of financial assets that would otherwise be past due or impaired whose terms have been renegotiated is no longer required to be disclosed. There is no financial impact.

The amendments to AASB 101 clarify the presentation of the Statement of Changes in Equity. The disaggregation of other comprehensive income reconciling the carrying amount at the beginning and the end of the period for each component of equity can be presented in either the Statement of Changes in Equity or the Notes. There is no financial impact.

#### **AASB 2010-5**

##### **Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]**

This Standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.

#### **AASB 2010-6**

##### **Amendments to Australian Accounting Standards – Disclosures on transfers of financial assets [AASB 1 & 7]**

This Standard introduces additional disclosures relating to transfers of financial assets in AASB 7. An entity shall disclose all transferred financial assets that are not derecognised and any continuing involvement in a transferred asset, existing at the reporting date, irrespective of when the related transfer transaction occurred. There is no financial impact.

#### **AASB 2011-1**

This Standard, in conjunction with AASB 1054, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.

**(b) Future impact of Australian Accounting Standards not yet operative**

The Authority cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. Consequently, the Authority has not applied early any following Australian Accounting Standards that have been issued that may impact the Authority. Where applicable, the Authority plans to apply these Australian Accounting Standards from their application date.

Title and operative for reporting periods beginning on/after:	
<p>AASB 9 Financial Instruments This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments. The Standard was reissued in December 2010. The Authority has not yet determined the application or the potential impact of the Standard.</p>	1 January 2013
<p>AASB 13 Fair Value Measurement This Standard defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements. There is no financial impact.</p>	1 January 2013
<p>AASB 119 Employee Benefits This Standard supersedes AASB 119 (October 2010). As the Authority does not operate a defined benefit plan, the impact of the change is limited to measuring annual leave as a long-term employee benefit. The resultant discounting of the annual leave benefit has an immaterial impact.</p>	1 January 2013
<p>AASB 1053 Application of Tiers of Australian Accounting Standards This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements. There is no financial impact.</p>	1 July 2013
<p>AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 &amp; 1038 and Int 10 &amp; 12] [Modified by AASB 2010-7].</p>	1 July 2013
<p>AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 &amp; 1052 and Int 2, 4, 5, 15, 17, 127, 129 &amp; 1052] This Standard makes amendments to Australian Accounting Standards and Interpretations to introduce reduced disclosure requirements for certain types of entities. There is no financial impact.</p>	1 July 2013



Title and operative for reporting periods beginning on/after:	
<p>AASB 2010-7</p> <p>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 &amp; 1038 and Int 2, 5, 10, 12, 19 &amp; 127]</p> <p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. The Authority has not yet determined the application or the potential impact of the Standard</p>	1 January 2013
<p>AASB 2010-7</p> <p>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 &amp; 1038 and Interpretations 2, 5, 10, 12, 19 &amp; 127]</p> <p>This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in Dec 2010. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 January 2013
<p>AASB 2011-8</p> <p>Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 &amp; 1038 and Int 2, 4, 12, 13, 14, 17, 19, 131 &amp; 132]</p> <p>This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011. There is no financial impact.</p>	1 January 2013
<p>AASB 2011-9</p> <p>Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 &amp; 1049]</p> <p>This Standard requires to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The Authority has not yet determined the application or the potential impact of the Standard.</p>	1 July 2012
<p>AASB 2011-10</p> <p>This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 in September 2011. There is no financial impact</p>	1 January 2013
<p>AASB 2011-11</p> <p>This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements for AASB 119 (September 2011). There is no financial impact.</p>	1 July 2013

**7. Employee benefits expense**

	<b>1 March 2012 to 30 June 2012 \$000</b>
Wages and salaries <sup>(a)</sup>	4 319
Superannuation – defined contribution plans <sup>(b)</sup>	466
Long service leave <sup>(c)</sup>	274
Annual leave <sup>(c)</sup>	(12)
	<u>5 047</u>

(a) Includes the value of fringe benefits to employees plus the fringe benefits tax component.

(b) Defined contribution plans include West State, Gold State and GESB Super Scheme (contributions paid).

(c) Includes a superannuation contribution component.

Employment on-costs such as workers' compensation insurance are included at Note 12 'Other expenses'. The employment on-costs liability is included at Note 23 'Provisions'.

**8. Supplies and services**

	<b>1 March 2012 to 30 June 2012 \$000</b>
Consultants and contractors	661
Communications	93
Consumable supplies	133
	<u>887</u>

**9. Accommodation expenses**

	<b>1 March 2012 to 30 June 2012 \$000</b>
Lease rentals	439
Repairs, maintenance and fit-outs	13
Cleaning	22
	<u>474</u>

**10. Depreciation and amortisation expenses**

	<b>1 March 2012 to 30 June 2012 \$000</b>
Plant and equipment	22
Intangible assets	177
	<u>199</u>

**11. Grants and awards**

	<b>1 March 2012 to 30 June 2012 \$000</b>
Grants to universities for research on senior school education under the Australian Research Council linkage projects <sup>(a)</sup>	90

(a) The grants were provided for ordinary activities.

**12. Other expenses**

	<b>1 March 2012 to 30 June 2012 \$000</b>
Employment on-costs <sup>(a)</sup>	–
Repairs and maintenance	36
Audit fees <sup>(b)</sup>	24
	<u>60</u>

(a) These relate to workers' compensation insurance associated with the recognition of annual and long service leave liabilities shown in Note 23 'Provisions'. The amount incurred for the period was \$300.

(b) See also Note 33 'Remuneration of auditor'.

**13. Fees**

	<b>1 March 2012 to 30 June 2012 \$000</b>
Fees from examination related services	25
Fees from overseas full fee paying students <sup>(a)</sup>	78
	<u>103</u>

(a) These fees are based on cost recovery for the services provided.

**14. Other revenues and recoveries**

	<b>1 March 2012 to 30 June 2012 \$000</b>
Fee for information system services performed for a State Government department	70
Government Vehicle Scheme contributions	10
Sundry revenues and recoupment of expenses <sup>(a)</sup>	35
	<u>115</u>

(a) Includes on-costs on payroll for Authority's officers seconded to other State and Federal government agencies.

## 15. Income from State Government

	<b>1 March 2012 to 30 June 2012 \$000</b>
Appropriation revenue received during the period – Service appropriations <sup>(a)(b)</sup>	<u>4 794</u>
Resources received free of charge: Determined on the basis of the following estimates provided by agencies:	
Department of Education – system support	6
Department of Education Services – legal <sup>(c)</sup> and financial services	80
Department of Finance – office accommodation services	5
State Solicitor’s Office – legal services	<u>2</u>
	<u>93</u>

- (a) Service appropriations are accrual amounts reflecting the net cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises depreciation expense and any agreed increase in leave liability.
- (b) Where assets or services have been received free of charge or for nominal cost, the Authority recognises revenue equivalent to the fair value of the assets and/or the fair value of those services that can be reliably measured and which would have been purchased if they were not donated, and those fair values shall be recognised as assets or expenses, as applicable. Where the contributions of assets or services are in the nature of contributions by owners, the Authority makes an adjustment direct to equity.
- (c) For the Ministerial directed review of the *Curriculum Council Act 1997*.

## 16. Cash and cash equivalents

	<b>As at 30 June 2012 \$000</b>
Cash at bank	3 149
Petty cash and till floats	1
	<u>3 150</u>

## 17. Receivables

	<b>As at 30 June 2012 \$000</b>
Receivables <sup>(a)(b)</sup>	<u>65</u>
GST receivable	<u>24</u>
	<u>89</u>

- (a) No provision for impairment is required for the receivables.
- (b) The Authority does not hold any collateral or other credit enhancements as security for receivables.

**18. Amount receivable for services**

	<b>As at 30 June 2012 \$000</b>
Current	2 470
Non-Current	2 133
	<u>4 603</u>

Represents the non-cash component of service appropriations restricted for use in asset replacement or payment of leave liability.

**19. Restricted cash and cash equivalents**

	<b>As at 30 June 2012 \$000</b>
Accrued salary suspense account <sup>(a)</sup>	<u>373</u>

(a) Funds held in the Department of Treasury's suspense account used only for the purpose of meeting the 27<sup>th</sup> pay in a financial year that occurs every 11 years.

**20. Plant and equipment**

	<b>As at 30 June 2012 \$000</b>
At cost	627
Accumulated depreciation	(514)
	<u>113</u>

Reconciliation of carrying amount at the beginning and end of the financial period is set out below.

Carrying amount at start of the period	105
Impaired equipment retired during the period	–
Accumulated depreciation on equipment retired	–
Additions	30
Depreciation for the period	(22)
Carrying amount at end of period	<u>113</u>

There were no indications of impairment to plant and equipment. As at 30 June 2012 there were no assets identified as surplus.

## 21. Intangible assets

	<b>As at 30 June 2012 \$000</b>
Computer software:	
At cost	4 715
Accumulated amortisation	<u>(2 090)</u>
	<u>2 625</u>
Reconciliation of carrying amount at the beginning and end of the financial period is set out below.	
Carrying amount at start of the period	2 802
Software no longer in use retired during the period	–
Accumulated depreciation on software retired	–
Additions	
– acquisitions	–
Amortisation for the period	<u>(177)</u>
Carrying amount at end of period	<u>2 625</u>

There were no indications of impairment to intangible assets. As at 30 June 2012 there were no intangible assets identified as surplus.

## 22. Payables

	<b>As at 30 June 2012 \$000</b>
Trade payables	57
Accrued salaries: amount owing for six working days	<u>303</u>
	<u>360</u>

## 23. Provisions

	<b>As at 30 June 2012 \$000</b>
Current:	
Employee benefits provision	
Annual leave <sup>(a)</sup>	951
Long service leave <sup>(b)</sup>	1 919
Deferred salary scheme <sup>(c)</sup>	<u>10</u>
	2 880
Other provision	
Employment on-costs <sup>(d)</sup>	<u>16</u>
	<u>2 896</u>
Non-Current:	
Employee benefits provision	
Long service leave <sup>(b)</sup>	<u>1 418</u>
	<u>1 418</u>

(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

	<b>As at 30 June 2012 \$000</b>
Within 12 months of the end of the period	408
More than 12 months after the end of the period	<u>543</u>
	<u>951</u>

- (b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

	<b>As at 30 June 2012 \$000</b>
Within 12 months of the end of the period	430
More than 12 months after the end of the period	2 907
	<u>3 337</u>

- (c) Deferred salary liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the reporting period. Actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the end of the period	–
More than 12 months after the end of the period	10
	<u>10</u>

- (d) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs for workers' compensation insurance. The provision is the present value of expected future payments. The associated expense is disclosed in Note 12 'Other expenses'.

Movement in employment on-cost provision:	
Carrying amount at start of period	16
Additional/(reduction) in provision recognised	–
Carrying amount at end of period	<u>16</u>

## 24. Other liabilities

	<b>As at 30 June 2012 \$000</b>
Income in advance: examination enrolment fees from overseas full fee paying students	<u>48</u>

The fees are payable prior to the end of the financial period while the examinations are conducted during the first half of the following financial period.

## 25. Equity

The Government holds the equity interest in the Authority on behalf of the community. Equity represents the residual interest in the net assets of the Authority.

### Contributed equity

	<b>As at 30 June 2012 \$000</b>
Balance at start of period	7 925
Contributions by owners – capital appropriation	–
Balance at end of period	<u>7 925</u>

### Accumulated surplus/(deficit)

Balance at start of period	0
Surplus/(deficit) for the period	(1 652)
Balance at end of period	<u>(1 652)</u>

## 26. Notes to the Statement of Cash Flows

### Reconciliation of cash

	As at 30 June 2012 \$000
Cash at the end of the financial period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:	
Cash and cash equivalents (Note 16)	3 150
Restricted cash and cash equivalents (Note 19)	373
	<u>3 523</u>

### Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

Net cost of services	(6 539)
Non-cash items:	
Resources received free of charge	93
Depreciation and amortisation expense	199
(Increase)/decrease in assets:	
Current receivables <sup>(a)</sup>	140
Current prepayments	(19)
Increase/(decrease) in liabilities:	
Current payables	(120)
Current provisions	142
Other current liabilities	48
Non-current provisions	153
Net GST receipts/(payments)	24
Change in GST in receivables/payables	(24)
Net cash used in operating activities	<u>(5 903)</u>

(a) Excludes GST receivable (Note 17 'Receivables') in respect of the sale/purchase of non-current assets as these items do not form part of the reconciling items.



## 27. Lease commitments

Non-cancellable operating lease commitments for office premises and vehicles, inclusive of GST where relevant, are as follows:

	<b>As at 30 June 2012 \$000</b>
Within 1 year	1 516
Later than 1 year and not later than 5 years	1 373
	<b>2 889</b>

## 28. Capital commitments

There were no capital expenditure commitments as at 30 June 2012.

## 29. Contingent liabilities and contingent assets

There were no contingent liabilities and contingent assets as at 30 June 2012.

## 30. Events occurring after the end of the reporting period

No events have occurred after reporting date which would materially impact on the financial statements.

## 31. Financial instruments

### (a) Financial Risk Management Objectives and Policies

Financial instruments held by the Authority are cash, receivables, payables and other liabilities. The Authority has limited exposure to financial risks. The Authority's overall risk management program focuses on managing the risks identified below.

### Credit risk

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

The maximum exposure to credit risk at balance sheet date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment as shown in the table at Note (b) below.

The Authority trades only with recognised, creditworthy third parties. The Authority has policies in place to ensure that sales of services are made to customers with appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Authority's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

### Liquidity risk

The Authority is exposed to liquidity risk through its trading in the normal course of business. Liquidity risk arises when the Authority is unable to meet its financial obligations as they fall due.

The Authority has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

### Market risk

The Authority does not trade in foreign currency and is not exposed to other price risks and changes in interest rates.

**(b) Financial instrument disclosures**

The two tables below disclose the Authority's categories of financial instruments, credit risk, liquidity risk and interest rate exposure.

**Credit risk**

The following table discloses the Authority's maximum exposure to credit risk and the ageing analysis of financial assets. The Authority's maximum exposure to credit risk at the end of the reporting period is the carrying amount of financial assets as shown below.

**Ageing analysis of financial assets**

The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Authority.

The Authority does not hold any collateral as security or other credit enhancement relating to the financial assets it holds.

	Carrying Amount	Not past due and not impaired	Past due but not impaired					Impaired Financial assets
			Up to 1 month	1-3 months	3-12 Months	1-5 Years	More than 5 years	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Financial assets:</b>								
<b>As at 30 June 2012</b>								
Cash and cash equivalents	3 150	3 150	–	–	–	–	–	–
Restricted cash and cash equivalents	373	373	–	–	–	–	–	–
Receivables <sup>(a)</sup>	65	58	–	–	–	7 <sup>(b)</sup>	–	–
Amount receivable for services	4 603	4 603	–	–	–	–	–	–
	8 191	8 184	–	–	–	7	–	–

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

(b) Default judgement for the full amount of this debt was awarded by the Court to the Authority in early June 2012.

### Liquidity risk and interest rate exposure

The following table discloses the contractual maturity analysis for the Authority's financial assets and liabilities and also their interest rate exposures.

#### Interest rate exposure and maturity analysis of financial assets and financial liabilities

	<i>Interest rate exposure</i>		<i>Maturity dates</i>					
	Carrying Amount	Non-Interest Bearing	Nominal Amount <sup>(c)</sup>	Up to 1 month	1 - 3 months	3 months - 1 year	1 - 5 years	More than 5 years
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>As at 30 June 2012</b>								
<b>Financial assets:</b>								
<b>Cash and cash equivalents</b>	3 150	3 150	3 150	1 200	1 900	50	–	–
<b>Restricted cash and cash equivalents</b>	373	373	373	–	–	–	373	–
<b>Receivables<sup>(a)</sup></b>	65	65	65	58	–	–	7	–
<b>Amount receivable for services</b>	4 603	4 603	4 603	–	–	2 470	2 133	–
	8 191	8 191	8 191	1 258	1 900	2 520	2 513	–
<b>Financial liabilities<sup>(b)</sup>:</b>								
<b>Payables</b>	360	360	360	360	–	–	–	–
<b>Other liabilities</b>	48	48	48	–	–	48	–	–
	408	408	408	360	–	48	–	–

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

(b) The carrying amounts are the contractual undiscounted cash flows of each class of liabilities.

(c) The nominal amount is the carrying amount as the Authority does not receive nor pay interest on any of the financial instruments.

### 32. Remuneration of board members and senior officers

#### Remuneration of board members

The number of board members whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial period, fall within the following bands are:

	<u>1 March 2012 to 30 June 2012</u>
\$0 – \$ 10 000	6
\$ 10 001 – \$ 20 000	1
	<u>\$000</u>
The total remuneration of the board members is:	<u>48</u>

The total remuneration includes the superannuation expense incurred by the Authority in respect of the board members.

No board members are members of the Pension Scheme.

#### Remuneration of senior officers

The number of senior officers whose total fees, salaries, superannuation, non-monetary benefits and other benefits for the financial period, fall within the following bands are:

	<u>1 March 2012 to 30 June 2012</u>
\$50 000 – \$60 000	2
\$60 001 – \$70 000	1
	<u>\$000</u>
The total remuneration of senior officers is:	<u>175</u>

The superannuation included here represents the superannuation expense incurred by the Authority in respect of the senior officers.

No senior officers are members of the Pension Scheme.

### 33. Remuneration of Auditor

	<u>1 March 2012 to 30 June 2012 \$000</u>
Remuneration payable to the Auditor General in respect of the audit of the Curriculum Council's final report for the period from 1 July 2011 to 29 February 2012 (Note 1)	<u>24</u>
The expense is included in Note 12 'Other expenses'.	

### 34. Explanatory statement for comparison of annual estimates and actual results for the financial period

Treasurer's Instruction 945 requires an explanation of the significant variations between the actual income and expenses for the financial period and the estimate for each class of income and expense identified in the annual estimates published in the State Government's budget papers.

The Authority was established on 1 March 2012 and took over the unexpired portion of the 2011–12 budget appropriated by the State to the Curriculum Council. The budget was for a full year operation whereas the Authority's actual outturn covered only four months. The comparison would not be meaningful.

## 35. Schedule of income and expenses by service

	Service 1 1 March 2012 to 30 June 2012 \$000	Service 2 1 March 2012 to 30 June 2012 \$000	Total 1 March 2012 to 30 June 2012 \$000
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	2 296	2 751	5 047
Supplies and services	383	504	887
Accommodation expenses	237	237	474
Depreciation and amortisation expenses	99	100	199
Grants and awards	–	90	90
Other expenses	22	38	60
<b>Total cost of services</b>	<b>3 037</b>	<b>3 720</b>	<b>6 757</b>
<b>Income</b>			
Fees	–	103	103
Other revenue and recoveries	57	58	115
<b>Total income other than income from State Government</b>	<b>57</b>	<b>161</b>	<b>218</b>
<b>Net cost of services</b>	<b>2 980</b>	<b>3 559</b>	<b>6 539</b>
<b>Income from State Government</b>			
Service appropriations	2 140	2 654	4 794
Resources received free of charge	46	47	93
<b>Total income from State Government</b>	<b>2 186</b>	<b>2 701</b>	<b>4 887</b>
<b>Surplus/(deficit) for the period</b>	<b>( 794)</b>	<b>( 858)</b>	<b>(1 652)</b>

**Service 1: Curriculum development, evaluation and support**

This service involves:

- curriculum development to address the needs of all students entering senior secondary education
- accreditation for all courses to ensure high quality and standards of contemporary curriculum provision
- formal course review based on stakeholder feedback and consultation.

**Service 2: Student assessment and certification**

This service involves:

- the provision of clear assessment policy and guidelines.
- the provision of high quality external assessments and rigorous processes for standards setting and certification.

More details of the services and their key performance indicators are provided in the 'Additional key performance indicator information' section of the Authority's report for the period.

The Schedule of Income and Expenses by Services should be read in conjunction with the accompanying notes.

**Ministerial directives**

No ministerial directives were received during the financial period.

**Contracts with senior officers**

At the date of reporting, no senior officers had any beneficial interests in existing or proposed contracts between Authority and senior officers, other than usual contracts of employment.

**Other financial disclosures**

The Authority charges for goods and services rendered on a full or partial cost recovery basis. These fees and charges were determined in accordance with the *Costing and Pricing Government Services: Guidelines for Use by Agencies in the Western Australian Public Sector* published by the Department of Treasury.

**Capital works**

No capital projects were completed during the period 1 March 2012 to 30 June 2012.

**Statement of Compliance with *Electoral Act 1907* section 175ZE (Advertising)****Advertising**

In compliance with section 175ZE of the Electoral Act 1907, the Authority is required to report on expenditure incurred during the financial period in relation to advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations.

Details are as follows:

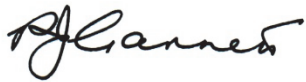
**Expenditure with email organisation:**

Campaign Monitor	\$170
Total Expenditure for period from 1 March 2012 to 30 June 2012	\$170

## Additional key performance indicator information

### Certification of Key Performance Indicators

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the School Curriculum and Standards Authority's performance, and fairly represent the performance of the School Curriculum and Standards Authority and for the financial period ended 30 June 2012.



**EMERITUS PROFESSOR P.J. GARNETT  
CHAIR**



**A. BLAGAICH  
ACTING CHIEF EXECUTIVE OFFICER**

**Date: 16 August 2012**

## Detailed Information in Support of Key Performance Indicators

Agency level government desired outcome: Quality curriculum framework (Kindergarten to Year 12) and assessment (years 11–12) in Western Australia.

### Period of information

The information below covered four months of operation of the School Curriculum and Standards Authority (the Authority) and eight months of

operation of the Curriculum Council. The latter was abolished on 29 February 2012 and replaced by the Authority on 1 March 2012 (Note 1 of the Notes to the financial statements). As the survey on effectiveness was compiled in March 2012, the Curriculum Council was unable to report on the key performance information in its final report for the period from 1 July 2011 to 29 February 2012. The reporting responsibility devolved on the Authority.

**Table 4: Outcome: Quality curriculum framework (Kindergarten to Year 12) and assessment (years 11–12) in Western Australia**

Key effectiveness indicators (KEI)	2012 Target	2012 Actual	2011 Actual
1. Engagement of and acceptance by stakeholders of responsible syllabuses, accreditation and review	3.80	4.14	3.83
2. Engagement of and acceptance by stakeholders of comprehensive and easily understood assessment policy and support	3.80	4.08	3.78
3. Engagement of and acceptance by stakeholders of valid and reliable external and school-based assessment	3.80	4.09	3.76

(a) The scale range is from 1 (low) to 5 (high).

(b) Measurements were based on feedback from the groups stated below.

KEI 1: Number of surveys received from Course Advisory Committees: 343 (68 per cent response rate; total number of members: 502)

KEI 2: Number of surveys received from Course Advisory Committees: 346 (69 per cent response rate; total number of members: 502)

KEI 3: Number of surveys received from Course Advisory Committees: 327 (65 per cent response rate; total number of members: 502)

(c) The average response rate for the three KEI is 67 per cent, 9 per cent higher than the average of 58 per cent for 2011 Actual. The higher effectiveness for 2012 Actual indicates a broad based support for syllabuses assessment and examinations.



## Services

### Service 1: Curriculum development, evaluation and support

#### Service description

This service involves:

- curriculum development to address the needs of all students entering senior secondary education
- accreditation for all courses to ensure high quality and standards of contemporary curriculum provision

- formal course review based on stakeholder feedback and consultation.

### Service 2: Student assessment and certification

#### Service description

This service involves:

- the provision of clear assessment policy and guidelines
- the provision of high quality external assessments and rigorous processes for standards setting and certification.

Key efficiency indicators	Note	2012 Target	2012 Actual	2011 Actual
<b>Service 1: Curriculum development, evaluation and support</b>				
Key efficiency indicators:				
• Average cost per registered school for each course of professional support	(a)	\$3 944	–	\$4 190
• Average cost per registered school for each course of development and review	(a)	\$25 437	\$29 349	\$26 969
<b>Service 2: Student assessment and certification</b>				
Key efficiency indicators:				
• Average cost per enrolled student for moderation	(b)	\$91	\$82	\$96
• Average cost per enrolled student for external assessment	(b)	\$165	\$185	\$179
• Average cost per enrolled Year 12 student for certification		\$749	\$789	\$781

- (a) In the preparation of the 2011–12 State Budget, an allocation for professional support was provided based on the best information available at that time. During 2011–12, it was determined that there was no further requirement for professional support for the existing curriculum. Hence, all funding for Service 1 was expended on curriculum development and support, resulting in the higher average cost per registered school for each course of development and review as compared to the 2012 Target and 2011 Actual.
- (b) The 2012 target was based on 2011–12 State funding of \$6.0 million for the development and conduct of the compulsory examinations implemented in 2009 and 2010. With internal savings, the actual costs for the development, conduct and certification of the 2011 examinations exceeded budget funding by about \$0.4 million. Consequently, the 2012 actual average cost per enrolled student for external assessment exceeded the target by \$20 (2012:\$185; 2011:\$165; 12 per cent increase) and the actual average cost per enrolled Year 12 student for certification was higher than the target by only \$40 (2012:\$789; 2011:\$749; five per cent increase).

