



**EDUCATION AND EARLY CHILDHOOD SERVICES**  
Registration and Standards Board of South Australia



**Government  
of South Australia**

Annual Report  
of the  
**Education and Early Childhood Services  
Registration and Standards Board  
of South Australia**  
2013–2014

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## Letter of transmittal

**Hon. Jennifer Rankine MP**  
**MINISTER FOR EDUCATION AND CHILD DEVELOPMENT**

Dear Minister

In accord with the requirements of the *Education and Early Childhood Services (Registration and Standards) Act 2011* and *Public Sector Management Act 2009*, I am pleased to present you with the third annual report for the Education and Early Childhood Services Registration and Standards Board of South Australia.

This report pertains to the period from 1 July 2013 to 30 June 2014.

Yours sincerely



**Mr Barry Kahl**  
**ACTING PRESIDING MEMBER**  
**EDUCATION AND EARLY CHILDHOOD SERVICES**  
**REGISTRATION AND STANDARDS BOARD OF SOUTH AUSTRALIA**

30 September 2014

## **Acting Presiding Member's statement**

I have pleasure in presenting to you this third annual report of the Education and Early Childhood Services Registration and Standards Board of South Australia (EECSRSB of SA). The Board continued its work of developing systems to enact the *Education and Early Childhood Services (Registration and Standards) Act 2011* legislation in collaboration and consultation with stakeholders in the education and care sector.

The Board's implementation of the National Quality Framework as the state regulatory authority under the National Law aims to ensure regulation of early childhood education and care services in support of the best interests of children and their families.

The Board has also initiated consultation and drafting of regulations to further support the registration of new schools, review of ongoing school registration and regulation of residual early childhood services. Throughout this process the Board has worked closely with all stakeholders.

In submitting this report I wish to acknowledge the efforts of the staff working for the Board and educators in schools and early childhood services, particularly the latter who have worked with enormous commitment to implement the National Quality Framework in order to improve children's learning and development outcomes.



**Mr Barry Kahl**  
**ACTING PRESIDING MEMBER**  
**EDUCATION AND EARLY CHILDHOOD SERVICES**  
**REGISTRATION AND STANDARDS BOARD OF SOUTH AUSTRALIA**

## Plans and objectives

The Education and Early Childhood Services Registration and Standards Board of SA (EECSRSB of SA) is the statutory authority responsible for the regulation and registration of early childhood education and care services under the Education and Care Services National Law (South Australia) (the National Law), residual early childhood services, care services and all schools in South Australia.

The role of the Education and Early Childhood Services Registration and Standards Board of South Australia is to implement the *Education and Early Childhood Services (Registration and Standards) Act 2011* (the Act). The Act is inclusive of the National Law. The objects and principles of the Act are set out below:

### Objects of the Act

The objects of this Act include providing for the regulation of the provision of education and early childhood services in a manner that maintains high standards of competence and conduct by providers and—

- (a) recognises that all children should have access to high quality education and early childhood facilities and services that—
  - i. address their developmental needs; and
  - ii. maximise their learning and development potential through an appropriate curriculum; and
  - iii. support their educational achievement; and
  - iv. promote enthusiasm for learning; and
  - v. support, promote and contribute to their health, safety and well-being; and
- (b) provides for a diverse range of services; and
- (c) recognises the rights of parents to access a diverse range of education and early childhood services providers; and
- (d) enhances public confidence in the operation of education and early childhood services providers.

### Principles of the Act

The following principles should be taken into account in the administration of this Act:

- (a) parents and guardians should have the right to choose the best services for their family;
- (b) parents and guardians, and members of school communities, should have access to relevant information concerning the regulation of their child's school;
- (c) the welfare and best interests of children is the primary consideration in the performance of the Board's functions;

- (d) any person who works with children is obliged to protect them, respect their dignity and privacy and safeguard and promote their well-being;
- (e) cooperation between the Minister, the Board and the school education sectors contributes to achieving the effective provision of education and early childhood services;
- (f) successful learning is built on a foundation of rich, engaging environments and meaningful interactions in which children's voices are listened to and acted on.

In exercising a power or performing a function under this Act, the Board should have regard to, and seek to give effect to, the following principles:

- (a) providers of education services and early childhood services should not be burdened by regulation more than is reasonably necessary;
- (b) the actions of the Board in relation to minimising or responding to a particular risk should be proportionate to the potential harm posed by the risk;
- (c) the Board should have regard to all of the circumstances of a particular provider of education services or early childhood services (including, without limiting this paragraph, the provider's history of compliance with this or any other relevant Act and any risk that the provider may not comply with this Act in the future).

*Source: Education and Early Childhood Services (Registration and Standards) Act 2011, s. 9*

In addition, the National Law sets out objectives and guiding principles that specifically relate to the establishment of the national education and care services quality framework for the delivery of education and care services to children in Australia.

- (2) The objectives of the national education and care services quality framework are—
  - (a) to ensure the safety, health and wellbeing of children attending education and care services;
  - (b) to improve the educational and developmental outcomes for children attending education and care services;
  - (c) to promote continuous improvement in the provision of quality education and care services;
  - (d) to establish a system of national integration and shared responsibility between participating jurisdictions and the Commonwealth in the administration of the national education and care services quality framework;
  - (e) to improve public knowledge, and access to information, about the quality of education and care services;
  - (f) to reduce the regulatory and administrative burden for education and care services by enabling information to be shared between participating jurisdictions and the Commonwealth.
- (3) The guiding principles of the national education and care services quality framework are as follows—
  - (a) that the rights and best interests of the child are paramount;

- (b) that children are successful, competent and capable learners;
- (c) that the principles of equity, inclusion and diversity underlie this Law;
- (d) that Australia's Aboriginal and Torres Strait Islander cultures are valued;
- (e) that the role of parents and families is respected and supported;
- (f) that best practice is expected in the provision of education and care services.

Source: *Education and Early Childhood Services (Registration and Standards) Act 2011*, Schedule 1 s.3

## Relationship to SA Strategic Plan

The EECSRSB of SA contributes to the achievement of the following targets, strategic priorities and primary goals of the South Australian Strategic Plan 2011:

### **Strategic priority: Every chance for every child**

‘All children can access high quality, affordable child care and preschool offered by trained staff using a rigorous curriculum. Those who work with young children are a recognised and valued group of early childhood development professionals.’

Seven Strategic Priorities, *Every chance for every child* factsheet

### **Families are the centre of learning life skills; together we grow**

*Target 12 Early childhood: Increase the proportion of children developing well*

### **We support families**

*Target 14 Early childhood – Year 1 literacy*

*Target 15 Aboriginal education – early years: Year 1 reading*

### **Our young people have a future here**

*Target 54 Learning or earning*

### **We are the best educated in the nation**

*Target 87 Reading, writing and numeracy*

*Target 88 Science and maths*

*Target 89 SACE or equivalent*

### **South Australia is renowned as an educational leader**

*Target 90 Share of overseas students*

### **We actively participate in shaping the future of our state**

*Target 30 Boards and committees*

### **Governments demonstrate strong leadership working with and for the community**

*Target 32 Customer and client satisfaction with government services*

*Target 33 Government planning decisions*



## Operations and initiatives

The EECSRSB of SA is the statutory authority responsible for the regulation and registration of early childhood education and care services under the National Law, residual early childhood services, care services and all schools in South Australia.

The Board has the following key functions:

- regulate the provision of education services and early childhood services
- approve the requirements for endorsement of registration of schools
- establish and maintain the registers contemplated by this Act
- prepare or endorse codes of conduct for registered schools
- provide advice to the Minister
- carry out other functions assigned to the Board by the Minister.

*Source: Education and Early Childhood Services (Registration and Standards) Act 2011, s. 29*

### Early childhood education and care services

#### Approvals

All providers and services of early childhood education and care services in the scope of the Act must be approved by the Board. Under the Act, all services in scope of the National Law, as well as residual services that existed prior to 1 January 2012, were declared approved. New services wanting to open since 1 January 2012 must make an application to the Board and pay any associated fee. Changes to the Education and Care Services National Regulations 2011 which came into effect on 1 June 2014 now allow providers to appoint certified supervisors who can take day-to-day charge of a service. Supervisors were previously certified by the Board or declared approved. This change reduces the regulatory burden both for providers and also regulatory authorities. However, the Board can still issue certification to supervisors where they seek an individual approval and meet the criteria.

An Approvals Committee comprised of Board and deputy Board members, as a delegate of the Board, makes any decisions to refuse applications drawing on evidence provided by the Registrar.

### **Assess and rate services**

The Board is responsible for assessing and rating services that are within the scope of the National Law against the seven quality areas of the National Quality Standard (NQS) to promote quality education and care and continuous improvement. Residual services not in the scope of the National Law are not assessed against the Standard.

The nationally agreed target for the completion of all first assessments for services is 1 July 2015. Services are then assessed at a frequency determined by their initial rating level: the more highly rated a service, the less frequently it is assessed—a system that balances the principles of risk management and earned autonomy.

The assessment and rating process takes place over approximately eight weeks, from the assessment visit to the issue of a final report.

### **Compliance, complaints management and incident notifications**

A key objective of the Board under the National Law is supporting and promoting the safety, health and wellbeing of children in education and care services. Board officers work with services, providers and nominated supervisors to achieve this objective. Where the Board identifies non-compliance of a service, provider and/or nominated supervisor, the Board can choose to take compliance and enforcement action. The Complaints and Compliance Committee (the Committee) for Early Childhood Services is comprised of Board members who decide whether to take the compliance and/or enforcement action(s) recommended by the Registrar. The Committee is delegated certain decision making powers by the Board.

Under the National Law (s. 174), providers must notify the Board of:

- prescribed serious incidents
- other incidents, including complaints alleging that the safety, health or wellbeing of a child or children was or is being compromised while being educated and cared for by the approved education and care service
- the Law being contravened.

## **Education and information**

The Board, as the regulatory authority, is also responsible, in conjunction with the national authority, for:

- educating and informing education and care services and the community in relation to the National Quality Framework (NQF)
- enhancing public confidence in the operation of education and early childhood services providers.

## **Education services**

### **Registration on School Register**

A school at which education services (courses of instruction in primary or secondary education) are provided, or students enrolled, must be registered. Under the Act (s. 41), the Board is responsible for keeping a register of all government and non-government schools and a register of schools that have been removed from the School Register and which have not been reinstated to that register. The Board issues Certificates of Registration to all schools at which education services are provided, or in which students are enrolled.

Schools are eligible for registration on the School Register if the Board, on application made in accordance with the Act, is satisfied that:

- the nature and content of the instruction offered, or to be offered, at the school is satisfactory; and
- the school provides adequate protection for the safety, health and welfare of its students; and
- the school satisfies any other requirements set out in the regulations for the purposes of this subsection.

*Source: Education and Early Childhood Services (Registration and Standards) Act 2011, s. 43*

Under the Act, all schools which existed prior to 1 January 2012 were declared approved. New government and non-government schools are required to apply to the Board for registration. Schools intending to change their existing structure—for example, to amalgamate with another school, change year level offerings, move location or introduce a new cohort of students—are required to apply to the Board for registration prior to the change occurring. In their application, schools need to demonstrate that the nature and content of the instruction offered, or which will be offered, is satisfactory and that it provides adequate protection for the safety, health and

welfare of its students. The Board will also be required to review the registration of schools in a manner yet to be determined.

For schools with overseas students, the Board is also responsible for:

- managing and updating the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS)
- advising, receiving and assessing applications from schools seeking to enrol full fee paying overseas students for compliance with the *Education Services for Overseas Students Act 2000* (ESOS Act) and The National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students 2007 (the National Code), the subsequent authorisation of the school on the national register of CRICOS schools, and conducting compliance audits. In the case of government schools this has been coordinated through the International Education Services unit of the Department for Education and Child Development (DECD).

## Strategic objectives

The objects and principles of the Act form the Strategic Plan of the Board. During the reporting period the Board prioritised the following strategic objectives:

- implement the Act
- establish the EECSRSB of SA as a high performing organisation
- promote the role of the EECSRSB of SA in the community.

### Overview

The Board's first two years of operation constituted an establishment phase where the provisions of the National Law within the Act were a high priority for day-to-day operations in early childhood services. The major activity in school education services was the research, scoping and consultation regarding regulations for registration and review of schools and the assumption of designated authority responsibilities for overseas students in South Australia.

During the 2013–14 financial year, a great deal of work was done to further establish the organisation. Staffing levels were brought up to complement within funding restrictions. All staff were transferred from DECD to the Board on 3 March 2014. On 6 June 2014 the Board implemented its own payroll (through Shared Services SA) and associated finance responsibilities. This resulted in the review and development of internal policies, procedures and information technology systems. Communications activity was also a focus.

Challenges for the future relate to funding for registration and review of all services in scope, including early childhood residual services. Funding is impacted by the possible expiry of national funding agreements for early childhood services and the appropriation of funds for implementing school registration and registration review. In the absence of sufficient appropriations the implementation of the Act will be incremental.

### Strategic Objective 1: Implement the Act

The Board continued to develop its capacity to implement the Act in its first two years of operation. The focus in the reporting period was on developing practices and procedures that support early childhood education and care services (regulated under the National Law and the Act) and school education sites to provide quality services in South Australia which are diverse and legally compliant.

## **EARLY CHILDHOOD EDUCATION AND CARE SERVICES**

The Board implements the Act in relation to the regulation of residual early childhood services and the Education and Care Services National Law (South Australia) applied by the Act to South Australian education and care services. The NQS is appended to the Education and Care Services National Regulations.

### **Education and care services regulated under the National Law**

Family day care, long day care, outside school hours care and preschools are those service types in scope of the National Law categorised as either centre-based care or family day care services. At 30 June 2014, South Australia had 1140 approved services, comprising 1106 centre-based services and 34 family day care services. Family day care services are the fastest growing service type nationally and within South Australia (which had 12 family day care services when the Board began operation). With 1140 services, South Australia has eight per cent of the national total of 14 435 approved early childhood education and care services.

### **Approvals**

The Board assesses and grants new provider, service, certified supervisor, transfer and waiver approvals. Australian Children's Education and Care Quality Authority (ACECQA) publishes registers of providers, services and certified supervisors on its website as required by the National Law, together with all available service assessment data. A link to the service register is also published on the Board's website. The registers are updated fortnightly.

At 30 June 2014, the Board had issued 8237 certified supervisor certificates, 506 approved provider certificates and 1140 approved service certificates.

Additionally, the Board approves applications for either a temporary or service waiver. Waivers play an important role in helping providers maintain their level of service to families while adjusting to the NQF or dealing with unexpected events. Where providers are unable to meet certain requirements in relation to physical environment or staffing arrangements on a permanent or temporary basis, they can apply for either a service or temporary waiver. A service waiver has no expiry date while a temporary waiver can apply for up to 12 months, and both waiver types can be revoked. At 30 June 2014, 47 (or 4.1 per cent) of approved services in South Australia had a waiver, with zero service waivers and the remainder temporary waivers. Forty-five of these were for staffing requirements and two for physical environment arrangements. At 30 June 2014, South Australia had the second lowest proportion of waivers

nationally. This is a significant achievement because from 1 January 2014 all preschools and long day care services had to employ an early childhood teacher or an educator actively working toward the completion of their early childhood teaching qualification for proportions of time determined by service size. This is a new requirement for long day care services. Additionally, 50% of staff had to have or be actively working towards a Diploma level qualification and the remaining 50% of staff had to have or be actively working towards a Certificate 3 qualification. Twenty-five of the 45 staffing requirements waivers have been issued for the early childhood teacher requirement and the remaining waivers have been issued for other educator qualifications.

Over the reporting period, in the interests of children, two applications for service approval and two applications for provider approval were refused. Two applications to increase child numbers to be educated and cared for by services were also refused. One decision to refuse provider approval was overturned on application by the Internal Review of Reviewable Decisions Committee of the Board. This committee is also comprised of Board and Deputy Board members and is chaired by the Board's legal practitioner.

### **Assessment and rating**

The assessment and rating of services commenced in July 2012. The Australian Council for Educational Research (ACER) analysed the outcomes and assessment process used for those services for which the assessment was completed by mid-October 2012 for the National Evaluation of the Assessment and Rating Process. The Evaluation, undertaken at the direction of the Standing Council on School Education and Early Childhood (SCSEEC), found that the assessment and rating instrument and process were, and are, nationally reliable and valid: giving the sector confidence in the NQF.

The Board assessed and rated 128 services between 1 July 2013 and 30 June 2014. Of these, one was rated at Significant Improvement Required; 57 at Working Towards NQS; 18 at Meeting NQS and 52 at Exceeding NQS, with four rated by ACECQA as Excellent. Nationally and in South Australia, services are more likely to:

- be rated as Meeting or Exceeding NQS in Quality Area 4 (Staffing Arrangements), Quality Area 5 (Relationships with Children) and Quality Area 6 (Collaborative Partnerships with Families and Communities).

- be rated as Working Towards NQS in Quality Areas 1 (Educational Program and Practice), Quality Area 7 (Leadership and Service Management), Quality Area 3 (Physical Environment) and Quality Area 2 (Children’s Health and Safety).

South Australia has the highest proportion of services rated at Exceeding NQS at 38% and 64% rated at Meeting or Exceeding NQS compared with 62% nationally.

South Australia has a relatively lower proportion of quality rated services at 21% than other jurisdictions apart from Western Australia. The proportion of completed assessments nationally on 30 June 2014 is 40%. Other regulatory authorities operate within existing state and territory government departments while South Australia has set up the Board as an independent regulatory authority to regulate children’s education and care services. The Board started with transition arrangements from 1 January 2012 and has continued to recruit and train staff during the past year. Significant training and development is required before an authorised officer is able to undertake assessment and rating visits alone. The Board has also, together with other jurisdictions, begun implementing nationally agreed streamlining refinements to the process from June 2014. These have included the use of a new reporting template, writing at the standard rather than element level and reducing lead in times to the date of assessment. It is expected the rate of assessment will continue to increase over time.

#### **Monitoring and enforcement of compliance including investigation of complaints**

The Board monitors services for compliance with the National Law and Regulations by making scheduled and unscheduled visits and receiving and investigating incident notifications and complaints. During the reporting period, authorised officers of the Board made 338 visits to services in addition to assessment visits. Such visits were conducted for service approval, to follow up after assessment, to monitor improvement, to address risk, to investigate complaints and incidents to provide education on the NQF. To date, over 60% of services have been visited by authorised officers of the Board.

Over the reporting period the Board has indicated in a show cause notice its intention to suspend a provider approval and cancel the certification of two supervisors; issued one Prohibition Notice preventing an educator from working in an education and care service; and



placed conditions on two service approvals in response to compliance matters. The requirements of compliance conditions have been met by all parties.

The Board received and followed up on 468 serious incident reports, 255 incidents other than serious and 326 complaints in the reporting period, with ongoing investigations extending into the next reporting period. Serious incidents include a range of matters prescribed in Education and Care Services National Regulation 12 such as any incident involving serious injury or trauma to, or illness of a child while being educated and cared for by a service which a reasonable person would consider required urgent medical attention from a medical practitioner.

### **Educate and inform**

The Board uses this regulatory tool in a range of ways to support service improvement. For example, it participated in a number of awareness raising sessions, hosted by Gowrie SA, during the reporting period. Gowrie SA is the professional support coordinator funded by the Commonwealth Government to provide support to early childhood education and care services to implement the NQF. These were attended by more than 1400 educators, providers and service supervisors. Topics included Preparing for Your Assessment Visit, Leaders Articulating Practice, Understanding Everyone's Role within the NQF and an NQF Mini Sampler conference covering a range of topics for services rated at Working Towards NQS. Sessions were also conducted in response to invitations to speak to various groups including the Catholic Education South Australia Outside School Hours Service leaders. Evaluative feedback has been very positive about the usefulness of information provided by the Board at these sessions. Additionally, authorised officers of the Board jointly produced a video with Gowrie SA about the assessment and rating process for services to increase accessibility of this information for educators, particularly those in country locations.

The Early Childhood Services Unit publishes information on the Board's website, including fact sheets, and emails services as necessary: for example, when notifying services of the new arrangements for certified supervisors effective on 1 June 2014. The Board also draws upon and promotes ACECQA resources in the interests of national consistency. The ACECQA website publishes a significant number of key documents for regulatory authorities and the broader sector, as well as regular newsletters for both services and families.

### **Support and promote continuous quality improvement**

A key objective of the Board, in addition to ensuring the safety and welfare of children, is supporting and promoting continuous quality improvement of services. The Board both achieves and measures this by assessing and rating services as well as disseminating information and ensuring compliance. The Board finalised 24 second assessments of services rated at Working Towards NQS in the first year of implementing the NQF. It found 42% of the 24 services have improved from an overall rating of Working Towards NQS to a Meeting NQS rating with most others improving at the quality area and standard levels.

### **Information collection, review and reporting**

As the state regulatory authority, the Board uses the National Quality Agenda Information Technology System (NQA ITS) as a key tool to manage its regulatory work under the National Law. Approval, assessment and rating, and compliance monitoring and enforcement data is stored in the ITS. ACECQA uses the data to report on the performance of the National Quality System to SCSEEC in the form of biannual Multilateral Implementation Reports and to the public and the sector in the form of Quarterly Quality Snapshots. The sixth Snapshot was published on August 2014 for the quarter ending 30 June 2014. ACECQA, in its role of supporting and ensuring consistency, also conducts audits of regulatory practice, highlighting for analysis any areas of inconsistency between jurisdictions.

The Registrar, Early Childhood Services also reports monthly to the Board on assessment and rating progress and incidents and complaints received. Additionally, employees of the Board monitor the data it gathers for emerging trends, both for patterns in notified incidents and complaints, as well as rating outcomes to inform Board planning and to disseminate to the sector.

### **Residual services regulation**

There are a number of early childhood services that fall outside the scope of the National Law, but are regulated under the Act. These services are called residual early childhood services and are identified as: occasional care; rural and mobile care; in-home care (formerly babysitting agencies); family day care services not included within the definition in the National Law; and any other service types identified in the Education and Early Childhood Services (Registration and Standards) Regulations 2011. The Act applies a modified version of the National Law to residual early childhood services with a view that over time these services will be included into the scope of the NQF. Since June 2013, the Board has conducted 16 face-to-face consultation

meetings with residual early childhood services stakeholders to progress the development of service specific regulations for the different residual early childhood service types. Drafting instructions have been developed as a result of the consultation process and include proposals to develop regulations for the approval, operational and administrative requirements for residual early childhood services. A Cabinet submission for permission to draft regulations is being finalised.

The Board also approved the *South Australian Standards for In-Home Care Services* that became effective from 1 July 2014. The Standards form a set of operational requirements that an approved provider of an in-home care service must comply with as a condition on their service approval in accordance with Regulation 27 of the Education and Early Childhood Services (Registration and Standards) Regulations.

## **SCHOOL EDUCATION**

In March 2013 the Board appointed two Registrars for three-year terms. Paul Claridge, Registrar, Non-government Schools and Barry Burney, Registrar, Government Schools replaced the interim Registrars, Jan Foot and Barry Thompson, who had established agency procedures in relation to education matters.

### **Registration**

Throughout the reporting period Board officers performed the range of school registration responsibilities to ensure the appropriate administration of the Act. This involved providing a consultancy service to schools about the requirements and conditions for school registration including consulting with and supporting applicants for new school registration and changes to registration conditions.

A key program in the first half of the year was the writing of regulations for school review using the information gained through the extensive consultation process conducted in May and June of 2013. Liaison with and advice from Parliamentary Counsel was sought to develop the drafting instructions for regulations and a Cabinet submission was prepared for approval of the school review regulations.

To prepare for operationalising the school review regulations, guidelines were drafted for registration review and a risk assessment process developed for trial once the regulations have

been approved. Preliminary negotiations occurred with DECD to explore possible considerations in the risk assessment process including data development and information sharing needs.

A major project to improve workflow functionality was completed. This involved the scoping, functional specification, design, deployment and user acceptance testing of an integrated School Register information management system to record: activity; registration matters and conditions within the system; details of CRICOS registration status; and local, state and national government localities.

The new School Register's export capabilities facilitated the annual validation exercise that updates relevant details for all schools in South Australia through direct contact with schools.

### ***Government school review***

Schools applying for registration changes were assessed by the Registrars. Applications were usually processed within three weeks and a site visit scheduled to meet the needs of the school and Registrars. Schools were generally not prepared for registration compliance and much work has been done to support them in the compilation, publication and use of appropriate policies and procedures. Site visits were up to two hours in duration and notices of approval were sent with a Certificate of Registration upon payment of the appropriate fee. The average time to complete a registration process was three months from receipt of applications. Some schools required longer lead times (up to nine months) to complete the registration requirements because they had either not been notified by the department about the registration requirement, the Board's communication processes were ineffective, or both. One of the elements of the EECSRSB of SA's communications strategy (Strategic Objective 3) will address this deficiency.

### ***Non-government school review***

Schools were reviewed either for year level extension or commencement of a new school. Advice was also provided to organisations proposing to establish new schools and to the executives of schools who wished to change the year levels on offer, the location of their schools, or both.

### ***School reviews (government and non-government)***

Engagement with schools for the purpose of school review was done on the basis of the Board established criteria. Government school review activity included informing schools of the need

for registration, receiving and assessing evidence based on the application form, communicating with schools and arranging site visits as required. The following reviews and consultations were carried out:

*New school/Change of site*

- Adelaide East Education Centre (formerly Kensington Centre)
- Adelaide North Special School (formerly Elizabeth Special School)
- Blake's Crossing Christian School
- Errington Special Education Centre (formerly Ashford Special School)
- Riverland Special School
- Whyalla Special Education Centre (formerly Whyalla Special School)

*Addition of campus*

- Southern Montessori School

*Change of year level(s)*

- Burç College
- Cornerstone College
- Pinnaroo Primary School
- St Paul's College
- St Peter's Woodlands Grammar School
- Seaford Secondary College (formerly Seaford 6-12 School)
- Southern Montessori School

*Consultations with school executives*

- Blake's Crossing Christian College
- Burç College
- Christian Schools Association
- Garden College
- Treetops School.

**Schools with overseas students**

All schools that wish to enrol overseas students must be registered on CRICOS. This is the official Australian government register that lists all Australian education providers offering courses to people studying in Australia on student visas and the courses that are offered. The registered

schools need to meet the standards in the Education Services for Overseas Students (ESOS) legislation.

The registration for all currently registered schools in South Australia will expire in 2015. As the designated authority in South Australia for these schools the Board has responsibility for auditing the schools and making recommendations to the Commonwealth Department of Education (DoE). To support registered schools to maintain registration, comprehensive guidelines were developed through a process of consultation and negotiation with key stakeholders. These guidelines provide the necessary information to assist school compliance with the 15 ESOS Standards and include checklists, application forms, fee schedules and resources such as internet links. The guidelines will be evaluated through a pilot program designed and negotiated with stakeholders. The pilot program will also be evaluated to assess suitability of the process for schools and the Board.

A risk assessment model is also under development for CRICOS schools so that monitoring can effectively and efficiently safeguard students and assure quality educational outcomes. This work is informed by the participation of Registrars in the national multi-sector working party groups convened to address ESOS Act related management matters.

Compliance assessments for schools with overseas students against the standards of the ESOS Act were conducted in partnership with DoE officers. This highlighted the need to apply significant new resourcing to the task of monitoring and maintaining the CRICOS register. The Board fulfils this responsibility through access to the Provider Registration and International Students Management System (PRISMS). PRISMS provides Australian education providers with the Confirmation of Enrolment (CoE) facilities required for compliance with the ESOS legislation. Board staff manage the South Australian section of the PRISMS database for school education, including updating course fees, maintaining school data and auditing the integrity of data for all South Australian school providers.

*CRICOS/ESOS related activity*

- Angaston Primary School
- Blackfriars Priory School
- Brighton Secondary School
- Concordia College
- Mercedes College

- Prince Alfred College
- Roxby Downs Area School
- St Paul's College
- St Peter's College
- Seymour College
- Wirreanda Secondary School
- Woodcroft Anglican College

### Complaints against schools

Schools' complaints procedures were developed to add to the business process developed by the Board in consultation with the Crown Solicitor's Office during 2012–13. The procedures operationalise Section 30 of the Act regarding the requirements for handling complaints about schools.

A key issue in addressing allegations against schools is managing the expectations of stakeholders, including schools, families and responsible authorities. Throughout the process of receiving allegations and assessing them against the legislative criteria, expert advice in legal matters and the conduct of investigations is obtained. This ensures appropriate action is taken to address allegations and complaints and also provides protection for the Board's internal and external reputation.

### School registration changes July 2013–June 2014

Sector	Change of year levels	School/campus change	FFPOS activity	Total
Government (Number of schools)	2	5	4	11
Non-government (Number of schools)	5	2	4	11
				22

**Registered school statistics summary***Government schools*

	June 2012	June 2013	June 2014
Primary	393	367	366
Secondary	69	67	67
Combined	80	79	80
Special	14	15	15
Total	556	528	528

*Non-government schools*

	Catholic			Independent		
	2012	2013	2014	2012	2013	2014
Primary	68	68	68	36	36	35
Secondary	11	11	11	10	10	10
Combined	22	22	23	47	47	49
Special	2	2	1	1	1	1
Total	103	103	103	94	94	95

*Schools approved to enrol full fee paying overseas students*

	Government			Catholic			Independent		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
Primary	52	51	47	0	0	0	5	5	5
Secondary	40	45	45	5	5	4	8	8	8
Combined	13	13	13	14	14	13	28	28	25
Special	0	0	0	0	0	0	0	0	0
Total	105	109	105	19	19	17	41	41	38

There were four applications from government schools to change status with respect to full fee paying overseas students and five changes to the status of non-government schools with respect to full fee paying overseas students.



## **Regulations**

A key focus for 2013 and 2014 was developing regulations to support the eligibility of schools for inclusion on the register of schools (s. 43 of the Act) and to provide for review of school registration (s. 54 of the Act). The proposed regulations have been provided to the Minister.

## **Overseas students**

The Board assumed responsibility for ESOS Act requirements on 18 March 2013 after a transition period negotiated with existing stakeholders. South Australian schools with overseas students are currently registered until 2015. Review processes and timing will be established in consultation with the Australian government authority and in compliance with state and national legislative requirements.

As representatives of the designated authority under the ESOS Act, the Registrars provided a resource function for registered schools to ensure compliance with the ESOS Act and participated in audits and information sessions with DoE officials. The Board maintains the CRICOS database for South Australia so that South Australian schools can continue to attract overseas students to our state. This involves:

- validation and verification of data
- maintenance of accuracy and completeness of compliance information
- support for school enquiries and compliance matters.

## **Strategic Objective 2: Establish EECSRSB of SA as a high performing organisation**

At the commencement of the 2013–2014 financial year, the Board was fully constituted, comprising 13 Board members, all with deputy Board members, as required under the Act. However, as a number of Board members' terms came to an end in February 2014, the Board has been actively awaiting the re-appointment of these positions by the Minister. The Board remained quorate and fully functioning at all times, met regularly throughout the reporting period and continued to utilise three standing committees to provide high quality advice for decision making that promotes the objects and principles of the Act. The Board consisted of seven properly appointed Board members and their deputy Board members at 30 June 2014.

Staffing levels were brought up to complement in line with the current budget. The early childhood services area grew by approximately a third to assist with work demands. A Manager,

Corporate Services was appointed to the executive management team and staffing levels within the Corporate Services team were augmented to support an increased workload.

There was also a focus on establishing the EECSRSB of SA's independence as a separate statutory authority. This was achieved through the EECSRSB of SA taking on the responsibility for employing its own staff along with the associated payroll and finance functions. A great deal of work occurred at the operational level to successfully achieve the transfer of these responsibilities with a resultant increase in the workload in the human resources and finance areas.

As staffing levels increased, extra accommodation space was acquired within the EECSRSB of SA's office building. In addition to accommodating the expansion, this also provided staff with more break away space and meeting areas to support their duties.

With a view to further establishing the EECSRSB of SA as a high performing organisation, policies and work practices were continuously revised to improve productivity and enhance capability across all areas. In particular, there was a focus on human resources, work health safety and internal finance policies and procedures.

Planning and implementation of information technology systems and processes occurred to improve the Board's capacity to meet its legislated responsibilities. Key accomplishments include:

- initiation of an internal electronic document records management system linked to document disposal
- implementation of payroll functions via the Chris payroll system
- improved accessibility and utilisation of the NQA ITS
- provision of appropriate mobile technologies for employees working off-site
- provision of internal communications technologies.

There was a continued focus on professional development for both new and existing staff. Intensive training activity for early childhood services staff occurred as well as professional learning for other staff. The Board and its executive team undertook training provided by the Institute for Company Directors and work health and safety training.

Information technology training was provided in the areas of electronic document records management, payroll and finance to ensure that staff were fully equipped to manage newly introduced and transferred responsibilities.

Staff in the early childhood area undertook general authorised officer training covering a range of areas such as:

- the law and regulations
- curriculum frameworks
- cultural competence.

Specific training in assessment and rating was delivered to newly appointed staff by the Board's nationally trained Lead Assessors. Annual drift testing of existing authorised early childhood services officers to ensure reliability and national consistency also occurred. Other training undertaken included:

- compliance monitoring (conducted by the Crown Solicitor's Office)
- report writing and editing
- use of the NQA ITS.

### **Strategic Objective 3: Promote the role of the EECSRSB of SA in the community**

#### **Informing stakeholders**

As an independent statutory authority the Board aims to be known for its independence from government and non-government alliances. As part of this plan, all staff working for the EECSRSB of SA were transferred from the employment of DECD to the employment of EECSRSB of SA on 3 March 2014. In previous financial years all EECSRSB of SA staff were employees of DECD under a service level agreement. The EECSRSB of SA has since also taken on its own payroll and associated finance responsibilities, all of which were previously performed by DECD.

The Board published two newsletters during the reporting period. Copies were distributed to all relevant stakeholders to publicise the activities of the Board and to inform stakeholders of resources relevant to their responsibilities under the Act.

A review of communication and engagement activities was also undertaken and a communications strategy is currently being developed. Communications will be an ongoing focus for the Corporate Services area in the next reporting period.

The Board's website is also being further developed as a first point of contact for stakeholders. It provides information regarding the Board's responsibilities and operations, relevant legislation and regulations, and comprehensive information and links for service providers to support their compliance and improvement efforts.

Board employees serve the needs of stakeholders through responsive and supportive communication to requests for information about compliance, new registrations and changes to existing registrations. In all interactions employees aim to provide a personalised service that positively promotes the image of the Board.

### **Collaboration with partners**

Board employees also promote the role of the Board through building relationships with existing and potential partners in South Australia and other jurisdictions. Key partnerships that have been involved in promoting the Board and its objectives include:

- officials from DoE and SA Government staff involved in the Joint Committee for International Education (JCIE) (in relation to ESOS Act compliance)
- DECD International Education Services unit (responsible for all government schools with overseas students)
- government and non-government schools (particularly those with new and changed registration requirements or overseas students)
- school leaders and leadership groups from government and non-government school sectors (to gain understanding of the practicalities of regulatory impact and the benefits of registration on school governance)
- the Minister and ministerial staff (to maintain open communication about the operation of schools and early childhood education and care services)
- the Minister's Legislative Reform Unit and Parliamentary Counsel (for the purposes of the passage of regulations and advice about processes and related legislative developments)
- the Crown Solicitor's Office of the Attorney General's Department in SA (which provides interpretive opinion on the implementation of Administrative Law, critical to the Board's operations)
- participants in the 2013 National Registrar's Conference (and the subsequent maintenance of networks to leverage good practice in school registration)
- representation on the Standards Australia Boarding Standards Working Group (comprising representatives from most Australian jurisdictions)

- staff and committees from the Office of Non-Government Schools and Services in SA (particularly those with responsibility for assessing new school funding applications)
- representation on the Intersectoral Child Protection Committee (a DECD-convened cross-education agency committee)
- representation on the Standards Australia Playground Equipment Committee
- DoE (Board and DoE staff work closely together in relation to service approvals)
- Gowrie SA (as the DoE funded Professional Support Coordinator, provides assistance services to meet the NQS in conjunction with Novita, Inclusive Directions and the Aboriginal Resource Management Support Unit)
- DECD (as the state policy lead organisation on early childhood development).
- membership of Australian Curriculum, Assessment and Reporting Authority (ACARA) National Curriculum Review and Recognition Panel.

#### **Australian Children's Education and Care Quality Authority (ACECQA)**

The Board, as part of the NQS, works closely with ACECQA, all other state and territory regulatory authorities and DoE. ACECQA is the national authority responsible for guiding administration and implementation of the NQF and, in particular, for ensuring national consistency. A committee structure representing all of the jurisdictions and the Commonwealth advises the ACECQA Board on a range of policy and implementation matters.

The overarching advisory committee that is convened by the Chief Executive Officer of ACECQA is the Quality and Consistency Committee (QaCC) on which the Registrar, Early Childhood Services represents the Board. The Board is represented on the following committees to ensure the input of a South Australian perspective in the development of the National Quality System:

- Implementation Issues Working Group
- Communications Working Group
- Training Working Group
- NQA ITS Management Steering Group
- Communications Working Group (co-chaired by the Registrar, Early Childhood Services).

South Australia also works closely with other state and territory regulatory authorities to implement the National Law.

## Role, legislation and structure

### Background

In 2006, the then Minister for Education and Children's Services in South Australia began a progressive education and early childhood development legislation reform agenda resulting in new legislation, including the *Education and Early Childhood Services (Registration and Standards) Act 2011*.

This legislation shapes South Australia's approach to the registration and regulation of schools and care and early childhood services and provides a legislative framework that underpins the delivery of our schooling and early childhood services, particularly those integrated services which provide a range of services from birth to the end of schooling. The legislation establishes a single streamlined regulatory system in South Australia, overseen by a single regulatory board: the EECSRSB of SA.

Previously, the *Education Act (1972)* provided for the establishment of a non-government Schools Registration Board responsible for the registration of non-government schools; a function that continued to December 2011.

In December 2009, all Australian governments agreed to a new NQF for early childhood education and care. This means that all Australian children, regardless of their location, will get the best possible start in life through high-quality early childhood education and care and school-age care services. The Framework will help providers improve their services in the areas that impact on a child's development and empower families to make informed choices about which service is best for their child.

The NQF includes:

- a national legislative framework that consists of the Education and Care Services National Law and Education and Care Services National Regulations
- a National Quality Standard
- an assessment and rating system
- a regulatory authority in each state and territory who will have primary responsibility for the approval, monitoring and quality assessment of services in their jurisdiction in accordance with the national legislative framework and in relation to the National Quality Standard

- the Australian Children's Education and Care Quality Authority (ACECQA), which is the new national body responsible for providing oversight of the new system and ensuring consistency of approach.

Source: ACECQA, see <http://acecqa.gov.au/national-quality-framework/>

The EECSRSB of SA is the regulatory authority in South Australia.

## **The Education and Early Childhood Services Registration and Standards Board of SA**

The Act came into effect on 1 January 2012. Embedded in this legislation is the Education and Care Services National Law 2010. This provides the legislative base for the work of the EECSRSB of SA. The Minister's Legislation Reform Unit, which drafted the legislation, conducted significant consultation through its Stakeholder Advisory Group.

The Act provides for regulation of the provision of government and non-government education and early childhood services in a manner that maintains high standards of competence and conduct by providers.

His Excellency the Governor appointed the EECSRSB of SA to oversee the fulfilment of this Act. The Board is a public sector agency, established on 1 January 2012 under the Act. Under the Act, the Board:

- (a) is a body corporate; and
- (b) has perpetual succession and a common seal; and
- (c) can sue and be sued in its corporate name; and
- (d) has the functions and powers assigned or conferred by or under this or any other Act.

Source: *Education and Early Childhood Services (Registration and Standards) Act 2011*, s. 21

Under the Education and Care Services National Law (SA) 2011, National Education and Care Services Regulations and South Australian Education and Early Childhood Services (Registration and Standards) Regulations, the Board (as the state regulatory authority) commenced operations from 1 January 2012.

### **The Board**

The Board reports to the Minister for Education and Child Development. Under the Education and Care Services National Law, the SCSEEC oversees implementation and administration of the NQF. The Ministerial Council can give directions to the Board with respect to administration of

the NQF. Until Board members were appointed by the Governor on 29 February 2012, the Minister for Education and Child Development comprised the Board under a transitional provision in the South Australian Education and Early Childhood Services (Registration and Standards) Regulations.

The Board is to consist of thirteen members appointed by the Governor on the nomination of the Minister: being persons who collectively have, in the opinion of the Minister, the knowledge, skills and experience necessary to enable the Board to carry out its functions effectively.

Of these members, the presiding member must be a person who has, in the opinion of the Minister, extensive knowledge and expertise in the education and care of children. Of the remaining members, two must be nominated by the Director-General of the Department for Education and Child Development; two by the Association of Independent Schools of South Australia; two by the South Australian Commission for Catholic Schools Incorporated; two by child care bodies prescribed in the Act; and one must be a legal practitioner.



**Current Board Membership**

<b>Board members (Term of appointment)</b>	<b>Deputy Board members (Term of appointment)</b>
Ms Judith Atkinson Nominated by Childcare South Australia (1 March 2012–28 February 2015)	Ms Merrilyn Hannaford (1 March 2012–28 February 2015)
Mr Trevor Radloff Nominated by the Minister for Education and Child Development (5 April 2013–28 February 2015)	Ms Anne Kibble (5 April 2013–28 Feb 2015)
Ms Carolyn Grantskalns Nominated by Association of Independent Schools of SA (5 April 2013–28 February 2015)	Ms Cheryl Bauer (5 April 2013–28 Feb 2015)
Mrs Helen O'Brien Nominated by South Australian Commission for Catholic Schools (1 March 2012–28 February 2015)	Currently no deputy
Mrs Lynda Secombe Nominated by Association of Independent Schools of SA (1 March 2012–28 February 2015)	Mr Nicholas Hatley (1 March 2012–28 February 2015)
Dr Paul Sharkey Nominated by South Australian Commission for Catholic Schools (1 March 2012–28 February 2015)	Dr Vincent Thomas (1 March 2012–28 February 2015)
Mr Barry Kahl Nominated by the Minister for Education and Child Development (5 April 2013–28 February 2015)	Ms Kathleen Cotter (5 April 2013–28 Feb 2015)

**Former Board members (membership lapsed during the reporting period)**

<b>Board members (Termination of appointment date)</b>	<b>Deputy Board members (Termination of appointment date)</b>
Dr Neville Highett—Presiding Member Nominated by the Minister for Education and Child Development (1 March 2012–28 February 2014)	Ms Karen Lamont (5 April 2013–28 February 2014)
Ms Robyn Buckler Nominated by the Minister of Education and Child Development (1 March 2012–28 February 2014)	Ms Vivienne St John Robb (1 March 2012–28 February 2014)
Ms Kathryn Jordan Nominated by the Minister for Education and Child Development (1 March 2012–28 February 2014)	Ms Janet Harris (1 March 2012–28 February 2014)
Dr Susan Krieg Nominated by the Minister for Education and Child Development (1 March 2012–28 February 2014)	Dr Victoria Whittington (1 March 2012–28 February 2014)
Ms Amanda Wilson Nominated by the Minister for Education and Child Development (1 March 2012–28 February 2014)	Ms Kathleen McEvoy (5 April 2013–28 February 2015)

**Former Board members (resigned during the reporting period)**

<b>Board members (Term of appointment)</b>	<b>Deputy Board members (Term of appointment)</b>
Ms Kaye Colmer—Deputy Presiding Member Nominated by Community Children’s Centres SA Incorporated (1 March 2012–28 February 2015)	Ms Mandy Richardson (5 April 2013–28 February 2015)
	Mrs Georgina Smith (1 March 2012–28 February 2015) Previously deputy to Mrs Helen O’Brien

The Board publicly recognises the valuable contributions of these members and deputy members during their period of membership. Their work was particularly important in establishing the Board and its operations during the first years of operation.

The Board is supported by:

- three standing committees
- three operations services units
- three Registrars: one for each sector, and a Manager, Corporate Services.

**Standing committees****Planning, Finance and Personnel Committee (PFP Committee)**

The PFP Committee’s function is to assist the Board in carrying out its responsibilities relating to planning, finance and personnel including the following:

- a) developing and recommending the long-term (2 to 5 years) strategic plan for the Board and preparing short-term plans to direct specific areas as appropriate
- b) overseeing the budget and ensuring accurate tracking, monitoring and accountability for funds (including adequate financial controls)
- c) guiding development, review and authorisation of personnel and financial policies and procedures.

Its membership at 30 June 2014 comprised:

**Board members**

Mr Barry Kahl (Acting Presiding Member)

### **Deputy Board members**

Dr Vincent Thomas

Ms Kathleen McEvoy

### **External members**

Ms Janet Harris

Ms Vivienne St John Robb.

### **Approval, Registration and Regulation Committee (ARR Committee)**

The ARR Committee's function is to assist the Board in carrying out its responsibilities relating to approval, registration and regulation of early childhood education and care services and school education including the following:

- a) developing and recommending strategies for the implementation of legislative obligations
- b) developing materials for consultation on regulations for approval, registration and regulation
- c) developing and recommending appropriate policies and procedures
- d) monitoring outcomes, and reviewing and evaluating relevant operational procedures.

Its membership at 30 June 2014 comprised:

### **Board members**

Mrs Helen O'Brien (Presiding Member)

Mrs Lynda Secombe

Mr Trevor Radloff

### **Deputy Board members**

Ms Merylyn Hannaford

Dr Vincent Thomas

### **External members**

Dr Neville Highett

Dr Victoria Whittington.

### **Audit and Risk Management Committee (ARM Committee)**

The ARM Committee provides independent assurance and assistance to the Board on risk, control and compliance frameworks and the accurate financial reporting and performance of the Authority.

Its membership at 30 June 2014 comprised:

### Board members

Mr Barry Kahl

Mrs Lynda Secombe

### Deputy Board members

Dr Vincent Thomas

### External members

Ms Amanda Wilson (Presiding Member)

Mr Mark Le Cornu

Mr Bruce Carpenter.

### Summary of Board and standing committee meeting attendance: 2013–2014 financial year

Members	Board		ARR		ARM		PFP	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
N Highett	8	7	7	4				
K Colmer	6	3						
J Atkinson	9	7						
R Buckler	7	1						
B Kahl	9	9					7	7
K Jordan	8	5						
S Krieg	8	7						
T Radloff	9	8	7	3				
H O'Brien	9	7	7	7				
L Secombe	9	9	7	7				
C Grantskalns	9	7						
P Sharkey	9	2						
A Wilson	8	6			1	1		

Deputy members	Board		ARR		ARM		PFP	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
K Lamont	1	1						
M Richardson	1	1						
M Hannaford	1	1	7	6				
V St John Robb	6	6					7	4
K Cotter								
V Whittington	1	1	7	4				
A Kibble	1	1						
G Smith								
N Hately								
C Bauer	1	1						
V Thomas	7	7	7	4			7	7
K McEvoy	1	1					7	6
J Harris	1	1					7	7
B Carpenter					1	1		
M LeCornu					1	1		

## Board Secretariat

The Board Secretariat is the operational arm of the Board. The role of the Secretariat is to carry out the functions of the Board as set down in legislation and to implement the Board's decisions. At the commencement of this reporting period, Secretariat staff were employed by DECD and their services were provided to the Board under s. 28 (4) of the Act. This arrangement was in place while an industrial framework and conditions of employment were finalised to enable the Board to employ its own staff, which occurred during the reporting period on 3 March 2014.

## Operations services units

### Early Childhood Services Unit

The unit has responsibilities and functions that relate to the NQF for early childhood education and care, including primary responsibility for the approval, monitoring and quality assessment of services in South Australia in accordance with the national legislative framework and in relation to the NQS. This responsibility applies equally to those services identified in the Act as

residual services although these services are not assessed and rated against the NQS.

Regulations specific to these services have been developed.

**Schools Services Unit**

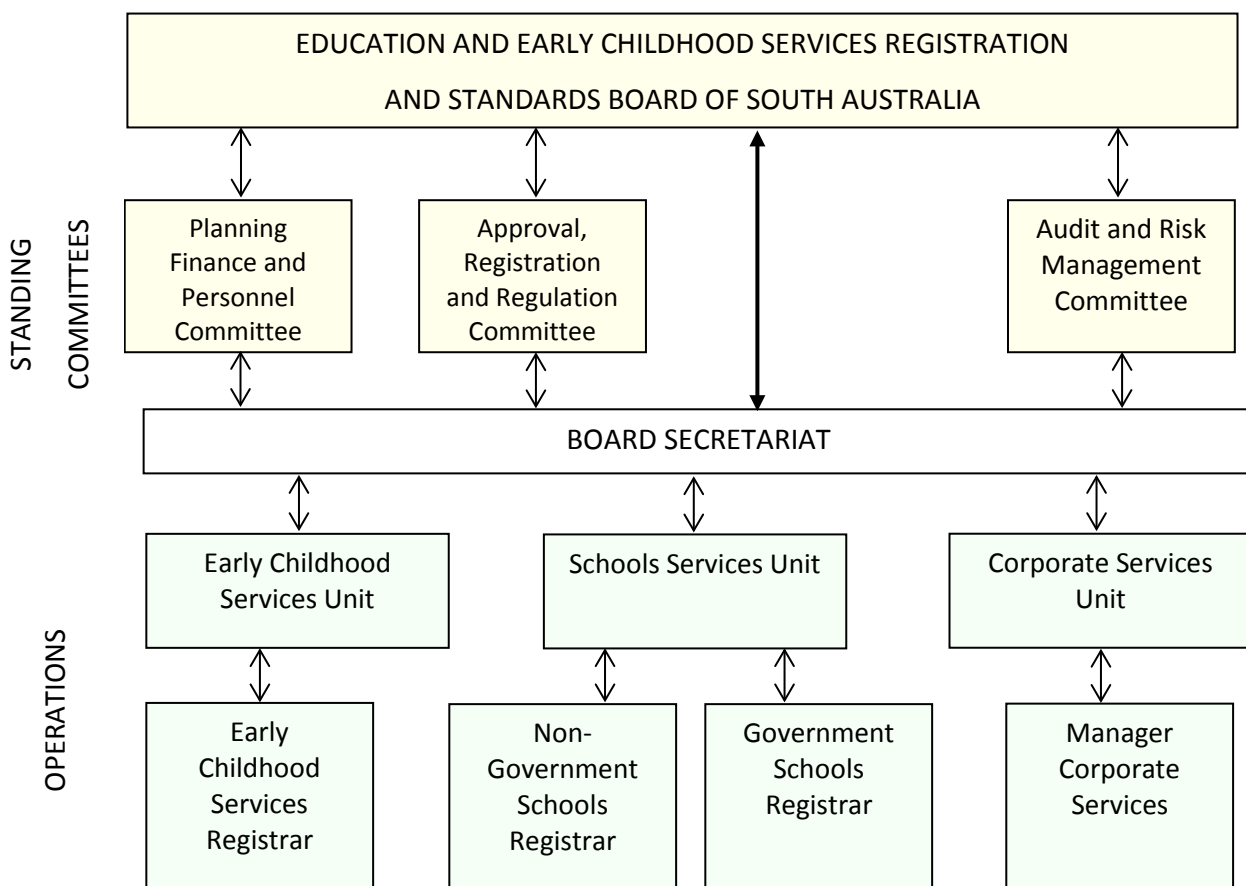
The unit has responsibilities relating to the: registration and review of all schools (government and non-government); development of policies and procedures for school review; implementation of the ESOS Act; maintenance of the School Register; and provision of Certificates of Registration.

**Corporate Services**

The Corporate Services group provides support to the Board and its staff to facilitate continuous improvement and ensure compliance within relevant legislation.

This group specifically supports the strategic and operational financial management, human resource management, payroll, workplace health safety, information technology services, records management services and other broader corporate services to the Board as required.

**Organisational structure**



### **Executive team**

The Board is supported by an executive comprising the Early Childhood Services Registrar, the Government Schools Registrar, the Non-government Schools Registrar and the Manager, Corporate Services.

## Statutory requirements

### Management of human resource information

All employees were employed by DECD until 3 March 2014, when all employees were transferred from DECD to the EECRSB of SA. The following information relates to the EECRSB of SA's employees as at 30 June 2014.

#### Employee numbers, gender and status

Total number of employees		
Persons	43	
FTEs	39	

Gender	% Persons	% FTEs
Male	11.6%	12.8%
Female	88.4%	87.2%

Number of persons during the 2013–14 financial year	
Separated from the agency	0
Recruited to the agency	14

(From 03/03/14–30/06/14)

Number of persons at 30 June 2014	
On leave without pay	0

#### Number of employees by salary bracket

Salary Bracket	Male	Female	Total
\$0 - \$54 799	0	3	3
\$54 800 - \$69 699	1	4	5
\$69 700 - \$89 199	1	26	27
\$89 200 - \$112 599	1	4	5
\$112 600+	2	1	3
<b>TOTAL</b>	<b>5</b>	<b>38</b>	<b>43</b>



**Status of employees in current position**

FTEs	Ongoing	Short-term contract	Long-term contract	Other (Casual)	Total
Male	2	0	3	0	5
Female	12.8	1.6	19.3	0.3	34
<b>TOTAL</b>	14.8	1.6	22.3	0.3	39

PERSONS	Ongoing	Short-term contract	Long-term contract	Other (Casual)	Total
Male	2	0	3		5
Female	14	2	20	2	38
<b>TOTAL</b>	16	2	23	2	43

**Executives by gender, classification and status**

Classification	Ongoing		Term tenured		Term untenured		Total				
	M	F	M	F	M	F	M	%	F	%	Total
Registrar	0	0	1	1	1	0	2	67	1	33	100
<b>Total</b>	0	0	1	1	1	0	2	67	1	33	100

Note: *Term tenured* employees are entitled to some other appointment in the public sector. *Term untenured* employees are those that have no entitlement to another position within the public sector.

**Leave management: average days leave per full time equivalent employee**

Leave Type	2013-14
Sick leave	2.48
Family carer's leave	0.50
Miscellaneous special leave	0.16

(From 03/03/14-30/06/14)

**Workforce diversity: Aboriginal and/or Torres Strait Islander employees**

Salary bracket	Aboriginal employees	Total employees	% Aboriginal employees	Target*
\$0 - \$54 799	1	3	33%	2%
\$54 800 - \$69 699	0	5	0%	2%
\$69 700 - \$89 199	0	27	0%	2%
\$89 200 - \$112 599	0	5	0%	2%
\$112 600+	0	3	0%	2%
<b>TOTAL</b>	<b>1</b>	<b>43</b>	<b>2.3%</b>	<b>2%</b>

\* Target from SASP

**Workforce diversity: age profile****Number of employees by age bracket by gender**

Age bracket	Male	Female	Total	% of Total	2014 Workforce benchmark*
15-19	0	0	0	0%	5.5%
20-24	0	2	2	4.7%	9.7%
25-29	1	1	2	4.7%	11.2%
30-34	0	3	3	6.9%	10.7%
35-39	0	5	5	11.6%	9.6%
40-44	0	4	4	9.3%	11.4%
45-49	0	7	7	16.3%	11.1%
50-54	0	7	7	16.3%	11.4%
55-59	2	5	7	16.3%	9.1%
60-64	2	4	6	13.9%	6.7%
65+	0	0	0	0%	3.6%
<b>TOTAL</b>	<b>5</b>	<b>38</b>	<b>43</b>	<b>100%</b>	<b>100.0</b>

\*Source: Australian Bureau of Statistics (ABS) Australian Demographic Statistics, 6291.0.55.001 Labour Force Status (ST LM8) by sex, age, state, marital status – employed – total from Feb78 Supertable, South Australia at November 2013

**Cultural and linguistic diversity**

	Male	Female	Total	% of Agency	SA community*
Number of employees born overseas	0	9	9	20.9%	22.1%
Number of employees who speak language(s) other than English at home	0	2	2	4.6%	14.4%

\* Benchmarks from ABS Publication Basic Community Profile (SA) Cat No. 2001.0, 2011 census.

**Workforce diversity: disability**

There are no staff in the agency with an ongoing disability restricting their employment or requiring workplace adaptation.

**Voluntary flexible working arrangements**

	Male	Female	Total
Purchased leave	0	0	0
Flexitime	2	34	36
Compressed weeks	0	0	0
Part-time	0	7	7
Job share	0	0	0
Working from home	2	30	32

**Performance development**

The EECRSB of SA actively supports the performance development of its staff through training and performance feedback. A professional development policy was developed and put into practice in the reporting period. It is anticipated that employee performance management will be a focus in the 2014–2015 financial year as the Board adopts the High Performance Framework.

### Documented review of individual performance management

Employees who have been with the EECSRSB of SA for more than 12 months	% Total workforce
A review within the past 12 months	85%
A review older than 12 months	0%
No review	15%

### Leadership and management development

The EECSRSB of SA is led by an executive team of four staff, which is further supported by three mid-level managers. These staff were only directly employed by the EECSRSB of SA from 3 March 2014 when the transfer of employees from DECD to the Board occurred. For this reporting period, approximately two per cent of employee salaries was allocated to and spent on professional development.

### Accredited training packages

#### Accredited training packages by classification

Classification	Number of accredited training packages
ASO7	2

### Work health safety and injury management

The EECSRSB of SA is committed to the management of safety and wellbeing. Those in leadership roles underwent formal Work Health Safety (WHS) training in this reporting period to ensure the agency is up-to-date with legislative requirements. A corporate WHS Management Committee (comprising executives, general staff and the organisation's WHS representative) works to ensure adequate risk management and continuous improvement of internal WHS policies and procedures. These policies and procedures are currently being drafted as agency specific documents, taking into account current legislation pertaining to the Board.

There have been no WHS prosecutions, notices or corrective action taken in this reporting period and no workers compensation expenditure. It is noted that the EECSRSB of SA only

assumed the responsibility of its own workers compensation liability on 6 June 2014 along with the transfer of payroll. There have been no reportable incidents in the reporting period.

### **External consultants**

No external consultants were engaged by the agency in the reporting period.

### **Freedom of information**

The Board received one request for information under the Freedom of Information (FOI) provisions and its FOI Officer granted partial access to the requested information within the legislated response timeframe and requirements. Note that the Education and Care Services National Law (South Australia) applies the Commonwealth *Freedom of Information Act 1982* and has its own FOI Commissioner.

### ***Whistleblowers Protection Act 1993***

There were no instances relating to the *Whistleblowers Protection Act 1993* reported during the 2013–2014 financial year.

## Financial performance

### Account payment performance

Particulars	Number of accounts paid	Percentage of accounts paid (by number)	Value in \$A of accounts paid	Percentage of accounts paid (by value)
Paid by due date*	567	91%	\$5 363 746	96%
Paid late, but paid within 30 days of due date	33	5%	\$80 495	1%
Paid more than 30 days from due date	24	4%	\$117 549	2%

\*Note: The due date is defined under section 11.7 of Treasurer's Instruction 11 Payment of Creditors' Accounts

The EECSRSB of SA was focussed on continuous improvement with regards to its internal finance procedures during this reporting period and this focus will follow through into the next financial year as processes are reviewed and updated.

### Fraud

There were no instances of fraud reported during the 2013–2014 financial year.

### Financial statements

Attachment A contains the Board's financial statements including:

- report of the auditor
- certification of the financial statements
- statement of comprehensive income
- statement of changes in equity
- statement of cash flows.

## Acronyms and abbreviations

ABS	Australian Bureau of Statistics
ACARA	Australian Curriculum, Assessment and Reporting Authority
ACECQA	Australian Children’s Education and Care Quality Authority
ACER	Australian Council for Educational Research
ARM	Audit and Risk Management
ARR	Approval, Registration and Regulation
CoE	Confirmation of Enrolment
CRICOS	Commonwealth Register of Institutions and Courses for Overseas Students
DECD	Department for Education and Child Development
DoE	Department of Education (Commonwealth)
EECSRBSB of SA	Education and Early Childhood Services Registration and Standards Board of South Australia
ESOS	Education Services for Overseas Students
FOI	Freedom of Information
JCIE	Joint Committee for International Education
NQA ITS	National Quality Agenda Information Technology System
NQF	National Quality Framework
NQS	National Quality Standard
PFP	Planning, Finance and Personnel
PRISMS	Provider Registration and International Students Management System
QaCC	Quality and Consistency Committee
SCSEEC	Standing Council on School Education and Early Childhood
WHS	Work Health Safety

**Attachment A – Financial statements**

**FINANCIAL  
STATEMENTS  
2014  
FOR  
THE EDUCATION AND EARLY  
CHILDHOOD SERVICES  
REGISTRATION AND  
STANDARDS BOARD OF SOUTH  
AUSTRALIA**

For the year ended

30 June 2014



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

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

We have audited the accompanying financial report of the Education and Early Childhood Services Registration and Standards Board of South Australia, which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Board's certification as set out on pages 5 to 25.

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

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

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report.

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

*Opinion*

In our opinion, the financial report of the Education and Early Childhood Services Registration and Standards Board of South Australia presents fairly, in all material respects, the Board's financial position as at 30 June 2014 and its financial performance for the period then ended in accordance with Australian Accounting Standards and the Public Finance and Audit Act 1987.

*Deloitte Touche Tohmatsu*  
DELOITTE TOUCHE TOHMATSU



Stephen Harvey  
Partner  
Deloitte Touche Tohmatsu  
Adelaide, 15 September 2014

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

**Certification of the Financial Statements**

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

- comply with relevant Treasurer's instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian accounting standards;
- are in accordance with the accounts and records of the Board; and
- present a true and fair view of the financial position of the Board as at 30 June 2014 and the results of its operation and cash flows for the financial year.

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



Barry Kahl  
Acting Presiding Member  
15 September 2014



Marisa Salandra  
Manager, Corporate Services  
15 September 2014

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

**STATEMENT OF COMPREHENSIVE INCOME**

For the year ended 30 June 2014

	Note No.	2014 \$	2013 \$
<b>Expenses</b>			
Board Fees	4	41,353	59,725
Employee benefits expenses	5	468,465	-
Supplies and services	6	4,608,870	3,280,599
Other expenses	7	3,975	-
Auditor's remuneration	8	20,204	19,064
Grants and subsidies	9	454,421	474,303
<b>Total expenses</b>		<b>5,597,288</b>	<b>3,833,691</b>
<b>Income</b>			
Revenues from fees and charges	10	402,308	348,515
Interest revenue	11	89,911	57,445
Commonwealth Revenue	12	2,300,000	2,190,000
<b>Total Income</b>		<b>2,792,219</b>	<b>2,595,960</b>
<b>Net Cost of Providing Services</b>		<b>(2,805,069)</b>	<b>(1,237,731)</b>
Revenues from SA Government	13	2,985,000	2,669,000
<b>Net result</b>		<b>179,931</b>	<b>1,431,269</b>
<b>Total Comprehensive income</b>		<b>179,931</b>	<b>1,431,269</b>

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

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

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

**STATEMENT OF FINANCIAL POSITION**

For the year ended 30 June 2014

	Note No	2014 \$	2013 \$
<b>Current assets</b>			
Cash and cash equivalents	14	3,789,551	2,608,100
Receivables	15	184,785	182,117
<b>Total assets</b>		<b>3,974,336</b>	<b>2,790,217</b>
<b>Current liabilities</b>			
Payables	16	574,509	689,921
Employee benefits	17	290,965	-
<b>Total current liabilities</b>		<b>865,474</b>	<b>689,921</b>
<b>Non-current liabilities</b>			
Employee benefits	17	828,635	-
<b>Total non-current liabilities</b>		<b>828,635</b>	<b>689,921</b>
<b>Total liabilities</b>		<b>1,694,109</b>	<b>689,921</b>
<b>Net Assets</b>		<b>2,280,227</b>	<b>2,100,296</b>
<b>Equity</b>			
Retained earnings		2,280,227	2,100,296
<b>Total Equity</b>		<b>2,280,227</b>	<b>2,100,296</b>
<b>The total equity is attributable to the SA Government as owner</b>			
Unrecognised contractual commitment	18	701,723	1,201,973

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

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

**STATEMENT OF CHANGES IN EQUITY**

For the year ended 30 June 2014

	Retained earnings
	\$
<b>Balance at 31 December 2012</b>	669,027
<b>Total comprehensive result for 2012-13</b>	1,431,269
<b>Balance at 30 June 2013</b>	<b>2,100,296</b>
<b>Total comprehensive result for 2013-14</b>	179,931
<b>Balance at 30 June 2014</b>	<b>2,280,227</b>

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

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

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

**STATEMENT OF CASH FLOWS**

For the year ended 30 June 2014

	Note No.	2014 \$	2013 \$
<b>Cash flows from operating activities</b>			
<b>Cash outflows</b>			
Employee benefit payments		(207,833)	(59,725)
Payments for supplies and services		(4,754,951)	(3,004,131)
Payments of grants and subsidies		(454,421)	(474,303)
<b>Cash used in operations</b>		<b>(5,417,205)</b>	<b>(3,538,159)</b>
<b>Cash inflows</b>			
Employee benefits payment received		817,615	-
Fees and charges		410,754	498,670
Grants from Commonwealth Government		2,300,000	2,190,000
Interest received		85,287	53,516
<b>Cash generated from operations</b>		<b>3,613,656</b>	<b>2,742,186</b>
<b>Cash flows from SA Government</b>			
Receipts from SA Government		2,985,000	2,669,000
<b>Cash generated from SA Government</b>		<b>2,985,000</b>	<b>2,669,000</b>
<b>Net cash provided by/(used in) operating activities</b>		<b>1,181,451</b>	<b>1,873,027</b>
<b>Cash and cash equivalents at the beginning of the period</b>			
		<b>2,608,100</b>	<b>735,073</b>
<b>Cash and cash equivalents at the end of the period</b>	14	<b>3,789,551</b>	<b>2,608,100</b>

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



NOTES TO  
AND  
FORMING PART  
OF THE FINANCIAL  
STATEMENTS



Government  
of South Australia

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**Note 1**

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

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

The functions of the Board include:

- > to regulate the provision of education services and early childhood services;
- > to approve the requirements for endorsement of registration;
- > to establish and maintain the registers contemplated by this Act;
- > to prepare or endorse codes of conduct for registered schools;
- > to provide advice to the Minister;
- > to carry out other functions assigned to the Board by the Minister.

**Note 2 Summary of significant accounting policies**

**a) Statement of compliance**

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

**b) Basis of preparation**

The preparation of the financial statements requires:

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

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

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

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

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

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2014 and the comparative information presented.

**c) Reporting entity**

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

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

The Board has no administered items.

The Board is a statutory authority established under the Act.

**d) Transferred functions**

Under the Public Sector (Reorganisation of Public Sector Operations) Notice 2013, from 3 March 2014 twenty-eight employees were transferred from the Department for Education and Child Development to the Education and Early Childhood Services Registration and Standards Board of South Australia (EECSRSB).

The effective date of the transfer is 3 March 2014. (Refer to note 20).

**e) Comparative information**

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

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

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

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

**f) Rounding**

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

**g) Taxation**

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

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

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

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

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

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

#### **h) Events after the reporting period**

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June 2014 and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June 2014.

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

#### **i) Income**

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

The following are specific recognition criteria:

##### *Fees and charges*

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

Registration is for a three year period. There is an uneven distribution of teachers due to renew in any given year which impacts on the revenue collection.

#### **j) Expenses**

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

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

The following are specific recognition criteria:

##### *AASB 119 Employee benefits expenses*

Employee benefits expenses include all costs related to employment including wages and salaries, non-monetary benefits and leave entitlements. These are recognised when incurred.

##### *Superannuation*

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

#### **k) Current and non-current classification**

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

#### **l) Assets**

Assets have been classified according to their nature.

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

##### *Cash at bank*

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

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

*Receivables*

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

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

**m) Liabilities**

Liabilities have been classified according to their nature.

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

*Payables*

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

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

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

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

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

*Employee benefits*

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

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

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

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

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

*Long service leave*

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

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

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

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

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

### n) Unrecognised contractual commitments and contingent assets and liabilities

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

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

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

### Note 3 New and revised accounting standards and policies

The Board did not voluntarily change any of its accounting policies during 2013-14.

The Australian accounting standards and interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the Board for the period ending 30 June 2014. The Board has assessed the impact of the new and amended standards and interpretations and considers there will be no impact on the accounting policies or the financial statements of the Board.

### Note 4 Board fees

	2014	2013
	\$	\$
Board and Committee fees	39,187	54,160
Superannuation	1,314	4,609
Accrued sitting fees	852	956
<b>Total Board fees expenses</b>	<b>41,353</b>	<b>59,725</b>



**Note 5 Employee benefits expenses**

	2014 \$	2013 \$
Salaries and wages	167,336	-
Long service leave	155,473	-
Annual leave	29,335	-
Skills and experience retention leave	1,806	-
Employment on-costs	114,515	-
<b>Total employee benefits expenses</b>	<b>468,465</b>	<b>-</b>

**Note 6 Supplies and services**

	2014 \$	2013 \$
Accommodation	16,351	4,870
Administration	46,396	14,800
Advertising	2,363	16,808
Contractors – Agency Staff	123,626	104,242
Contractors – General	52,737	58,278
Information technology expenses	106,386	26,172
Insurance	5,575	3,025
Legal expenses	189,091	108,808
Minor equipment	48,662	86,783
Motor vehicle expenses	44,112	33,516
Other Board expenses	6,877	6,917
Other supplies and services	-	12,642
Postage	17,108	23,392
Printing, stationery and office consumables	39,637	59,245
Service Level Agreement - Accommodation	314,218	210,178
Service Level Agreement - IT	32,724	27,774
Service Level Agreement - Staff	3,171,697	2,376,164
Staff training and development	71,662	33,787
Staff travel expenses	51,368	49,739
Telecommunication expenses	26,626	23,460
ICT Maintenance, hardware and infrastructure	241,654	-
<b>Total supplies and services</b>	<b>4,608,870</b>	<b>3,280,599</b>

The total supplies and services amount disclosed includes GST amounts not-recoverable from the ATO due to the Board not holding a valid tax invoice or payments relating to third party arrangements.

**Note 7 Other expenses**

	2014	2013
	\$	\$
Allowances for doubtful debts	3,975	-
<b>Total other expenses</b>	<b>3,975</b>	<b>-</b>

**Note 8 Auditor's remuneration**

	2014	2013
	\$	\$
Audit fees paid / payable	20,204	19,064
<b>Total auditors remuneration</b>	<b>20,204</b>	<b>19,064</b>

**Note 9 Grants and subsidies**

	2014	2013
	\$	\$
Recurrent Grant (paid to ACECQA)	454,421	474,303
<b>Total grants and subsidies</b>	<b>454,421</b>	<b>474,303</b>

In accordance with the National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care, the Board contributes to the operational funding for Australian Children's Education and Care Quality Authority (ACECQA).

The Board remits 10% of the Fee revenue received for Early Childhood Services to the ACECQA.

**Note 10 Revenues from fees and charges**

	2014	2013
	\$	\$
Regulatory fees	402,308	348,515
<b>Total fees and charges</b>	<b>402,308</b>	<b>348,515</b>

**Note 11 Interest revenue**

	2014	2013
	\$	\$
Interest on bank accounts	89,911	57,445
<b>Total interest revenue</b>	<b>89,911</b>	<b>57,445</b>

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

**Note 12 Commonwealth revenue**

	2014 \$	2013 \$
National Partnership Payment	2,300,000	2,190,000
<b>Total Commonwealth revenue</b>	<b>2,300,000</b>	<b>2,190,000</b>

**Note 13 Revenue from SA Government**

	2014 \$	2013 \$
Operating grant	2,985,000	2,669,000
<b>Total revenues from SA Government</b>	<b>2,985,000</b>	<b>2,669,000</b>

**Note 14 Cash at bank**

	2014 \$	2013 \$
Cash held in operating accounts	3,789,551	2,608,100
<b>Total cash at bank</b>	<b>3,789,551</b>	<b>2,608,100</b>

**Interest rate risk**

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

**Note 15 Receivables**

	2014 \$	2013 \$
Receivables	62,041	122,804
Less allowance for doubtful debts	(3,975)	-
Accrued revenues	8,553	3,929
GST input tax recoverable	118,166	55,384
<b>Total receivables</b>	<b>184,785</b>	<b>182,117</b>

**Interest rate risk**

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

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

The carrying amounts of all receivables mature within one year.

Categorisation of financial instruments and risk exposure information – Please refer to Note 23.

### Note 16 Payables

	2014	2013
	\$	\$
<b>Current</b>		
Creditors	543,672	384,225
Accrued expenses	30,837	305,696
<b>Total current payables</b>	<b>574,509</b>	<b>689,921</b>
<b>Total payables</b>	<b>574,509</b>	<b>689,921</b>

#### Interest rate and credit risk

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

Refer to Note 23 for information as to the categorisation of financial instruments and risk exposure.

### Note 17 Employee benefits

	2014	2013
	\$	\$
<b>Current</b>		
Accrued salaries and wages	40,791	-
Annual leave	223,020	-
Skills and experience retention leave	27,154	-
<b>Total current employee benefits</b>	<b>290,965</b>	<b>-</b>
<b>Expected to be settled more than 12 months after reporting date</b>		<b>-</b>
Long service leave	828,635	-
<b>Total non-current employee benefits</b>	<b>828,635</b>	<b>-</b>
<b>Total employee benefits</b>	<b>1,111,600</b>	<b>-</b>

### Note 18 Unrecognised contractual commitments

	2014	2013
	\$	\$
<b>Remuneration commitments</b>		
Commitments for the payment of salaries and other remuneration under fixed-term employment contracts in existence at the reporting date but not recognised as liabilities are payable as follows:		
Within one year	462,661	480,000
Later than one year but not longer than five years	239,062	721,973
<b>Total remuneration commitments</b>	<b>701,723</b>	<b>1,201,973</b>

Amounts disclosed include commitments arising from contracts between the Board and three Registrars until December 2015.

**Note 19 Contingent assets and liabilities**

The Board is not aware of any contingent assets.

**Note 20 Transferred functions**

	2014	2013
	\$	\$
<b>Transferred in</b>		
Under the Public Sector (Reorganisation of Public Sector Operations) Notice 2013, from 3 March 2014 twenty-eight employees were transferred from the Department for Education and Child Development to the Education and Early Childhood Services Registration and Standards Board of South Australia (EECSRSB).		
The effective date of the transfer is 3 March 2014.		
The following assets and liabilities were transferred to the EECSRSB:		
Income from transfer	(817,615)	-
<b>Total income</b>	<u>(817,615)</u>	-
Expenses	898,318	-
<b>Total expenses</b>	<u>898,318</u>	-
<b>Net Result</b>	<b>(80,703)</b>	-
Cash	817,615	-
<b>Total assets</b>	<u>817,615</u>	-
Employee benefit liabilities	(898,318)	-
<b>Total liabilities</b>	<u>(898,318)</u>	-
<b>Total net assets transferred</b>	<b>(80,703)</b>	-

Net assets transferred to the EECSRS Board as a result of the administrative restructure were at the carrying amount determined by the Department for Education and Child Development. The net assets transferred were treated as an employee benefit expense in the Statement of Comprehensive Income.

**Note 21 Remuneration of Board and committee members**

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

**Name**

**Ongoing members**

Dr Neville Highett - Presiding Member (tenure ended 28 February 2014)	Ms Kaye Colmer – Deputy Presiding Member*
Ms Judith Atkinson	Ms Robyn Buckler
Mr Trevor Radloff*(appointed 5 April 2014)	Ms Carolyn Grantskalns
Mr Barry Kahl - Acting Presiding Member (appointed as Acting Presiding Member 1 March 2014)	Dr Susan Krieg
Ms Kathryn Jordan	Mrs Helen O'Brien
Mrs Lynda Secombe	Dr Paul Sharkey
	Ms Amanda Wilson

**Deputy members**

Ms Cheryl Bauer	Deputy to Ms Carolyn Grantskalns
Ms Merrilyn Hannaford	Deputy to Ms Judith Atkinson
Ms Janet Harris	Deputy to Ms Kathryn Jordan
Ms Karen Lamont (appointed 5 April 2014)	Deputy to Dr Neville Highett
Mrs Georgina Smith (resigned 1 November 2013)	Deputy to Mrs Helen O'Brien
Mr Nicholas Hately	Deputy to Mrs Lynda Secombe
Ms Vivienne St John Robb	Deputy to Ms Robyn Buckler
Dr Vincent Thomas	Deputy to Dr Paul Sharkey
Dr Victoria Whittington	Deputy to Dr Susan Krieg
Ms Anne Kibble*(appointed 5 April 2014)	Deputy to Mr Trevor Radloff
Ms Kathleen Cotter	Deputy to Mr Barry Kahl
Ms Kathleen McEvoy	Deputy to Ms Amanda Wilson

Some members also received remuneration as committee members as follows:

**Audit and Risk Management Committee**

Mr Bruce Carpenter	Mr Mark Le Cornu
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<b>The number of members whose remuneration received or receivable falls within the following bands:</b>	<b>2014</b>	<b>2013</b>
\$1 - \$9 999	27	22
\$10 000 - \$19 999	0	1
<b>Total number of members</b>	<b>27</b>	<b>23</b>

Remuneration of members reflects all costs of performing Board/committee member duties including sitting fees. The total remuneration received or receivable by members was \$41,353 (see Note 4). This amount comprised sitting fees as well as a total of \$1,314 paid to superannuation plans for eligible Board members.

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

These Government employees have not been included in the list of Board members above.

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

#### **Note 22 Cash flow reconciliation**

<b>Reconciliation of cash and cash equivalents at the end of the reporting period:</b>	<b>2014</b>	<b>2013</b>
Cash and cash equivalents disclosed in the Statement of Financial Position	3,789,551	2,608,100
<b>Balance as per the Statement of Cash Flows</b>	<b>3,789,551</b>	<b>2,608,100</b>
<b>Reconciliation of net cash provided by operating activities to net cost of providing services:</b>		
Net cash provided by operating activities	1,181,451	1,873,027
Less: Revenues from Government	(2,985,000)	(2,669,000)
<b>Movement in assets and liabilities</b>		
Increase/(decrease) in receivables	2,668	180,553
(Increase)/decrease in payables	115,412	(622,311)
(Increase)/decrease in current employee benefits	(290,965)	-
(Increase)/decrease in non-current employee benefits	(828,635)	-
<b>Net cost of providing services</b>	<b>(2,805,069)</b>	<b>(1,237,731)</b>

#### **Note 23 Financial instruments/financial risk management**

##### **Table 23.1 Categorisation of financial instruments**

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

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

Category of financial asset and financial liabilities	Statement of Financial Position line item	Note	Carrying amount 2014 \$	Fair value 2014 \$	Carrying amount 2013 \$	Fair value 2013 \$
<b>Financial assets</b>						
Cash and cash equivalents	Cash at bank	14	3,789,551	3,789,551	2,608,100	2,608,100
Receivables	Receivables	15	184,785	184,785	182,117	182,117
<b>Total financial assets</b>			<b>3,974,336</b>	<b>3,974,336</b>	<b>2,790,217</b>	<b>2,790,217</b>
<b>Financial liabilities</b>						
Financial liabilities	Payables	16	(574,509)	(574,509)	(689,921)	(689,921)
<b>Total financial liabilities</b>			<b>(574,509)</b>	<b>(574,509)</b>	<b>(689,921)</b>	<b>(689,921)</b>

### 23.2 Credit risk

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

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

### 23.3 Liquidity risk

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

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

### 23.4 Market risk

The Board is not exposed to any market Risk.

### 23.5 Sensitivity disclosure analysis

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

## Note 24 Events after the reporting period

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