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To the Chief Executive Department for Education

Opinion

I have audited the financial report of the Department for Education and the consolidated entity comprising the Department for Education and its controlled entities for the financial year ended 30 June 2022.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Department for Education and its controlled entities as at 30 June 2022, their financial performance and their cash flows for year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2022
- a Statement of Financial Position as at 30 June 2022
- a Statement of Changes in Equity for the year ended 30 June 2022
- a Statement of Cash Flows for the year ended 30 June 2022
- notes, comprising material accounting policies and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2022
- a Statement of Administered Financial Position as at 30 June 2022
- a Statement of Administered Changes in Equity for the year ended 30 June 2022
- a Statement of Administered Cash Flows for the year ended 30 June 2022
- a Schedule of Income and Expenses attributable to administered activities for the year ended 30 June 2022
- a Schedule of Assets and Liabilities attributable to administered programs as at 30 June 2022
- notes, comprising material accounting policies and other explanatory information for administered items
- a Certificate from the Chief Executive and the Chief Financial Officer.

Basis for opinion

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

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

Responsibilities of the Chief Executive for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Department for Education and its controlled entities for the financial year ended 30 June 2022.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department for Education's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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



Andrew Richardson
Auditor-General

23 September 2022

Department for Education

**Financial Statements
for the year ended
30 June 2022**

Department for Education
Certificate of Financial Statements
for the year ended 30 June 2022

We certify that the:

- financial statements of the Department for Education:
 - are in accordance with the accounts and records of the department;
 - comply with relevant Treasurer's instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the department at the end of the financial year and the result of its operations and cash flows for the financial year.

- internal controls employed by the Department for Education for the financial year over its financial reporting and its preparation of the financial statements have been effective.



Martin Westwell
Chief Executive
19 September 2022



Chris Bernardi
Chief Financial Officer
19 September 2022

Department for Education
Statement of Comprehensive Income
for the year ended 30 June 2022

		2022	2021	2022	2021
		Consolidated	Consolidated	Department	Department
	Note	\$'000	\$'000	\$'000	\$'000
Income					
Appropriation	2.1	2 916 845	3 000 919	2 916 845	3 000 919
Commonwealth sourced grants and funding	2.2	691 283	654 822	691 263	648 792
Sale of goods and services	2.3	140 337	145 596	17 663	17 808
SA Government grants and transfers	2.4	22 451	21 797	9 303	9 571
Non SA Government grants and transfers	2.5	36 234	41 783	5 098	1 866
Investment income	2.6	1 789	2 035	1 600	2 039
Resources received free of charge	2.7	11 619	14 523	11 382	13 659
Net gain from disposal of non-current assets	4.5	2 063	-	2 593	-
Other income	2.8	46 350	49 514	13 319	13 101
Total income		3 868 971	3 930 989	3 669 066	3 707 755
Expenses					
Employee benefits expenses	3.3	2 628 621	2 650 636	2 577 276	2 602 935
Supplies and services	4.1	864 560	786 105	515 316	465 966
Grants and subsidies	4.2	55 303	64 935	287 910	268 551
Depreciation and amortisation	4.3	168 771	147 041	153 849	137 524
Borrowing costs	4.4	32 591	26 659	32 534	26 570
Cash alignment transfers to Consolidated Account		91 080	111 443	91 080	111 443
Net loss from disposal of non-current assets	4.5	-	231	-	335
Other expenses	4.6	8 935	12 557	6 173	11 826
Total expenses		3 849 861	3 799 607	3 664 138	3 625 150
Net result		19 110	131 382	4 928	82 605
Other comprehensive income					
<i>Items that will not be reclassified to net result</i>					
Changes in property, plant and equipment asset revaluation surplus	5.1	174 528	242 555	174 528	242 554
Total other comprehensive income		174 528	242 555	174 528	242 554
Total comprehensive result		193 638	373 937	179 456	325 159

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

Department for Education
Statement of Financial Position
as at 30 June 2022

		2022	2021	2022	2021
	Note	Consolidated \$'000	Consolidated \$'000	Department \$'000	Department \$'000
Current assets					
Cash and cash equivalents	6.1	1 181 755	1 169 050	635 205	617 063
Receivables	6.2	64 997	72 338	36 254	42 280
Other financial assets	6.3	78	77	-	-
Inventories	5.4	5 962	5 971	-	-
Non-current assets classified as held for sale	5.5	2 148	6 681	2 148	6 681
Total current assets		1 254 940	1 254 117	673 607	666 024
Non-current assets					
Receivables	6.2	2 094	2 220	7 467	5 846
Other financial assets	6.3	175	156	-	-
Property, plant and equipment	5.1	5 821 130	5 466 004	5 774 340	5 417 690
Right of use assets	5.2	177 712	179 421	176 246	177 335
Intangible assets	5.3	115 385	15 600	115 385	15 600
Total non-current assets		6 116 496	5 663 401	6 073 438	5 616 471
Total assets		7 371 436	6 917 518	6 747 045	6 282 495
Current liabilities					
Payables	7.1	142 129	171 027	201 062	203 311
Financial liabilities	7.2	13 973	9 647	11 262	8 910
Employee benefits	3.4	272 778	262 599	270 214	260 273
Provisions	7.3	23 259	21 044	23 456	21 306
Other liabilities	7.4	18 034	13 490	16 022	11 366
Total current liabilities		470 173	477 807	522 016	505 166
Non-current liabilities					
Payables	7.1	64 555	72 477	64 555	72 477
Financial liabilities	7.2	379 386	379 225	378 444	377 984
Employee benefits	3.4	416 306	505 763	412 310	501 687
Provisions	7.3	99 421	98 194	99 386	98 159
Other liabilities	7.4	118 519	18 185	118 223	17 938
Total non-current liabilities		1 078 187	1 073 844	1 072 918	1 068 245
Total liabilities		1 548 360	1 551 651	1 594 934	1 573 411
Net assets		5 823 076	5 365 867	5 152 111	4 709 084
Equity					
Retained earnings		2 638 240	2 612 386	1 967 455	1 955 784
Revaluation surplus		2 596 174	2 428 390	2 595 994	2 428 209
Contributed capital		588 662	325 091	588 662	325 091
Total equity		5 823 076	5 365 867	5 152 111	4 709 084

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

Department for Education
Statement of Changes in Equity
for the year ended 30 June 2022

Consolidated	Note	Contributed capital \$'000	Revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2020		32 484	2 194 212	2 436 587	4 663 283
Change in Accounting Policy	9.4	-	-	36 040	36 040
Restated balance at 1 July 2020		32 484	2 194 212	2 472 627	4 699 323
Net result for 2020-21		-	-	131 382	131 382
Changes on revaluation during 2020-21		-	242 555	-	242 555
Total comprehensive result for 2020-21		-	242 555	131 382	373 937
Transfer revaluation surplus on disposal and derecognition of property, plant and equipment		-	(8 377)	8 377	-
Equity contribution received	8.1	292 607	-	-	292 607
Balance at 30 June 2021		325 091	2 428 390	2 612 386	5 365 867
Adjustments on initial adoption of AASB 15, 16 and 1058		-	-	-	-
Adjusted balance at 1 July 2021		325 091	2 428 390	2 612 386	5 365 867
Net result for 2021-22		-	-	19 110	19 110
Gain on revaluation of land during 2021-22		-	174 528	-	174 528
Total comprehensive result for 2021-2022		-	174 528	19 110	193 638
Equity contribution received	8.1	263 571	-	-	263 571
Transfer revaluation surplus on disposal and derecognition of property, plant and equipment		-	(6 744)	6 744	-
Balance at 30 June 2022		588 662	2 596 174	2 638 240	5 823 076

Department	Note	Contributed capital \$'000	Revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2020		32 484	2 194 032	1 864 802	4 091 318
Net result for 2020-21		-	-	82 605	82 605
Changes on revaluation during 2020-21	5.1	-	242 554	-	242 554
Total comprehensive result for 2020-21		-	242 554	82 605	325 159
Transfer revaluation surplus on disposal and derecognition of property, plant and equipment	8.1	-	(8 377)	8 377	-
Equity contribution received	8.1	292 607	-	-	292 607
Balance at 30 June 2021		325 091	2 428 209	1 955 784	4 709 084
Net result for 2021-22		-	-	4 928	4 928
Gain on revaluation of land during 2021-22		-	174 528	-	174 528
Total comprehensive result for 2021-2022		-	174 528	4 928	179 456
Equity contribution received	8.1	263 571	-	-	263 571
Transfer revaluation surplus on disposal and derecognition of property, plant and equipment		-	(6 743)	6 743	-
Balance at 30 June 2022		588 662	2 595 994	1 967 455	5 152 111

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

Department for Education
Statement of Cash Flows
for the year ended 30 June 2022

		2022 Consolidated \$'000 (Outflows) Inflows	2021 Consolidated \$'000 (Outflows) Inflows	2022 Department \$'000 (Outflows) Inflows	2021 Department \$'000 (Outflows) Inflows
Cash flows from operating activities	Note				
Cash inflows					
Appropriation		2 916 845	3 000 919	2 916 845	3 000 919
Receipts from Commonwealth sourced grants		691 351	654 982	691 331	648 952
Sales of goods and services		153 413	132 663	25 072	16 334
Grants and transfers		58 719	63 624	14 435	11 481
Investment income received		1 183	9 970	1 237	9 435
GST recovered from the ATO		125 991	105 422	95 004	76 034
Other receipts		43 938	46 094	10 907	9 695
Cash generated from operations		3 991 440	4 013 674	3 754 831	3 772 850
Cash outflows					
Employee benefit payments		(2 714 524)	(2 597 957)	(2 663 375)	(2 550 474)
Payments for supplies and services		(946 265)	(909 621)	(568 823)	(535 334)
Payments of grants and subsidies		(67 043)	(57 908)	(268 386)	(274 993)
Cash alignment transfers to Consolidated Account		(91 080)	(111 443)	(91 080)	(111 443)
Interest paid		(23 218)	(25 866)	(23 161)	(25 777)
Other payments		(7 311)	(4 409)	(4 649)	(4 344)
Cash used in operations		(3 849 441)	(3 707 204)	(3 619 474)	(3 502 365)
Net cash provided by operating activities	8.2	141 999	306 470	135 357	270 485
Cash flows from investing activities					
Cash inflows					
Proceeds from the sale of property, plant and equipment		10 450	469	10 010	155
Proceeds from maturing term deposits		70	17	-	-
Receipt of loan repayments		11	12	706	376
Cash generated from investing activities		10 531	498	10 716	531
Cash outflows					
Purchase of property, plant and equipment		(392 362)	(489 056)	(379 018)	(471 622)
Purchase of investments		(69)	(20)	-	-
Loans provided		-	-	(2 410)	-
Cash used in investing activities		(392 431)	(489 076)	(381 428)	(471 622)
Net cash provided by investing activities		(381 900)	(488 578)	(370 712)	(471 091)
Cash flows from financing activities					
Cash inflows					
Capital contributions from Government		263 571	292 607	263 571	292 607
Cash generated from financing activities		263 571	292 607	263 571	292 607
Cash outflows					
Repayment of leases		(6 852)	(6 541)	(5 935)	(5 724)
Repayment of borrowings		(4 113)	(996)	(4 139)	(996)
Cash used by financing activities		(10 965)	(7 537)	(10 074)	(6 720)
Net cash provided by financing activities		252 606	285 070	253 497	285 887
Net increase in cash and cash equivalents		12 705	102 962	18 142	85 281
Cash and cash equivalents at the beginning of the reporting period		1 169 050	1 066 088	617 063	531 782
Cash and cash equivalents at the end of the reporting period	6.1	1 181 755	1 169 050	635 205	617 063

The accompanying notes form part of these financial statements.

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

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for the year ended 30 June 2022

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Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

1. About the Department for Education

The Department for Education (the department) is a not-for-profit government department of the state of South Australia. The department is established pursuant to the *Public Sector Act 2009* as an administrative unit acting on behalf of the Crown.

The financial statements and accompanying notes include all the controlled activities of the department (refer to the disaggregated schedule for details of the department's controlled activities).

Transactions and balances relating to administered resources are not recognised as departmental income, expenses, assets and liabilities. As administered items are significant in relation to the department's overall financial performance and position, they are disclosed in the administered financial statements which follows the controlled general purpose financial statements. Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for departmental items.

Consolidated financial statements

The Consolidated financial statements incorporate the activities of the department and those of government schools; including governing councils activities such as the operations of canteens, out of school hours care services (including vacation care programs) and aquatic programs. The financial transactions of government-controlled pre-schools are not material and are therefore not included in the Consolidated financial statements.

In accordance with Australian Accounting Standards, all material transactions between the department and its controlled entities are eliminated when preparing the Consolidated financial report.

The financial activities of the department include those that support the operations of government owned schools and pre-schools including:

- expenses such as salaries and wages, salary related on-costs and some utilities expenses of school staff
- expenses incurred in maintaining school infrastructure, including land, buildings and major improvements
- liabilities recorded in the corporate department's financial systems such as employee benefits.

Administered items

The department is responsible for the administration of specific funds. The department does not have control over how these funds are to be spent and operates in the capacity as an agent responsible for the administration of the transfer process to third parties. The Administered Financial Statements include the income, expenses, assets and liabilities of these funds.

The main administered funds are:

- Ministers salaries
- Ministers payments
- Advocacy bodies
- Family Day Care

For further information refer to note A1.2.

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

1.1. Basis of preparation

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

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

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

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

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), 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.

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

1.2. Objectives and programs

Purpose

The Department for Education provides a range of integrated education, training and child development services to benefit children, young people and families. These services improve education and developmental outcomes for children through to transition to adulthood, reflecting the commitment to support every child towards their aspirations.

School and preschool education is at the core of the department, and it recognises that the success of South Australian government schools and preschools depends on mutually-beneficial partnerships with parents and families, community, tertiary providers, industry, government and non-government organisations.

The department's other important functions are the provision of wellbeing services, working in collaboration with the Department of Human Services and the Women's and Children's Health Network.

Programs

In achieving its objectives, the department provides a range of services classified into the following programs:

Early Childhood Development

The department is responsible for delivering early childhood education, wellbeing and some care services for children and their families. The department recognises the important role of parents in their child's development and provides a combination of universal services and targeted interventions to achieve improved outcomes.

The provision of high quality early childhood education, multidisciplinary interventions and targeted family support programs provide a strong basis to support each child to reach their potential.

School Education

The department is responsible for delivering primary and secondary public education to enable children and young people to achieve their best and to equip them with the knowledge, skills and capabilities they will need throughout their lives.

The department supports leaders, principals and teachers to improve student growth and achievement. It delivers outcomes by providing evidence based support and advice focussing on quality learning, continuous school improvement, instructional leadership and tailored system support.

The tables on the following pages present expenses, income, assets and liabilities attributable to each program.

Department for Education
Expenses and income by program
for the year ended 30 June 2022
Consolidated

1.3. Expenses and income by program

	Early Childhood Development		School Education		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Income						
Appropriation	202 143	220 164	2 714 702	2 780 755	2 916 845	3 000 919
Commonwealth sourced grants and funding	36 340	32 918	654 943	621 904	691 283	654 822
Sale of goods and services	6 395	6 714	133 942	138 882	140 337	145 596
SA Government grants and transfers	682	346	21 769	21 451	22 451	21 797
Non SA Government grants and transfers	1 183	1 605	35 051	40 178	36 234	41 783
Investment income	102	133	1 687	1 902	1 789	2 035
Resources received free of charge	783	1 215	10 836	13 308	11 619	14 523
Net gain from disposal of non-current assets	15	-	2 048	-	2 063	-
Other income	1 155	778	45 195	48 736	46 350	49 514
Total income	248 798	263 873	3 620 173	3 667 116	3 868 971	3 930 989
Expenses						
Employee benefits expenses	185 859	187 193	2 442 762	2 463 443	2 628 621	2 650 636
Supplies and services	38 357	34 716	826 203	751 389	864 560	786 105
Grants and subsidies	10 379	20 314	44 924	44 621	55 303	64 935
Depreciation and amortisation	5 562	4 891	163 209	142 150	168 771	147 041
Borrowing costs	1 693	1 721	30 898	24 938	32 591	26 659
Cash alignment transfers to Consolidated Account	6 312	8 176	84 768	103 267	91 080	111 443
Net loss from disposal of non-current assets	-	-	-	231	-	231
Other expenses	295	627	8 640	11 930	8 935	12 557
Total expenses	248 457	257 638	3 601 404	3 541 969	3 849 861	3 799 607
Net result	341	6 235	18 769	125 147	19 110	131 382

Department for Education
Expenses and income by program
for the year ended 30 June 2022
Department

1.3. Expenses and income by program

	Early Childhood Development		School Education		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Income						
Appropriation	202 143	220 164	2 714 702	2 780 755	2 916 845	3 000 919
Commonwealth sourced grants and funding	36 340	32 918	654 923	615 874	691 263	648 792
Sale of goods and services	6 395	6 714	11 268	11 094	17 663	17 808
SA Government grants and transfers	682	346	8 621	9 225	9 303	9 571
Non SA Government grants and transfers	1 183	1 605	3 915	261	5 098	1 866
Investment income	102	133	1 498	1 906	1 600	2 039
Resources received free of charge	783	1 215	10 599	12 444	11 382	13 659
Net gain from disposal of non-current assets	15	-	2 578	-	2 593	-
Other income	1 155	778	12 164	12 323	13 319	13 101
Total income	248 798	263 873	3 420 268	3 443 882	3 669 066	3 707 755
Expenses						
Employee benefits expenses	185 859	187 193	2 391 417	2 415 742	2 577 276	2 602 935
Supplies and services	25 264	23 111	490 052	442 855	515 316	465 966
Grants and subsidies	23 472	31 919	264 438	236 632	287 910	268 551
Depreciation and amortisation	5 562	4 891	148 287	132 633	153 849	137 524
Borrowing costs	1 693	1 721	30 841	24 849	32 534	26 570
Cash alignment transfers to Consolidated Account	6 312	8 176	84 768	103 267	91 080	111 443
Net loss from disposal of non-current assets	-	-	-	335	-	335
Other expenses	295	627	5 878	11 199	6 173	11 826
Total expenses	248 457	257 638	3 415 681	3 367 512	3 664 138	3 625 150
Net result	341	6 235	4 587	76 370	4 928	82 605

Department for Education
Assets and liabilities by program
for the year ended 30 June 2022
Consolidated

1.4. Assets and liabilities by program

	Early Childhood Development		School Education		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Assets						
Cash and cash equivalents	41 853	40 877	1 139 902	1 128 173	1 181 755	1 169 050
Receivables	2 897	3 772	64 194	70 786	67 091	74 558
Inventories	-	-	5 962	5 971	5 962	5 971
Other financial assets	-	-	253	233	253	233
Non-current assets classified as held for sale	1 924	1 065	224	5 616	2 148	6 681
Property, plant and equipment	202 135	201 007	5 618 995	5 264 997	5 821 130	5 466 004
Right of use assets	932	373	176 780	179 048	177 712	179 421
Intangible assets	1 179	1 248	114 206	14 352	115 385	15 600
Total assets	250 920	248 342	7 120 516	6 669 176	7 371 436	6 917 518
Liabilities						
Payables	12 192	11 492	194 492	232 012	206 684	243 504
Financial liabilities	13 748	13 176	379 611	375 696	393 359	388 872
Employee benefits	49 183	54 839	639 901	713 523	689 084	768 362
Provisions	8 780	8 525	113 900	110 713	122 680	119 238
Other liabilities	1 453	1 535	135 100	30 140	136 553	31 675
Total liabilities	85 356	89 567	1 463 004	1 462 084	1 548 360	1 551 651
Net assets	165 564	158 775	5 657 512	5 207 092	5 823 076	5 365 867

Department for Education
Assets and liabilities by program
for the year ended 30 June 2022
Department

1.4. Assets and liabilities by program

	Early Childhood Development		School Education		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Assets						
Cash and cash equivalents	41 853	40 877	593 352	576 186	635 205	617 063
Receivables	2 897	3 772	40 824	44 354	43 721	48 126
Inventories	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-
Non-current assets classified as held for sale	1 924	1 065	224	5 616	2 148	6 681
Property, plant and equipment	202 135	201 007	5 572 205	5 216 683	5 774 340	5 417 690
Right of use assets	932	373	175 314	176 962	176 246	177 335
Intangible assets	1 179	1 248	114 206	14 352	115 385	15 600
Total assets	250 920	248 342	6 496 125	6 034 153	6 747 045	6 282 495
Liabilities						
Payables	12 192	11 492	253 425	264 296	265 617	275 788
Financial liabilities	13 748	13 176	375 958	373 718	389 706	386 894
Employee benefits	49 183	54 839	633 341	707 121	682 524	761 960
Provisions	8 780	8 525	114 062	110 940	122 842	119 465
Other liabilities	1 453	1 535	132 792	27 769	134 245	29 304
Total liabilities	85 356	89 567	1 509 578	1 483 844	1 594 934	1 573 411
Net assets	165 564	158 775	4 986 547	4 550 309	5 152 111	4 709 084

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

1.5. Impact of COVID-19 pandemic on the Department

The COVID-19 pandemic has impacted on the operations of the department and the impacts are included under the relevant disclosure notes. The key impacts in 2021-22 were:

- Continued cleaning costs for additional cleaning of schools and preschools, including daily cleaning of playground equipment, education offices and various locations where cleaning is considered necessary (see note 4.1).
- The purchase of air purification units for schools and preschools (see note 4.1).

1.6. Budget performance

The budget performance table compares the consolidated entity outcomes against budget information presented to Parliament (2021-22 Budget Paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

	Original budget 2022 \$'000	Actual 2022 \$'000	Variance 2022 \$'000
Statement of Comprehensive Income			
Income			
Appropriation	3 023 912	2 916 845	(107 067)
Commonwealth sourced grants and funding	704 192	691 283	(12 909)
Sale of goods and services	173 116	140 337	(32 779)
SA Government grants and transfers	12 028	22 451	10 423
Non SA Government grants and transfers	37 822	36 234	(1 588)
Investment income	2 158	1 789	(369)
Resources received free of charge	-	11 619	11 619
Net gain from disposal of non-current assets	-	2 063	2 063
Other income	54 725	46 350	(8 375)
Total income	4 007 953	3 868 971	(138 982)
Expenses			
Employee benefits expenses	2 839 114	2 628 621	(210 493)
Supplies and services	916 210	864 560	(51 650)
Grants and subsidies	54 649	55 303	654
Depreciation and amortisation	161 105	168 771	7 666
Borrowing costs	33 106	32 591	(515)
Cash alignment transfers to Consolidated Account	-	91 080	91 080
Net loss from disposal of non-current assets	335	-	(335)
Other expenses	4 731	8 935	4 204
Total expenses	4 009 250	3 849 861	(159 389)
Net result	(1 297)	19 110	20 407
Other comprehensive income			
Changes in revaluation surplus	-	-	-
Total comprehensive result	(1 297)	19 110	20 407

No variances exceed the greater of 10% of the original budgeted amount and 5% of original budgeted total investing or operating expenditure.

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

1.6 Budget performance (continued)

	Original budget 2022 \$'000	Actual 2022 \$'000	Variance 2022 \$'000
Investing expenditure summary			
Total new projects	24 870	8 777	(16 093)
Total existing projects ¹	394 086	331 281	(62 805)
Total annual projects	3 844	6 036	2 192
Total Public Private Partnerships	35 891	40 587	4 696
Total leases	3 686	4 463	777
Total investing expenditure	462 377	391 144	(71 233)

¹ This variance mainly relates to the timing of expenditure on the round 3 sustainable enrolment and other school projects which has been re-profiled to future years.

1.7. Significant transactions with government related entities

Significant transactions with the SA Government are identifiable throughout this financial report. In addition:

- incurred expenditure with Department for Infrastructure and Transport (DIT) of \$799 million (2021: \$646 million). As at 30 June 2022 the outstanding balance payable to DIT was \$5.2 million (2021: \$76.31 million) (note 7.1).

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

2. Income

2.1. Appropriation

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Appropriation from the Consolidated Account pursuant to the <i>Appropriation Act</i>	2 916 845	3 000 919	2 916 845	3 000 919
Total appropriation	2 916 845	3 000 919	2 916 845	3 000 919

Appropriation

Appropriations are recognised on receipt.

This table does not show appropriations in the form of a loan or an equity contribution. Where money has been appropriated in the form of an equity contribution, the Treasurer has acquired a financial interest in the net assets of the department and the appropriation is recorded as contributed equity. Refer to the Statement of Changes in Equity.

The original amount appropriated to the department under the annual Appropriation Act was \$3.02 billion and no additional funds were received from the Treasurer via the Governor's Appropriation Fund.

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

2.2. Commonwealth sourced grants and funding

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
National Schools Reform Agreement	647 743	607 554	647 743	607 554
Preschool Reform Agreement	32 223	28 706	32 223	28 706
National School Chaplaincy Program	5 949	5 949	5 949	5 949
Rural Care Worker Program*	2 162	2 630	2 162	2 630
Connected Beginnings*	1 000	291	1 000	291
Community Childcare Funding*	675	625	675	625
Indigenous Advancement Strategy*	550	103	550	103
Detainee Minors*	500	752	500	752
Australian Early Development Index*	276	341	276	341
Inspiring Aus Science	55	147	55	147
Job Keeper	20	6 030	-	-
National Partnership - Advanced Technology	-	1 250	-	1 250
CCC Fund: Community Support*	-	314	-	314
SA Aboriginal Sports Training Academy*	130	130	130	130
Total Commonwealth sourced grants and funding	691 283	654 822	691 263	648 792

Commonwealth sourced grants and funding are recognised in accordance with AASB 1058 as income on receipt.

Obligations under Commonwealth sourced grants and funding are required to be met by the state of South Australia. For accounting purposes, the obligations under the funding arrangements do not sit with the department unless paid direct to the department.

*These grants were received directly from the Commonwealth by the department, and therefore obligations under the funding arrangements rest with the department representing the state of South Australia's obligations under the grant for accounting purposes.

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

2.3. Sales of goods and services

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Student related fees and charges	99 863	103 781	3 830	3 650
Canteen sales	14 691	16 150	-	-
Sales/fee for service revenue	13 168	12 517	664	822
Other user fees and charges	12 615	13 148	13 169	13 336
Total sales of goods and services	140 337	145 596	17 663	17 808

Student related fees and charges are recognised when performance obligations have been satisfied.

All revenue from the sales of goods and services is revenue recognised from contracts with customers.

2.4. SA Government grants and transfers

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
SA Government grants	22 438	21 797	9 290	9 571
Contingency funding provided by the Department of Treasury and Finance	13	-	13	-
Total grants and transfers	22 451	21 797	9 303	9 571

Grants and transfers are recognised as an asset and income when the department obtains control of the grants and transfers or obtains the right to receive the grants and transfers and the income recognition criteria are met.

2.5. Non SA Government grants and transfers

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Grants and subsidies revenue	35 094	40 235	3 958	318
Respite care funding	1 140	1 548	1 140	1 548
Total Non SA government grants and transfers	36 234	41 783	5 098	1 866

Grants and transfers are recognised as an asset and income when the department obtains control of the grants and transfers or obtains the right to receive the grants and transfers and the income recognition criteria are met.

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

2.6. Investment income

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Interest from entities within the SA Government	-	-	133	133
Other investment income	1 789	2 035	1 467	1 906
Total investment income	1 789	2 035	1 600	2 039

2.7. Resources received free of charge

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Services received free of charge – Shared Services SA	11 288	12 837	11 288	12 837
Goods received free of charge	94	1 491	94	822
Services received free of charge – Volunteers	237	195	-	-
Total resources received free of charge	11 619	14 523	11 382	13 659

Shared Services SA

The department receives Financial Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable from Shared Services SA free of charge

Volunteers

The department receives volunteer services at schools for assistance across a range of functions. The department recognises these services received free of charge because they form a necessary part of the school's activities. Services of this nature are recognised where they would have otherwise been purchased and fair value can be determined reliably. A corresponding expense is also recognised, but is not required to be disclosed as a separate line item.

Goods received free of charge

Goods received free of charge in 2021-22 includes the land and buildings for Kimba Area School, Moonta Kindergarten and the Mawon Lakes School sites that transferred to the Minister for Education, Training and Skills.

2.8. Other income

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Fundraising income	5 830	5 463	-	-
Assets recognised for the first time	2 527	3 394	2 527	3 394
Recoveries	2 284	2 142	2 351	2 230
Commission received	1 902	1 889	3 745	4 647
Donations	949	845	-	-
Other income	32 858	35 781	4 696	2 830
Total other income	46 350	49 514	13 319	13 101

Donations are received by SA Government schools from various sources.

Other revenues are recognised as income on receipt.

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the department include the Minister, the Chief Executive and other members of the Senior Executive Group who have responsibility for the strategic direction and management of the department.

The compensation disclosed in this note excludes salaries and other benefits the Minister for Education, Training and Skills receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 of the *Parliamentary Remuneration Act 1990*. See administered items for disclosures of the Minister's remuneration paid and recovered from the Consolidated Account.

	2022	2021
	\$'000	\$'000
Compensation		
Salaries and other short term employee benefits	4 000	3 428
Post-employment benefits (employer contributed superannuation)	478	336
Total compensation	4 478	3 764

Transactions with key management personnel and other related parties

Related parties of the department include all key management personnel and their close family members; all Cabinet Ministers and their close family members; and all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government.

There are no material transactions to disclose for key management personnel and related parties.

3.2. Board and committee members

Members of the boards and committees during the 2021-22 financial year were:

Animal Ethics Committee

Mr Graeme Aust
 Mr Alex Carr ¹
 Mr John Hatch
 Mr Manfred Heide
 Ms Jane Materne (expired May 2022)
 Ms Sahra McFetridge
 Ms Kay McGrath (expired May 2022)
 Mr Matthew Mercorella ¹
 Dr Adam O'Connell
 Mr Ross Templeman ¹
 Ms Michelle Webbe (appointed April 2022)
 Ms Margy Wright ¹ (expired May 2022)

Capital Works Governance Committee

Hon Dr Dean Brown AO
 Ms Helen Doyle ¹
 Mr Bill Glasgow ¹
 Mr Scott Hearne (appointed May 2022)
 Mr Ben Hogarth ¹
 Mr James MacDonald
 Ms Poppy Maio ¹
 Ms Jasmine Sinodinos ¹
 Ms Libby Sowry ¹
 Mr Nick Strongman(appointed May 2022)
 Mr Ben Temperly ¹
 Mr Carmine Vetere ¹

Expert Advisory Panel

Sir Kevan Collins (expired May 2022)
 Professor Patricia Eadie (expired May 2022)
 Professor Lester-Irabinna Rigney (expired May 2022)
 Mr Chris Wardlaw (expired May 2022)
 Professor Martin Westwell (expired May 2022)

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

3.2 Board and committee members (continued)

Education Audit and Risk Committee

Ms Ruth Blenkiron
 Ms Jackie Bray (appointed Jan 2022)
 Dr Caroline Croser-Barlow ¹ (expired Sept 2021)
 Ms Anne Millard ¹
 Ms Tammie Pribanic (expired Apr 2022)
 Ms Julieann Riedstra (expired Dec 2021)
 Mr Coenraad Robberts ¹
 Dr Tom Stubbs
 Mr Ben Temperly

Orbis Expert Advisory Board

Ms Susan Cameron ¹
 Sir Kevan Collins
 Ms Marina Elliott ¹
 Ms Anne Millard ¹
 Mr Rick Persse ¹(expired Apr 2022)
 Mr Paul Reville
 Mr Geoff Rohrsheim (expired Apr 2022)
 Ms Laura Schonfeldt ¹
 Mr Jonathan Sharples
 Ms Helen Timperley
 Mr Chris Wardlaw
 Mr Martin Westwell

SA Teacher Certification Committee

Mr Adrian Dilger
 Ms Elizabeth Gary-Smith (appointed Dec 2021)
 Ms Christine Harford (expired Dec 2021)
 Ms Sue Kennedy-Bradford (expired Mar 2022)
 Mrs Belinda Radcliffe (appointed Mar 2022)
 Ms Belinda Ramsey (appointed Dec 2021)
 Ms Lynda Seacombe
 Ms Elizabeth Sexton

Education Management System Project Board

Dr Eva Balan-Vnuk ¹
 Mr Scott Bayliss ¹
 Mr Chris Bernardi ¹
 Mr Sean Cummins
 Mr John Dunnery (expired Dec 2021)
 Ms Rowena Fox ¹
 Mr Ken Loutain ¹ (expired May 2022)
 Ms Aimee Marks (appointed Sep 2021)
 Mr Bret Morris ¹
 Mr Alex Semmens (appointed Jun 2022)
 Ms Jasmine Sinodinos ¹
 Mr Ben Temperly ¹
 Ms Nanette Van Ruiten ¹ (expired Dec 2021)

Expert Advisory Panel for the Aboriginal Education Strategy

Professor Peter Buckskin
 Mr Rueben Burton ¹
 Ms Shirley Hartman (appointed October 2021)
 Ms April Lawrie ¹
 Professor Chris Matthews
 Dr Kaye Price
 Professor Daryle Rigney
 Dr Karen Sinclair
 Ms Annette Williams ¹

¹ Government employee who did not receive any remuneration for board/committee duties during the financial year in accordance with the Premier and Cabinet Circular No.16.

	2022	2021
	Number of	Number of
	members	members
The number of members whose remuneration received/receivable falls within the following bands:		
\$0	55	67
\$1 - \$19 999	12	13
\$20 000 - \$39 999	1	2
Total number of members	68	82

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, Fringe Benefits Tax and any other salary sacrifice arrangements. The total remuneration, including employer superannuation contributions, received or receivable by members was \$170 000 (2021: \$136 000).

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

3.3. Employee benefits expenses

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Salaries and wages (including annual leave)	2 233 395	2 205 140	2 187 251	2 162 094
Employment on-costs - superannuation	227 263	221 568	222 920	217 704
Employment on-costs - payroll tax	119 528	120 961	119 528	120 961
Long service leave	(10 275)	51 441	(11 020)	50 735
Workers Compensation	23 383	32 556	23 383	32 556
Skills and experience retention leave	12 219	11 820	12 219	11 820
Targeted voluntary separation payments	16 953	1 896	16 953	1 896
Country incentive leave	77	256	77	256
Board and committee fees	126	136	126	136
Other employee related expenses	5 952	4 862	5 839	4 777
Total employee benefits expenses	2 628 621	2 650 636	2 577 276	2 602 935

Employment on-costs - superannuation

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

Targeted voluntary separation packages

The number of employees who received a TVSP during the reporting period was 274 (20).

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Amounts paid or payable to employees:				
Separation payments	16 953	1 896	16 953	1 896
Leave paid to those employees	7 196	483	7 196	483
Total amount paid	24 149	2 379	24 149	2 379
Recovery from the Department of Treasury and Finance	-	-	-	-
Net cost to the department	(24 149)	(2 379)	(24 149)	(2 379)

The disclosure above includes targeted voluntary separation payments.

Annual leave and long service leave are paid at the time of separation payments. All leave entitlements are reported on an accrual basis in the employee benefits expenses note.

During the year, the Government offered employees the opportunity to participate in the South Australian Public Sector Workforce Rejuvenation Scheme. The above table includes 212 employees who accepted the offer under the scheme (\$11 million).

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

3.3 Employee benefits expenses (continued)

Employee remuneration

	2022	2021	2022	2021
The number of employees whose remuneration received or receivable falls within the following bands:	Consolidated Number of executives ¹	Consolidated Number of executives ¹	Consolidated Number of employees ²	Consolidated Number of employees ²
\$154 000 to \$157 000	N/A	1	N/A	81
\$157 001 to \$177 000	11	15	437	303
\$177 001 to \$197 000	15	8	149	92
\$197 001 to \$217 000	14	21	71	67
\$217 001 to \$237 000	10	4	39	9
\$237 001 to \$257 000	6	4	15	8
\$257 001 to \$277 000	3	3	5	3
\$277 001 to \$297 000	2	4	2	5
\$297 001 to \$317 000	4	1	3	2
\$317 001 to \$337 000	2	1	2	1
\$337 001 to \$357 000	1	1	1	1
\$417 001 to \$437 000	-	-	-	1
\$477 001 to \$497 000	-	1	1	1
Total	68	64	725	574

¹ The number of executive officers disclosed in the above table includes employees appointed on a South Australian Executive Service (SAES) contract as at 30 June 2022 and 30 June 2021 respectively and who have earned the base remuneration during the year. The numbers of executive officers separately disclosed are also included in the number of employee totals for 2022 and 2021.

² Includes resigned and retired executives not included in the executive column.

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

Remuneration received or due and receivable by the above employees was \$131.2 million (2021: \$102.2 million), which is included in employee benefits expenses.

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

3.4. Employee benefits liabilities

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Current				
Annual leave	135 013	154 738	133 231	153 226
Long service leave	63 230	47 138	63 150	47 057
Skills and experience retention leave	22 223	21 974	22 223	21 974
Accrued salaries and wages	51 969	38 134	51 267	37 401
Country incentive leave	343	615	343	615
Total current employee benefits	272 778	262 599	270 214	260 273
Non-current				
Long service leave	415 060	504 529	411 064	500 453
Country incentive leave	1 246	1 234	1 246	1 234
Total non-current employee benefits	416 306	505 763	412 310	501 687
Total employee benefits	689 084	768 362	682 524	761 960

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

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

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

The annual leave liability, country incentive leave and the SERL liability are expected to be payable within 12 months and are measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Long service leave

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

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

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

AASB 119 Employee Benefits requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long term Commonwealth Government bonds increased to 3.50% (2021: 1.00%).

The actuarial assessment performed by DTF left the salary inflation rate at 2.50% (2021: 2.5%) for long service leave liability and 1.50% (2021: 2%) for annual leave and skills and experience retention leave liability.

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

3.4 Employee benefits liabilities (continued)

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability of \$76 million (\$18.5 million) and decrease in the employee benefits expense of \$85.5 million (\$20.8 million). The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

The impact on annual leave and skills and experience retention leave liabilities was immaterial.

The split for long service leave between current and non-current is based on the departments best estimate of the amount to be paid in the coming year based on actual prior years long service leave taken.

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

4. Expenses

4.1. Supplies and services

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Minor works, maintenance and equipment	232 702	198 343	168 143	154 083
Printing, postage and consumables	78 953	75 563	3 766	3 907
Information technology and communication	72 374	62 380	63 242	53 965
Cleaning	61 323	60 121	10 725	8 394
Utilities	42 449	39 182	41 417	37 691
Consultants	3 445	1 921	3 445	1 921
Contractors and other outsourced services	60 719	50 185	57 179	47 876
Student learning materials	32 961	31 952	776	704
Bus contractors	28 517	26 885	28 534	26 896
Excursions and camps	15 942	16 822	-	-
Vehicle and travelling expenses	24 071	22 733	22 490	21 312
Management fees and charges	28 206	23 141	27 410	22 424
Accommodation	8 279	7 389	8 279	7 389
Training and development	14 782	15 110	8 446	9 109
Cost of goods sold	14 753	15 032	-	-
Shared Services SA charges	12 082	13 502	12 082	13 502
Security	8 770	7 713	8 554	7 309
Insurance (including self-insurance)	8 449	7 586	8 449	7 586
Public Private Partnerships Service Fee	8 926	6 024	8 926	6 024
Copyright	4 009	4 127	4 004	4 127
Rentals and operating leases	13 508	16 596	11 751	14 614
Legal costs	4 364	3 842	4 364	3 842
Other supplies and services	84 976	79 956	13 334	13 291
Total supplies and services	864 560	786 105	515 316	465 966

Accommodation

Most of the department's accommodation is provided by the Department for Infrastructure and Transport under Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of lease set out in AASB 16.

Operating lease payments

Operating lease payments (less any lease incentives) are recognised on a straight-line basis over the lease term. Operating Lease payments include rental agreements that do not meet the definition of a lease as per AASB 16.

Operating leases includes short term and low value leases.

Short term hire for vehicles

The department uses short term hire for vehicles which are shown above in vehicle and travelling expenses.

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

4.1 Supplies and services (continued)

Consultants

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

	2022 Consolidated Number	2022 Consolidated \$'000	2021 Consolidated Number	2021 Consolidated \$'000
Below \$10 000	3	19	2	10
\$10 000 or above	25	3 426	27	1 911
Total paid / payable to the consultants engaged	28	3 445	29	1 921

4.2. Grants and subsidies

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 Department \$'000	2021 Department \$'000
Recurrent grants paid to other organisations	56 328	53 822	56 328	53 822
Recurrent grants paid to preschools	(1 025)	11 113	(1 025)	11 113
Recurrent grants paid to schools and units	-	-	232 607	203 616
Total grants and subsidies	55 303	64 935	287 910	268 551

Department for Education
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for the year ended 30 June 2022

4.3. Depreciation and amortisation

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 Department \$'000	2021 Department \$'000
Depreciation				
<i>Department owned assets</i>				
Buildings and improvements	140 891	126 278	140 556	125 833
Computing, communication, furniture and equipment	12 952	7 906	736	593
Buses and motor vehicles	3 306	2 886	2 205	2 238
Leasehold improvements	1 004	1 193	1 004	1 193
Other assets	385	178	136	45
Total department owned depreciation	158 538	138 441	144 637	129 902
<i>Right of use assets</i>				
Right of use plant and equipment	6	5	-	-
Right of use buildings	5 017	4 736	4 706	4 529
Right of use vehicles	2 821	2 983	2 117	2 217
Total right of use assets depreciation	7 844	7 724	6 823	6 746
Total depreciation	166 382	146 165	151 460	136 648
Amortisation				
Service right for use of equipment	2 389	867	2 389	867
Externally provided software	-	9	-	9
Total amortisation	2 389	876	2 389	876
Total depreciation and amortisation	168 771	147 041	153 849	137 524

All non-current assets having a limited useful life are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

Land and non-current assets held for sale are not depreciated.

The service right for use of equipment is amortised over the remaining period of the agreement.

Useful Life

Depreciation/amortisation is calculated on a straight-line basis over the estimated useful life of the following classes of assets as follows:

Class of asset	Useful life (years)
Buildings and improvements	3-170
Leasehold improvements	5-67
Buses and motor vehicles	12-20
Computing, communications, furniture and equipment	2-20
Right of use assets	1-22
Intangible assets	5-30
Other assets	5-10

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

4.3. Depreciation and amortisation (continued)

Review of accounting estimates

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

4.4. Borrowing costs

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 Department \$'000	2021 Department \$'000
Interest expense on lease liabilities	23 049	21 570	23 009	21 522
Interest expense on financial liabilities	9 542	5 089	9 525	5 048
Total borrowing costs	32 591	26 659	32 534	26 570

Borrowing costs relate mainly to the interest expenses associated with the Public Private Partnership agreements. The department does not capitalise borrowing costs. For further information refer to note 5.2 and note 9.1.

4.5. Net loss from disposal of non-current assets

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 Department \$'000	2021 Department \$'000
Land and buildings				
Proceeds from disposal	146	63	146	63
Less net book value of assets disposed	(146)	(17)	(146)	(17)
Net gain from disposal of land and buildings	-	46	-	46
Vehicles, plant and equipment				
Proceeds from disposal	752	339	312	24
Less net book value of assets disposed	(1 716)	(366)	(746)	(155)
Net loss from disposal of vehicles, plant and equipment	(964)	(27)	(434)	(131)
Non-current assets classified as held for sale				
Proceeds from disposal	9 552	977	9 552	977
Less net book value of assets disposed	(6 525)	(1 227)	(6 525)	(1 227)
Net gain/(loss) from disposal of non-current assets classified as held for sale	3 027	(250)	3 027	(250)
Total assets				
Proceeds from disposal	10 450	1 379	10 010	1 064
Less net book value of assets disposed	(8 387)	(1 610)	(7 417)	(1 399)
Net gain/(loss) from disposal of total assets	2 063	(231)	2 593	(335)

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

4.5. Net loss / (gain) from disposal of non-current assets (continued)

Gains/losses on disposal of non-current assets are recognised at the date the control of the asset is passed to the buyer and are determined after deducting the cost of the asset from the proceeds at that time.

When revalued assets are sold, the revaluation surplus is transferred to retained earnings.

4.6. Other expenses

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Allowance for impairment loss on receivables	2 216	3 340	44	1 155
Insurance	1 863	1 175	1 427	795
Non-current assets written off	1 841	3 961	1 678	3 960
Auditor's remuneration – other	1 280	1 554	1 226	1 477
Emergency Services Levy	1 123	1 047	1 123	1 047
Auditor's remuneration - Auditor-General's Department *	604	760	604	760
Donated assets	7	719	70	2 631
Other expenses	1	1	1	1
Total other expenses	8 935	12 557	6 173	11 826

* Audit fees paid/payable to the Auditor-General's Department relate to work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Auditor-General's Department.

For further information on the allowance for impairment loss on receivables refer to note 6.2

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

5. Non-financial assets

5.1. Property, plant and equipment by asset class

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 Department \$'000	2021 Department \$'000
Land				
Land	1 805 644	1 629 447	1 805 245	1 629 048
Total land	1 805 644	1 629 447	1 805 245	1 629 048
Buildings and improvements				
Buildings and improvements	9 698 865	8 735 358	9 695 297	8 732 352
Accumulated depreciation	(5 838 242)	(5 752 241)	(5 837 081)	(5 751 409)
Total buildings and improvements	3 860 623	2 983 117	3 858 216	2 980 943
Construction work in progress				
Construction work in progress	75 524	772 648	75 524	772 649
Total construction work in progress	75 524	772 648	75 524	772 649
Leasehold improvements				
Leasehold improvements	39 985	39 128	39 985	39 128
Accumulated depreciation	(32 696)	(30 856)	(32 696)	(30 856)
Total leasehold improvements	7 289	8 272	7 289	8 272
Buses and motor vehicles				
Buses and motor vehicles	55 607	58 001	40 369	42 520
Accumulated depreciation	(28 122)	(28 955)	(18 244)	(19 390)
Total buses and motor vehicles	27 485	29 046	22 125	23 130
Computing, communications, furniture and equipment				
Computing, communications, furniture and equipment	100 214	102 354	7 081	16 940
Accumulated depreciation	(58 532)	(59 654)	(3 541)	(13 661)
Total computing, communications, furniture and equipment	41 682	42 700	3 540	3 279
Other assets				
Other assets	6 109	4 504	5 014	3 581
Accumulated depreciation	(3 226)	(3 730)	(2 613)	(3 212)
Total other assets	2 883	774	2 401	369
Total property, plant and equipment	5 821 130	5 466 004	5 774 340	5 417 690

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

5.1 Property, plant and equipment by asset class (continued)

Property, plant and equipment owned by the department with a value equal to or in excess of \$5 000 is capitalised, otherwise it is expensed.

Property, plant and equipment owned by the department is recorded at fair value. Detail about the department's approach to fair value is set out in Note 10.2.

Impairment

The department holds its property, plant and equipment and intangible assets for their service potential (value in use).

All non-current tangible assets are valued at fair value.

The department also expects for all other non-current tangible assets that any costs of disposal will be negligible and the recoverable amount will be close to or greater than fair value.

Land, Buildings and improvements for 2 (2021: 3) disused sites were written down to their fair value less cost of disposal. An impairment loss of \$1.3 million (2021: \$0.2 million) was recognised. The valuations were provided by independent certified practising valuers and were based on observable market data.

There were no other indications of impairment of property, plant and equipment as at 30 June 2022.

Revaluation of property, plant and equipment is undertaken on a regular cycle as detailed in Note 10.2. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

5.1 Property, plant and equipment by asset class (continued)

Reconciliation 2021-22

The reconciliation of non-current assets is for the Department entity only. Information is not collected or obtained from schools to allow for the disclosure of consolidated information.

Department 2021-22	Land	Buildings and improvements	Construction work in progress	Leasehold improvements	Buses and motor vehicles	Computing, communications, furniture and equipment	Other assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount 1 July 2021	1 629 048	2 980 943	772 649	8 272	23 130	3 279	369	5 417 690
Additions	856	3 935	364 148	-	2 168	1 081	1 144	373 332
Disposals	(146)	-	-	-	(745)	-	-	(891)
Assets derecognised	-	(1 465)	-	-	(131)	(13)	(68)	(1 677)
Assets reclassified to assets held for sale	(1 205)	(695)	-	-	(237)	-	-	(2 137)
Transfers to/(from) WIP	-	1 015 409	(1 061 273)	21	-	-	1 092	(44 751)
Transfers between asset classes	-	-	-	-	145	-	-	145
Revaluation increment/(decrement)	175 799	(1 271)	-	-	-	-	-	174 528
Depreciation	-	(140 556)	-	(1 004)	(2 205)	(736)	(136)	(144 637)
Assets recognised for the first time	893	1 916	-	-	-	-	-	2 809
Donated assets	-	-	-	-	-	(71)	-	(71)
Carrying amount at 30 June 2022	1 805 245	3 858 216	75 524	7 289	22 125	3 540	2 401	5 774 340

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

5.1 Property, plant and equipment by asset class (continued)

Reconciliation 2020-21

The reconciliation of non-current assets is for the Department entity only.

Department 2020-21	Land	Buildings and improvements	Construction work in progress	Leasehold improvements	Buses and motor vehicles	Computing, communications, furniture and equipment	Other assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount 1 July 2020	1 581 684	2 876 302	115 770	8 889	25 565	3 254	320	4 611 784
Additions	6 772	4 181	688 632	-	-	2 637	94	702 316
Disposals	(11)	(6)	-	-	(155)	-	-	(172)
Assets derecognised	-	(3 793)	-	-	(42)	(128)	-	(3 963)
Assets reclassified to assets held for sale	(6 406)	(105)	-	-	-	-	-	(6 511)
Transfers to/(from) WIP	-	31 753	(31 753)	-	-	-	-	-
Transfers between asset classes	(202)	202	-	-	-	-	-	-
Revaluation increment/(decrement)	47 102	194 879	-	576	-	(3)	-	242 554
Depreciation	-	(125 834)	-	(1 193)	(2 238)	(593)	(45)	(129 903)
Assets recognised for the first time	-	3 364	-	-	-	30	-	3 394
Donated assets to schools	109	-	-	-	-	(1 918)	-	(1 809)
Carrying amount at 30 June 2021	1 629 048	2 980 943	772 649	8 272	23 130	3 279	369	5 417 690

Department for Education
Notes to and forming part of the financial statements
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5.2. Right of use assets

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 Department \$'000	2021 Department \$'000
Right of use buildings				
Right of use buildings	219 115	215 655	217 707	214 248
Accumulated depreciation	(45 451)	(40 432)	(44 712)	(40 005)
Total right of use buildings	173 664	175 223	172 995	174 243
Right of use vehicles				
Right of use vehicles	8 608	8 627	6 463	6 206
Accumulated depreciation	(4 560)	(4 462)	(3 212)	(3 114)
Total right of use vehicles	4 048	4 165	3 251	3 092
Right of use plant and equipment				
Right of use plant and equipment	-	53	-	-
Accumulated depreciation	-	(20)	-	-
Total right of use plant and equipment	-	33	-	-
Total right of use assets	177 712	179 421	176 246	177 335

Right of use assets are recorded at cost. On transition to AASB 16 all right of use assets which have been revalued are deemed to be recorded at cost and APS 16F requires the revaluation model not to be adopted.

Right of use buildings for the Education Works New Schools Public Private Partnership lease were revalued prior to transition. The independent valuation of buildings for Education Works New Schools Public Private Partnership lease was performed as at 30 June 2017 by Fred Taormina, B.App.Sc. (Val), A.A.P.I. Certified Practising Valuer of Valcorp Australia Pty Ltd. The valuer adopted depreciated replacement cost when valuing the buildings due to there not being an active market for purchasing such buildings. The depreciated replacement cost considered the need for ongoing provision of government services, the specialised nature of the assets including the restricted use of the assets, size, condition, location and current use of the asset. The valuation was based on the cost data from construction manuals and projects costs of buildings recently erected.

Short-term leases of 12 months or less and low value leases where the underlying asset value is less than \$15,000 are not recognised as right of use assets. The associated lease payments are recognised as an expense and are disclosed in note 4.1.

The department has a number of leases:

- 469 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms range from 3 years (60,000km) up to 5 years (100,000km).
- The department has 25 property leases that are non-cancellable. Remaining property lease terms range from 3 years to 21 years.
- Schools have 4 leases that are non-cancellable. The remaining lease terms range from 1 year to 14 years.
- Education Works New Schools Public Private Partnership lease relates to the design and construction of six schools. Refer to note 5.3 for service right for use of equipment and note 9.1 for expenditure commitments.

The lease liabilities related to the right of use assets are disclosed in note 7.2. The department's maturity analysis of its lease liabilities is disclosed in note 10.2. Expenses related to leases, including depreciation and interest expenses, are disclosed in note 4. Cash outflows related to leases are disclosed in note 8.2.

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

5.2 Right of use assets (continued)

Reconciliation 2021-22

The reconciliation of right of use assets is for the Consolidated entity only.

Consolidated 2021-22	Right of use plant and equipment \$'000	Right of use buildings \$'000	Right of use vehicles \$'000	Total \$'000
Carrying amount 1 July 2021	33	175 223	4 165	179 421
Additions	-	1 647	2 816	4 463
Assets derecognised	(27)	-	(303)	(330)
Transfers to/(from) WIP	-	1 811	-	1 811
Depreciation	(6)	(5 017)	(2 821)	(7 844)
Remeasurement of leased asset	-	-	191	191
Carrying amount at 30 June 2022	-	173 664	4 048	177 712

Reconciliation 2020-21

The reconciliation of right of use assets is for the Consolidated entity only.

Consolidated 2020-21	Right of use plant and equipment \$'000	Right of use buildings \$'000	Right of use vehicles \$'000	Total \$'000
Carrying amount 1 July 2020	38	179 975	4 029	184 042
Additions	-	70	3 100	3 170
Assets derecognised	-	-	(37)	(37)
Depreciation	(5)	(4 736)	(2 983)	(7 724)
Remeasurement of leased asset	-	(86)	56	(30)
Carrying amount at 30 June 2021	33	175 223	4 165	179 421

Department for Education
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5.3. Intangible assets

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Internally developed computer software				
Internally developed computer software	4 354	4 354	4 354	4 354
Accumulated amortisation	(4 354)	(4 354)	(4 354)	(4 354)
Total internally developed computer software	-	-	-	-
Purchased software				
Externally provided software	139	140	139	140
Accumulated amortisation	(139)	(140)	(139)	(140)
Total purchased software	-	-	-	-
Service right for use of equipment				
Service right for use of equipment	126 512	24 338	126 512	24 338
Accumulated amortisation	(11 127)	(8 738)	(11 127)	(8 738)
Total service right for use of equipment	115 385	15 600	115 385	15 600
Total intangibles	115 385	15 600	115 385	15 600

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

The acquisition of internally developed software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to \$5 000.

The internally developed computer software relates to the department's human resource management system (Valeo).

The service right to use equipment relates to the provision, maintenance and replacement of equipment under the Education Works New Schools agreement. The service right is amortised over the remaining period of the agreement. The Education Works New Schools agreement has been detailed in note 9.1.

In December 2019, the state of South Australia entered into a Project Deed for the delivery of the SA School Private Partnership Project for the finance, design, construction and maintenance of two birth-to-year 12 schools under a Public Private Partnership (PPP) agreement. The Northern School is in the Angle Vale suburb of Adelaide and the Southern School is in the Aldinga suburb of Adelaide. This is referred to as the SA Schools PPP agreement. Both schools were completed and capitalised in 2021-22. A corresponding finance charge and financial liability has been accounted for in note 4.4 and 7.2 respectively.

Impairment

There were no indications of impairment of intangible assets as at 30 June 2022.

Department for Education
Notes to and forming part of the financial statements
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5.3. Intangible assets (continued)

Reconciliation 2021-22

The reconciliation of intangible assets is for the Department entity only.

Department 2021-22	Purchased software \$'000	Service right for use of equipment \$'000	Total \$'000
Carrying amount 1 July 2021	-	15 600	15 600
Additions	-	59 425	59 425
Transfers from WIP	-	42 749	42 749
Amortisation	-	(2 389)	(2 389)
Carrying amount at 30 June 2022	-	115 385	115 385

Department 2020-21	Purchased software \$'000	Service right for use of equipment \$'000	Total \$'000
Carrying amount 1 July 2020	9	16 393	16 402
Additions	-	74	74
Amortisation	(9)	(867)	(876)
Carrying amount at 30 June 2021	-	15 600	15 600

5.4. Inventories

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 Department \$'000	2021 Department \$'000
Materials at net realisable value	5 962	5 971	-	-
Total inventories	5 962	5 971	-	-

The amount of any inventory write-down to net realisable value or inventory losses are recognised in the Statement of Comprehensive Income as an expense in the period the write-down or loss occurred. Any write-down reversals are also recognised as an expense.

5.5. Non-current assets classified as held for sale

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 Department \$'000	2021 Department \$'000
Land	1 216	6 431	1 216	6 431
Buildings and improvements	695	105	695	105
Buses	237	145	237	145
Total non-current assets classified as held for sale	2 148	6 681	2 148	6 681

The department has measured the non-current assets held for sale at fair value less costs to sell because the assets' fair value less costs to sell is lower than its carrying amount. Detail about the department's approach to fair value is set out in note 10.2.

Department for Education
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5.5. Non-current assets classified as held for sale (continued)

As a result of school and preschool closures and amalgamations, the land and buildings located at these sites are surplus to requirements. It is anticipated the land and buildings will be sold within the next 12 months.

Buses that have reached the end of their useful lives and are no longer economically viable are held for sale at auction.

Movement in the non-current assets classified as held for sale

The following table shows the movement of non-current assets classified as held for sale:

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Land				
Carrying amount at the beginning of the period	6 431	875	6 431	875
Disposals	(6 420)	(850)	(6 420)	(850)
Assets reclassified to/(from) assets held for sale	1 205	6 406	1 205	6 406
Carrying amount at the end of the period	1 216	6 431	1 216	6 431
Buildings and improvements				
Carrying amount at the beginning of the period	105	-	105	-
Disposals	(105)	-	(105)	-
Assets reclassified to/(from) assets held for sale	695	105	695	105
Carrying amount at the end of the period	695	105	695	105
Buses				
Carrying amount at the beginning of the period	145	522	145	522
Disposals	-	(377)	-	(377)
Assets reclassified to/(from) assets held for sale	92	-	92	-
Carrying amount at the end of the period	237	145	237	145
Total non-current assets classified as held for sale	2 148	6 681	2 148	6 681

Department for Education
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6. Financial assets

6.1. Cash and cash equivalents

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Deposits with the Treasurer				
Operating Account	179 991	222 854	179 991	222 854
Accrual Appropriation Excess Funds	454 185	393 308	454 185	393 308
Section 21 Deposit Account	394	394	394	394
Total deposits with the Treasurer	634 570	616 556	634 570	616 556
SA School Investment Fund (SASIF)	490 599	499 525	-	-
Cash at bank and on hand	56 586	52 969	635	507
Total cash and cash equivalents	1 181 755	1 169 050	635 205	617 063

Deposits with the Treasurer

Special deposit accounts are established under Section 8 and 21 of the *Public Finance and Audit Act 1987*. Special deposit accounts must be used in accordance with their approved purpose.

Some of the department's appropriation is deposited into the Accrual Appropriation Excess Funds Account. Although the department controls the money reported above in the Accrual Appropriation Excess Funds Account, its use must be approved by the Treasurer.

The department does not earn interest on its deposits with the Treasurer.

SA School Investment Fund (SASIF)

Represents the amount held in schools SASIF accounts at 30 June 2022 and does not include \$47 million (2021: \$53.6 million) held in the account for preschools and some units as these have been treated as transactions with third parties.

Department for Education
Notes to and forming part of the financial statements
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6.2. Receivables

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 Department \$'000	2021 Department \$'000
Current				
<i>Fees, charges and other receivables</i>				
From government entities	1 549	3 004	4 819	8 928
From non-government entities	41 609	48 898	10 106	10 306
Less impairment loss on receivables	(6 757)	(7 001)	(1 734)	(1 700)
Total fees, charges and other receivables	36 401	44 901	13 191	17 534
<i>Statutory receivables</i>				
GST recoverable from the ATO	16 427	21 989	12 845	18 849
Total statutory receivables	16 427	21 989	12 845	18 849
Loan receivables	11	11	640	672
Prepayments	10 737	5 299	9 134	5 176
Accrued revenues	1 421	138	444	49
Total current receivables	64 997	72 338	36 254	42 280
Non-current				
<i>Statutory receivables</i>				
Workers compensation receivable	2 020	2 135	2 020	2 135
Total statutory receivables	2 020	2 135	2 020	2 135
Loan receivables	74	85	5 447	3 711
Total non-current receivables	2 094	2 220	7 467	5 846
Total receivables	67 091	74 558	43 721	48 126

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

Other than as recognised in the allowance for impairment loss on receivables, 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.

Refer to note 10.3 for further information on risk management.

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

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

Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

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6.2. Receivables (continued)

Allowance for impairment loss on receivables

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	7 001	5 620	1 700	545
Increase/(decrease) in allowance recognised in profit or loss	2 216	2 996	41	1 155
Amounts written off	(2 460)	(1 615)	(7)	-
Carrying amount at the end of the period	6 757	7 001	1 734	1 700

All of the above impairment losses are from receivables arising from contracts with customers.

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

6.3. Other financial assets

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Current				
Term deposits	78	77	-	-
Total current investments	78	77	-	-
Non-current				
Shares held in listed securities	175	156	-	-
Total non-current investments	175	156	-	-
Total other financial assets	253	233	-	-

The term deposits are carried at cost and are to be held to their maturity.

The fair value of shares held in listed securities is based on quoted market prices for identical assets or liabilities at balance date.

For further information on risk management refer to note 10.3.

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7. Liabilities

7.1. Payables

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Current				
Creditors	80 674	115 157	144 738	147 796
Accrued expenses	8 458	2 372	3 391	2 043
Accrued interest on PPP liability	5 270	4 028	5 270	4 028
<i>Statutory payables</i>				
Employment on-costs	46 811	48 842	46 747	48 816
Paid Parental Leave Scheme payable	916	628	916	628
Total statutory payables	47 727	49 470	47 663	49 444
Total current payables	142 129	171 027	201 062	203 311
Non-current				
Accrued interest on PPP liability	13 723	12 929	13 723	12 929
<i>Statutory payables</i>				
Employment on-costs	50 832	59 548	50 832	59 548
Total non-current payables	64 555	72 477	64 555	72 477
Total payables	206 684	243 504	265 617	275 788

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

Statutory payables do not arise from contracts.

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

Employment on-costs

Employment on-costs include Payroll Tax, ReturntoWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged.

The department contributes to several state government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the South Australian Superannuation Board and external schemes.

As a result of an actuarial assessment performed by Department of Treasury and Finance, the percentage of long service leave taken has increased to a rate of 66% (2021: 65%) and the average factor for the calculation of employer superannuation increased to a rate of 10.6% (2021: 10.1%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year and subsequent years is immaterial.

Accrued interest on PPP liability

Accrued interest on PPP liability relates to the Education Works New Schools Public Private Partnership lease and SA Schools PPP agreement.

Department for Education
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7.2. Financial Liabilities

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Current				
Lease liabilities	3 960	3 356	3 421	2 619
Education Works New Schools PPP lease ¹	3 192	2 853	3 192	2 853
SA Schools PPP ¹	4 649	3 438	4 649	3 438
Contract Balances	2 172	-	-	-
Total current financial liabilities	13 973	9 647	11 262	8 910
Non-current				
Lease liabilities	5 872	6 152	4 930	4 885
Education Works New Schools PPP lease ¹	154 594	157 785	154 594	157 785
SA Schools PPP borrowings ¹	218 920	215 288	218 920	215 314
Total non-current financial liabilities	379 386	379 225	378 444	377 984
Total financial liabilities	393 359	388 872	389 706	386 894

¹ These are related to the public private partnership agreements and are interest bearing.

The department measures financial liabilities including borrowings/debt at historical cost.

All material cash outflows are reflected in the lease liabilities disclosed above.

The interest rate implied, based on the total payments due over the life of the Education Works New Schools PPP lease, is 11.26%.

The interest rate implied, based on the total payments due over the life of the SA Schools PPP Project Agreement, is 3.87%.

For further information on risk management refer to note 10.2.

All material cash outflows are reflected in the lease liabilities disclosed above.

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7.3. Provisions

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Current				
Provision for workers' compensation	22 580	20 364	22 580	20 364
Provision for legal claims	671	672	671	672
Provision other	-	-	-	-
Other provisions	8	8	205	270
Total current provisions	23 259	21 044	23 456	21 306
Non-current				
Provision for workers' compensation	95 846	94 857	95 846	94 857
Provision for legal claims	3 540	3 302	3 540	3 302
Provision for fire claims	-	-	-	-
Other provisions	35	35	-	-
Total non-current provisions	99 421	98 194	99 386	98 159
Total provisions	122 680	119 238	122 842	119 465

Movement in workers compensation provisions

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	115 221	104 284	115 221	104 284
Reductions arising from payments	(17 269)	(19 527)	(17 269)	(19 527)
Additional provision recognised	20 474	30 464	20 474	30 464
Carrying amount at the end of the period	118 426	115 221	118 426	115 221

A provision has been reported to reflect unsettled workers' compensation claims. The workers' compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2022 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector. The provision is for the estimated cost of ongoing payments to employees as required under current legislation. The department is responsible for the payment of workers' compensation claims.

Movement in legal claims provisions

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	3 974	4 218	3 974	4 218
Reductions arising from payments	(354)	(986)	(354)	(986)
Reversal of prior provision	(531)	(674)	(531)	(674)
Additional provision recognised	1 122	1 416	1 122	1 416
Carrying amount at the end of the period	4 211	3 974	4 211	3 974

Department for Education
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7.3 Provisions (continued)

Movement in other provisions	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	43	43	270	270
Reductions arising from payments	-	-	-	(20)
Reversal of prior provision	-	-	(81)	-
Additional provision recognised	-	-	16	20
Carrying amount at the end of the period	43	43	205	270

7.4. Other liabilities

	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Current				
Deposits	14 194	10 252	13 900	9 929
Other liabilities	2 105	2 152	387	351
Equipment service right*	1 735	1 086	1 735	1 086
Total current other liabilities	18 034	13 490	16 022	11 366
Non-current				
Equipment service right*	117 737	17 449	117 737	17 449
Other liabilities	547	457	486	489
Deposits	235	279	-	-
Total non-current other liabilities	118 519	18 185	118 223	17 938
Total other liabilities	136 553	31 675	134 245	29 304

*The service right to use equipment relates to the provision, maintenance and replacement of equipment under the PPP agreements. The service right is amortised over the life of the agreement. Both PPP agreements are detailed in note 9.1.

Department for Education
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8. Other disclosures

8.1. Equity

The revaluation surplus is used to record increments and decrements in the fair value of land, buildings, leasehold improvements and other financial assets to the extent that they offset one another. Relevant amounts are transferred to retained earnings when an asset is derecognised.

The equity contribution was provided to the department under the *Appropriation Act 2019*.

8.2. Cash flow

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

Total cash outflow for leases was \$24.2 million (2021: \$25.3 million). The cash outflow for leases is for the Consolidated entity only.

Cash Flow Reconciliation	2022	2021	2022	2021
	Consolidated	Consolidated	Department	Department
	\$'000	\$'000	\$'000	\$'000
Reconciliation of cash and cash equivalents at the end of the reporting period				
Cash and cash equivalents disclosed in the Statement of Financial Position	1 181 755	1 169 050	635 205	617 063
Balance as per the Statement of Cash Flows	<u>1 181 755</u>	<u>1 169 050</u>	<u>635 205</u>	<u>617 063</u>
Reconciliation of net cash provided by operating activities to net cost of providing services				
Net cash provided by operating activities	141 999	306 472	135 357	270 485
Add / (less) non-cash items				
Depreciation and amortisation	(168 771)	(147 042)	(153 849)	(137 525)
Bad and doubtful debts	(2 216)	(3 340)	(44)	(1 155)
Non-current assets derecognised/written off	(1 841)	(3 961)	(1 678)	(3 960)
Resources received free of charge - expense	(11 525)	-	(11 288)	-
Resources received free of charge - income	11 525	669	11 288	-
Donated assets	(7)	(719)	(70)	(2 631)
Assets recognised for the first time	2 527	3 394	2 527	3 394
Net (loss)/gain from disposal of non financial assets	2 063	(231)	2 593	(335)
Movement in assets and liabilities				
Increase/(decrease) in receivables	(5 240)	13 516	(6 065)	4 556
Increase/(decrease) in other assets	19	-	-	-
Increase/(decrease) in inventories	(9)	(221)	-	-
(Increase)/decrease in payables	(11 800)	(2 827)	(38 561)	(3 933)
(Increase)/decrease in employee benefits	79 278	(34 336)	79 436	(34 121)
(Increase)/decrease in financial liabilities	(9 509)	(4 998)	(7337)	(5 048)
(Increase)/decrease in provisions	(3 442)	(10 650)	(3 377)	(10 693)
(Increase)/decrease in other liabilities	(3 941)	15 656	(4 004)	3 571
Net result	<u>19 110</u>	<u>131 382</u>	<u>4 928</u>	<u>82 605</u>

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9. Outlook

9.1. Unrecognised contractual commitments

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

SA Schools Public Private Partnership capital and financing commitments

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 Department \$'000	2021 Department \$'000
Within one year	-	228 425	-	228 425
SA Schools PPP capital and financing commitments	-	228 425	-	228 425

In December 2019, the state of South Australia entered into a Project Deed for the delivery of the SA School Private Partnership Project for the finance, design, construction and maintenance of two birth-to-year 12 schools under a Public Private Partnership (PPP) agreement. The Northern School is in the Angle Vale suburb of Adelaide and the Southern School is in the Aldinga suburb of Adelaide. This is referred to as the SA Schools PPP agreement. Both schools were completed and capitalised in 2021-22. A corresponding finance charge and financial liability has been accounted for in note 4.4 and 7.2 respectively.

Capital commitments

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 Department \$'000	2021 Department \$'000
Within one year	152 167	272 170	152 167	272 170
Later than one year but not later than five years	9 175	-	9 175	-
Total capital commitments	161 342	272 170	161 342	272 170

The department's capital commitments are for commitments under the investing program.

Expenditure commitments

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 Department \$'000	2021 Department \$'000
Within one year	15 108	16 283	15 108	16 283
Later than one year but not later than five years	55 938	53 727	55 938	53 727
Later than five years	233 201	316 744	233 201	316 744
Total expenditure commitments	304 247	386 754	304 247	386 754

The majority of expenditure commitments relate to future operations and maintenance commitments for Public Private Partnership agreements and memoranda of administrative arrangements with the Department of Infrastructure and Transport for accommodation.

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9.1 Unrecognised contractual commitments (continued)

Public Private Partnership Agreements

In July 2009 the state of South Australia entered into a 30 year agreement for the delivery of the Education Works New School Private Partnership Project, under the Partnerships SA policy, for the financing, design, construction, and maintenance of six schools. This agreement and the SA Schools Public Private Partnership include the provision of operational and maintenance services by the operator for a specified period of time, and is referred to as a Public Private Partnership.

In December 2019, the state of South Australia entered into a Project Deed for the delivery of the SA School Private Partnership Project for the finance, design, construction and maintenance of two birth-to-year 12 schools under a Public Private Partnership (PPP) agreement. The Northern School is in the Angle Vale suburb of Adelaide and the Southern School is in the Aldinga suburb of Adelaide. This is referred to as the SA Schools PPP agreement.

Under the PPP agreements, the department pays the operator over the period of the arrangement, subject to specified performance criteria being met. These estimated periodic payments relate to the ongoing operation and maintenance of the facilities accounted for as operating costs which are expensed in the Statement of Comprehensive Income.

9.2. Contingent assets and liabilities

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

The department is not aware of any contingent assets.

The department has undertaken a review of long service leave records and supporting documents and identified that a revision in the long service leave provision may be required for certain employee categories. The department is not able to reliably estimate the total potential amount of the change to the overall liability at the reporting date. Where amounts are able to reliably be identified and measured, they have been recognised as liabilities in line with the measurement and recognition criteria of AASB 137 'Provisions, Contingent Liabilities and Contingent Assets'.

9.3. Events after the reporting period

On 30 June 2022, the government issued a proclamation to transfer the Training and Skills functions from the then Department for Innovation and Skills to the Department for Education, effective 1 July 2022. The financial effect of this machinery of government change will be reflected in the financial statements for 2022-23.

9.4. Changes in Accounting Policy

The department has changed its accounting policy for including school financial data when preparing consolidated financial statements. The change provides more reliable, relevant, and timely information for users.

Prior to the change in accounting policy, financial data used for consolidation was collected from government schools and their respective governing councils for the school year ended 31 December. Where material, adjustments were made to the school's data to estimate the financial impact of the different reporting period for schools and the department. This only occurred for transactions between the department and schools through this time period.

The department has been able to obtain reliable data from government schools and their respective governing councils for the financial year ended 30 June 2022, and this has been used for the purpose of consolidating it with data from the department.

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9.4 Changes in Accounting Policy (continued)

In accordance with Australian Accounting Standard AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, this voluntary change in accounting policy and the impact of the change has been applied retrospectively by adjusting the balance of equity by \$36.0 million at 1 July 2020. This adjustment largely reflected an increase in cash and receivables, and a decrease in liabilities.

The transactions and balances for the year ended 30 June 2021 were adjusted to effect this change in accounting policy. The adjustments decreased the net result by \$4.3 million in the restated Statement of Comprehensive Income for 2020-21.

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10. Measurement and risk

10.1. Fair value

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

Initial recognition

Non-current tangible assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental costs involved with the acquisition. Non-current assets are subsequently measured at fair value after allowing for accumulated depreciation.

Where assets are acquired at no value or minimal value, they are recorded at fair value in the Statement of Financial Position.

Revaluation of non-current assets

All non-current tangible assets are valued at fair value and revaluation of non-current assets or group of assets is only performed when its fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than three years.

The department revalues its buildings and improvements and leasehold improvements at least every three years. However if at any time, management considers the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place. Land is revalued annually if the revaluation is considered to be material in nature.

Non-current tangible assets that are acquired between revaluations are held at cost until the next valuation where they are revalued to fair value.

Upon disposal or derecognition, any revaluation surplus relating to that asset is transferred to retained earnings.

Impairment of non-current assets

For further information refer to note 5.1.

Fair value hierarchy

The department classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent valuation.

Level 1: traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities the entity can access at measurement date.

Level 2: not traded in an active market and are derived from inputs (input other than quoted prices included within level 1) that are observable for the asset either directly or indirectly.

Level 3: not traded in an active market and are derived from unobservable inputs.

The department's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

During 2022, the department had no valuations categorised into level 1; there were no transfers of assets between level 1 and level 2 fair value hierarchy levels and there were no changes in valuation technique.

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10.1 Fair value (continued)

Fair value classification – non-financial assets at 30 June 2022

	Department Level 2 \$'000	Department Level 3 \$'000	Department Total \$'000
Recurring fair value measurements			
Land	1 805 245	-	1 805 245
Buildings and improvements	147	3 858 069	3 858 216
Leasehold improvements	-	7 289	7 289
Buses and motor vehicles	-	22 125	22 125
Computing, communications, furniture and equipment	-	3 540	3 540
Other assets	-	2 401	2 401
Total recurring fair value measurements	1 805 392	3 893 424	5 698 816
Non- recurring fair value measurements			
Land held for sale	1 216	-	1 216
Buildings and improvements held for sale	695	-	695
Buses held for sale	237	-	237
Total non-recurring fair value measurements	2 148	-	2 148
Total fair value measurements	1 807 540	3 893 424	5 700 964

Fair value classification – non-financial assets at 30 June 2021

	Department Level 2 \$'000	Department Level 3 \$'000	Department Total \$'000
Recurring fair value measurements			
Land	1 629 048	-	1 629 048
Buildings and improvements	147	2 980 796	2 980 943
Leasehold improvements	-	8 272	8 272
Buses and motor vehicles	-	23 130	23 130
Computing, communications, furniture and equipment	-	3 279	3 279
Other assets	-	369	369
Total recurring fair value measurements	1 629 195	3 015 846	4 645 041
Non- recurring fair value measurements			
Land held for sale	6 431	-	6 431
Buildings and improvements held for sale	105	-	105
Buses held for sale	145	-	145
Total non-recurring fair value measurements	6 681	-	6 681
Total fair value measurements	1 635 876	3 015 846	4 651 722

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10.1 Fair value (continued)

Land and buildings

The independent valuation of land was performed by the Valuer-General as at 30 June 2022.

Buildings and improvements are valued at current replacement cost less accumulated depreciation. Current replacement cost information on asset holdings was obtained from the Strategic Asset Management Information System (SAMIS) maintained by the Department for Infrastructure and Transport (DIT). Replacement costs have been established by reference to quantity surveyors' estimates and updated through the application of a relevant building index. The valuations for buildings are current as at 30 June 2021, paved areas are current as at 30 June 2021, and swimming pools are current as at 30 June 2018. The building data excludes landscaping, infrastructure, pergolas, playground equipment, fencing and some paving, sheds and outdoor learning areas because they either cannot be reliably measured or no information is recorded in SAMIS.

Refer to note 5.2 for independent valuation information on right of use buildings.

Leasehold improvements

An independent valuation of one leasehold improvement with the largest written down value was performed by Fred Taormina, B.App.Sc. (Val), A.A.P.I. Certified Practicing Valuer of Valcorp Australia Pty Ltd as at 30 June 2021. The valuer adopted depreciated replacement cost when valuing the asset as quoted prices in an active liquid market were not available. This valuation only resulted in a 10% increase in the value of the written down cost. Therefore based on this outcome the department considers the carrying value of the other leasehold improvements approximates fair value.

Buses and motor vehicles

Buses acquired prior to 30 June 2015 are valued based on an internal estimate of current depreciated replacement cost for each bus category based on recent acquisitions, and residual values as at 30 June 2015. New buses from 1 July 2015 are valued at historical cost.

Computing, communications, furniture and equipment

All computing, communications, furniture and equipment and other assets which had a fair value at time of acquisition that was less than \$1.5 million have not been revalued in accordance with APS 116.D. The carrying values of these assets are deemed to approximate fair value. These assets are classified in level 3 as there has been no subsequent adjustment to their fair value, except for management assumptions about condition and remaining useful life.

Non-current assets held for sale

The department has measured land and buildings held for sale at fair value less costs to sell in accordance with AASB 5 Non-current Assets held for Sale and Discontinued Operations because the assets' fair value less costs to sell is lower than its carrying amount. Refer to note 5.6.

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10.1 Fair value (continued)

Reconciliation of level 3 recurring fair value measurements as at 30 June 2022

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3).

The reconciliation of non-current assets is for the Department entity only. Information is not collected or obtained from schools to allow for the disclosure of consolidated information.

Department 2021-22	Buildings and improvements \$'000	Leasehold improvements \$'000	Buses and motor vehicles \$'000	Computing, communications, furniture and equipment \$'000	Other assets \$'000
Opening balance at the beginning of the period	2 980 796	8 272	23 130	3 279	369
Additions	3 935	-	2 168	1 081	1 144
Disposals	-	-	(745)	-	-
Assets derecognised	(1 465)	-	(131)	(13)	(68)
Assets reclassified to assets held for sale	(695)	-	(237)	-	-
Transfers from WIP	1 015 409	21	-	-	1 092
Transfers between asset classes	-	-	145	-	-
Assets recognised for the first time	1 916	-	-	-	-
Transfers from third parties	-	-	-	(71)	-
Gains/(losses) for the period recognised in net result					
Depreciation and amortisation	(140 556)	(1 004)	(2 205)	(736)	(136)
Total gains/(losses) recognised in net result	(140 556)	(1 004)	(2 205)	(736)	(136)
Gains/(losses) for the period recognised in other comprehensive income (OCI)					
Reversal of revaluation decrement	(1 271)	-	-	-	-
Impairment to revaluation surplus	-	-	-	-	-
Total gains/(losses) recognised in OCI	(1 271)	-	-	-	-
Closing balance at the end of the period	3 858 069	7 289	22 125	3 540	2 401

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10.1 Fair value (continued)

Reconciliation of level 3 recurring fair value measurements as at 30 June 2021

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3).

The reconciliation of non-current assets is for the Department entity only. Information is not collected or obtained from schools to allow for the disclosure of consolidated information.

Department 2020-21	Buildings and improvements \$'000	Leasehold improvements \$'000	Buses and motor vehicles \$'000	Computing, communications, furniture and equipment \$'000	Other assets \$'000
Opening balance at the beginning of the period	2 876 102	8 889	25 565	3 254	320
Additions	4 181	-	-	2 637	94
Disposals	(6)	-	(155)	-	-
Assets derecognised	(3 793)	-	(42)	(128)	-
Assets reclassified to assets held for sale	(105)	-	-	-	-
Transfers from WIP	31 753	-	-	-	-
Transfers between asset classes	172	-	-	-	-
Assets recognised for the first time	3 364	-	-	30	-
Transfers from third parties	-	-	-	(1 918)	-
Gains/(losses) for the period recognised in net result					
Depreciation and amortisation	(125 817)	(1 193)	(2 238)	(593)	(45)
Total gains/(losses) recognised in net result	(125 817)	(1 193)	(2 238)	(593)	(45)
Gains/(losses) for the period recognised in other comprehensive income (OCI)					
Reversal of revaluation decrement	194 879	576	-	(3)	-
Impairment to revaluation surplus	66	-	-	-	-
Total gains/(losses) recognised in OCI	194 945	576	-	(3)	-
Closing balance at the end of the period	2 980 796	8 272	23 130	3 279	369

Department for Education
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10.2. Financial instruments

Financial risk management

Risk management is managed by the department and departmental risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

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

Liquidity risk

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

Refer to note 7.1 and 7.2 for further information.

Credit risk

The department has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

No collateral is held as security and no credit enhancements relate to financial assets held by the department.

Impairment of financial assets

Impairment of financial assets is performed using a two step process.

First, an allowance for impairment loss is recognised when there is objective evidence the receivable is impaired. Then the remaining receivables are assessed for loss allowances using the simplified approach in AASB 9.

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

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

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

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

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

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

10.2 Financial instruments (continued)

The following tables relate to the department's assessment of credit risk. This provides information about the exposure to the expected credit loss for non-government debtors. Credit risk has been assessed at the school level, however information is not collected or obtained from schools to allow for the disclosure of consolidated information.

Table 1. General receivables non-government debtors

\$310 000 was impaired based on objective evidence.

	Debtor gross carrying amount \$'000	Loss %	Lifetime expected losses \$'000
2022			
Current (not past due)	752	1.81%	14
1-30 days past due	142	1.81%	3
31-60 days past due	55	1.82%	1
61-90 days past due	14	1.83%	-
More than 90 days past due	1 703	1.84%	31
Loss allowance			49

Salary overpayments debtors.

\$1 040 000 was impaired based on objective evidence. There are no expected lifetime losses.

International Education debtors.

\$139 000 was impaired based on objective evidence. Lifetime expected losses are estimated to be \$196 000.

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

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

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

The allowance was recognised when there was objective evidence that a receivable was impaired. The allowance for impairment was recognised in other expenses.

No impairment losses were recognised in relation to contract assets and accrued revenue during the year.

Cash and debt investments

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

Department for Education
Notes to and forming part of the financial statements
for the year ended 30 June 2022

10.2 Financial instruments (continued)

Market risk

The department does not trade in foreign currency, nor enter into transactions for speculative purposes, nor for hedging. Exposure to interest rate risk may arise through its interest bearing liabilities, including borrowings. There is no exposure to foreign currency or other price risks. There have been no changes in risk exposure since the last reporting period.

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 the respective financial asset/financial liability note.

Classification of financial instruments

The department measures all financial instruments at amortised cost.

The following tables are for the department entity only. Information is not collected or obtained from schools to allow for the disclosure of consolidated information.

Maturity analysis of financial instruments (Department)

Category of financial asset and financial liability	Notes	2022	2022 Contractual maturities			2021
		Carrying amount/fair value \$'000	Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000	Carrying amount/fair value \$'000
Financial assets						
Cash and cash equivalents						
Cash and cash equivalents	6.1	635 205	-	-	-	617 063
Financial assets at amortised cost						
Receivables	6.2	19 722	14 264	5 458	-	21 966
Total financial assets		654 927	14 264	5 458	-	639 029
Financial liabilities						
Financial liabilities at amortised cost						
Payables	7.1	166 525	152 802	7 377	6 346	166 898
Lease liabilities	7.2	166 137	6 613	20 715	138 809	168 142
Borrowings	7.2	223 569	4 649	20 309	198 611	218 752
Other liabilities	7.4	134 246	16 022	9 434	108 790	29 304
Total financial liabilities		690 477	180 086	57 835	452 556	583 096

Statutory receivables and payables

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

Department for Education

Administered Financial Statements

**Financial Statements
for the year ended
30 June 2022**

Department for Education
Statement of Administered Comprehensive Income
for the year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Administered income			
Commonwealth sourced grants and funding	A2.2	1 268 026	899 096
Appropriation	A2.1	397 459	369 834
SA Government grants and transfers	A2.3	7 510	1 241
Non SA Government grants and transfers	A2.4	32	-
Resources received free of charge		5	6
Other income	A2.5	181	10
Total administered income		1 673 213	1 270 187
Administered expenses			
Transfer payments	A4.2	1 598 913	1 195 456
Grants and subsidies	A4.3	70 552	69 624
Employee benefits expenses	A3.2	4 645	4 494
Supplies and services	A4.1	1 198	897
Depreciation	A4.4	492	235
Total administered expenses		1 675 800	1 270 706
Net result		(2 587)	(519)
Other comprehensive income			
<i>Items that will not be reclassified to net result</i>			
Changes in revaluation surplus		445	6 369
Total other comprehensive income		445	6 369
Total comprehensive result		(2 142)	5 850

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

Department for Education
Statement of Administered Financial Position
as at 30 June 2022

	Note	2022 \$'000	2021 \$'000
Administered current assets			
Cash and cash equivalents		17 495	21 179
GST recoverable from the ATO		21 375	19 588
Total current assets		38 870	40 767
Administered non-current assets			
Property, plant and equipment	A5.1	20 335	20 369
Total non-current assets		20 335	20 369
Total assets		59 205	61 136
Administered current liabilities			
Payables	A6.1	543	345
Employee benefits	A3.3	456	399
Total current liabilities		999	744
Administered non-current liabilities			
Payables	A6.1	116	54
Employee benefits	A3.3	349	455
Total non-current liabilities		465	509
Total liabilities		1 464	1 253
Net assets		57 741	59 883
Administered equity			
Retained earnings		48 762	51 349
Revaluation surplus		8 979	8 534
Total equity		57 741	59 883

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

Department for Education
Statement of Administered Changes in Equity
for the year ended 30 June 2022

	Revaluation surplus	Retained earnings	Total equity
Note	\$'000	\$'000	\$'000
Balance at 1 July 2020	2 165	51 868	54 033
Net result for 2020-21	-	(519)	(519)
Changes on revaluation of property during 2020-21	6 369	-	6 369
Total comprehensive result for 2020-21	-	(519)	5 850
Balance at 30 June 2021	8 534	51 349	59 883
Net result for 2021-22	-	(2 587)	(2 587)
Changes on revaluation during 2021-22	445	-	445
Total comprehensive result for 2021-22	445	(2 587)	(2 142)
Balance at 30 June 2022	8 979	48 762	57 741

Department for Education
Statement of Administered Cash Flows
for the year ended 30 June 2022

		2022	2021
		(Outflows)	(Outflows)
		Inflows	Inflows
	Note	\$'000	\$'000
Cash flows from operating activities			
Cash inflows			
Appropriation		397 459	369 834
GST recovered from the ATO		33 607	12 558
Receipts from Commonwealth sourced grants and funding		1 268 026	899 096
SA Government grants and transfers		7 510	1 241
Non SA Government grants and transfers		.32	-
Other receipts		181	10
Cash generated from operations		1 706 815	1 282 739
Cash outflows			
Employee benefit payments		(4 616)	(4 337)
Payments for supplies and services		(1 216)	(982)
Transfer payments		(1 630 344)	(1 241 005)
Payments of grants and subsidies		(74 310)	(56 254)
Cash used in operations		(1 710 486)	(1 302 578)
Net cash provided by / (used in) operations	A7.1	(3 671)	(19 839)
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		(13)	-
Cash used in investing activities		(13)	-
Net cash provided by / (used in) investing activities		(13)	-
Net increase / (decrease) in cash and cash equivalents		(3 684)	(19 839)
Cash and cash equivalents at the beginning of the period		21 179	41 018
Cash and cash equivalents at the end of the period		17 495	21 179

The accompanying notes form part of these financial statements.

Department for Education
Schedule of Income and Expenses attributable to Administered Activities
for the year ended 30 June 2022

Activities - refer note A1.2	Minister's salaries		Minister's payments		Advocacy bodies		Family Day Care		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered income										
Appropriation	369	368	391 350	364 853	5 740	4 613	-	-	397 459	369 834
Commonwealth sourced grants and funding	-	-	1 252 120	882 110	-	-	15 906	16 986	1 268 026	899 096
SA Government grants and transfers	-	-	6 888	703	622	538	-	-	7 510	1 241
Non SA Government grants and transfers	-	-	-	-	-	-	32	-	32	-
Resources received free of charge	-	-	-	-	5	6	-	-	5	6
Other income	-	-	178	2	2	1	1	7	181	10
Total administered income	369	368	1 650 536	1 247 668	6 369	5 158	15 939	16 993	1 673 213	1 270 187
Administered expenses										
Employee benefits expenses	371	368	19	5	4 255	4 121	-	-	4 645	4 494
Supplies and services	-	-	77	19	1 121	875	-	3	1 198	897
Transfer payments	-	-	1 598 913	1 195 456	-	-	-	-	1 598 913	1 195 456
Grants and subsidies	-	-	54 613	52 624	-	10	15 939	16 990	70 552	69 624
Depreciation	-	-	399	143	93	92	-	-	492	235
Total administered expenses	371	368	1 654 021	1 248 247	5 469	5 098	15 939	16 993	1 675 800	1 270 706
Net result	(2)	-	(3 485)	(579)	900	60	-	-	(2 587)	(519)

Department for Education
Schedule of Assets and Liabilities attributable to Administered Programs
as at 30 June 2022

Activities - refer note A1.2

	Minister's salaries		Minister's payments		Advocacy bodies		Family Day Care		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Administered assets										
Cash and cash equivalents	-	-	16 923	20 911	504	260	68	8	17 495	21 179
GST recoverable from the ATO	-	-	21 267	19 496	108	92	-	-	21 375	19 588
Property, plant and equipment	-	-	19 754	19 708	581	661	-	-	20 335	20 369
Total assets	-	-	57 944	60 115	1 193	1 013	68	8	59 205	61 136
Administered liabilities										
Payables	-	-	311	232	280	159	68	8	659	399
Employee benefits	-	-	-	-	805	854	-	-	805	854
Total liabilities	-	-	311	232	1 085	1 013	68	8	1 464	1 253
Net assets	-	-	57 633	59 883	108	-	-	-	57 741	59 883

Department for Education
Notes to and forming part of the administered financial statements
for the year ended 30 June 2022

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Department for Education
Notes to and forming part of the administered financial statements
for the year ended 30 June 2022

A1. About the Administered items for the Department for Education

The Department for Education is responsible for the administration of specific funds or bodies on behalf of the Minister for Education, Training and Skills. The department does not have control over how these funds are to be spent and operates in the capacity as an agent responsible for the administration of the transfer process to third parties. The Administered Financial Statements include the income, expenses, assets, liabilities and equity of these funds.

A1.1. Basis of preparation

The basis of preparation for the administered financial statements is the same as the basis outlined in the department's note 1.1. The department applies the same accounting policies to the administered financial statements as set out in the notes to the department's financial statements.

A1.2. Administered activities

The main administered funds are:

Ministers salaries

The Minister's salary and allowances are funded by specific legislation and the department has no control over this part of the annual appropriation.

Ministers payments

Funds are appropriated to the Minister for Education, Training and Skills and are disbursed at the discretion of the Minister. The principal payments are:

- the State Government contribution to the operation of the South Australia Certificate of Education (SACE) Board of South Australia
- the State and Commonwealth Government contributions to the operation of the Education Standards Board of South Australia
- payments to the Department for Infrastructure and Transport for the purposes of student travel
- payments to Ministerial committees
- the State Government contribution to the operation of non-government schools, some non-government preschools, organisations and services to students with disabilities
- the Commonwealth Government contribution to the operation of non-government schools, organisations and services to students with disabilities
- the State Government contribution to the operations of the History Trust of South Australia, Australian Children's Performing Arts Company (Windmill Theatre Co), and Carclew Youth Arts

Advocacy bodies

Operations of the following advocacy bodies are administered by the department:

- Commissioner for Children and Young People
- Guardian for Children and Young People
- Commissioner for Aboriginal Children and Young People

Family Day Care

The following Commonwealth subsidy is administered by the Department for Education:

- Receipts and payments for Commonwealth child care subsidies relating to family day care.

Department for Education
Notes to and forming part of the administered financial statements
for the year ended 30 June 2022

A1.3. Budget performance

The budget performance table compares the department's administered items outcomes against budget information presented to Parliament (2021-22 Budget Paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

	Original budget 2022 \$'000	Actual 2022 \$'000	Variance \$'000
Statement of Comprehensive Income			
Income			
Appropriation	376 305	397 459	21 154
Commonwealth sourced grants and funding	1 188 205	1 268 026	79 821
Grants and transfers	6 401	7 510	1 109
Non SA Government grants and transfers	-	32	32
Resources received free of charge	-	5	5
Other income	-	181	181
Total administered income	1 570 911	1 673 213	102 302
Expenses			
Employee benefits expense	5 109	4 645	(464)
Supplies and services	992	1 198	206
Transfer payments	1 496 257	1 598 913	102 656
Grants and subsidies	67 930	70 552	2 622
Depreciation	270	492	222
Total expenses	1 570 558	1 675 800	105 242
Net result	353	(2 587)	(2 940)
Total comprehensive result	353	(2 142)	(2 495)

The budget information presented to Parliament includes the revenue and expenses of the South Australian Certificate of Education (SACE) and Education Standards Board (ESB). These entities do not form part of the Administered entity and are therefore excluded from the original budget information.

Explanations are provided for variances where the variance exceeds the greater of 10% of the original budgeted amount and 5% of original budgeted total expenses.

	Original budget 2022 \$'000	Actual 2022 \$'000	Variance \$'000
Investing expenditure summary			
Total new projects	616	-	(616)
Total investing expenditure	616	-	(616)

Department for Education
Notes to and forming part of the administered financial statements
for the year ended 30 June 2022

A1.4. Significant transactions with government related entities

The department's administered items had no significant transactions with government related entities except for the appropriation funding received from Department of Treasury and Finance (A2.1) and incurred expenditure with:

- SACE Board of SA of \$17 million (2021: \$22 million) (A4.2)
- Education Standards Board of SA of \$4 million (2021: \$4 million) (A4.2)
- Department for Infrastructure and Transport (DIT) of \$15.2 million (2021: \$15 million) (A4.1 and A4.3).

A2. Income

A2.1. Appropriation

	2022	2021
	\$'000	\$'000
Appropriation from Consolidated Account pursuant to the Appropriation Act	375 932	171 543
Appropriation from Governor's Appropriation Fund	21 158	197 923
Appropriations under other Acts	369	368
Total appropriation	397 459	369 834

A2.2. Commonwealth sourced grants and funding

	2022	2021
	\$'000	\$'000
National School Reform Agreement	1 250 476	880 464
Family Day Care Scheme	15 906	16 984
National School Chaplaincy Program	1 644	1 645
Other Commonwealth grants	-	3
Total Commonwealth sourced grants and funding	1 268 026	899 096

A2.3. SA Government grants and transfers

	2022	2021
	\$'000	\$'000
Grants from the Department for Education	615	723
Grants from other SA Government departments	6 890	518
Contingency funding provided by the Department of Treasury and Finance	5	-
Total SA Government grants and transfers	7 510	1 241

A2.4. Non SA Government grants and transfers

	2022	2021
	\$'000	\$'000
Grants and transfers revenue	32	-
Total Non SA Government grants and transfers	32	-

Department for Education
Notes to and forming part of the administered financial statements
for the year ended 30 June 2022

A2.5. Other income

	2022	2021
	\$'000	\$'000
Recoveries	181	10
Total other income	181	10

Department for Education
Notes to and forming part of the administered financial statements
for the year ended 30 June 2022

A3. Board, committees and employees

A3.1. Remuneration of board and committee members

Members of the boards and committees during the 2021-22 financial year were:

Child Death and Serious Injury Review Committee

Ms Jane Abbey ¹ (appointed January 2022)
Mr Michael Ahern ²
Dr Carmela Bastian ¹ (appointed July 2021)
Ms Angela Davis ¹ (resigned August 2021)
Ms Meredith Dickson ² (resigned July 2021)
Mr David Everett ²
Dr Mark Fuller ²
Ms Ann-Marie Hayes ¹ (resigned July 2021)
Dr Margaret Kyrkou ²
Ms Karen McAuley ¹
Ms Kathryn Moar ² (appointed July 2021)
Mr Kurt Towers ¹
Dr Mohammed Usman ¹
Ms Kylie Walsh ¹

Multicultural Education and Languages Committee

Mr Darryl Buchanan ²
Ms Teresa Cimmino ²
Ms Antonietta Cocchiario ² (resigned July 2021)
Ms Deb Dalwood ²
Ms Kayoko Enomoto ²
Ms Michelle Kohler ²
Ms Olga Kostic ²
Ms Jasmine Millbanks ¹
Mr Harry Savelsburg ²
Associate Professor Angela Scarino ²
Ms Samoda Silva ²
Ms Deonne Smith ¹
Ms Lia Tedesco ¹
Ms Khuyen (Quin) Tran ¹
Professor Martin Westwell ¹ (resigned April 2022)
Mr Adireddy Yara ¹

Child Development Council

Mr Phillip Allen ²
Dr Sally Brinkman ¹
Dr Yvonne Clark ²
Mr Richard Anthony Coates ² (appointed Feb 2022)
Ms Helen Connolly ¹
Dr Anne Glover AO ² (resigned May 2022)
Ms Ann-Marie Hayes ¹ (resigned Dec 2021)
Mr Pasquale Paul Di Iulio ² (appointed Feb 2022)
Mr Graham Jaeschke ²
Ms April Anzena Lawrie ² (appointed Dec 2021)
Ms Vivienne St John Robb ¹
Ms Kelly Ryan ²
Dr Barbara Spears ²
Ms Patricia Walton ²
Ms Joanne Wickes ²
Dr Neil Wigg ²

¹ Government employee who did not receive any remuneration for board/committee duties during the financial year in accordance with DPC Circular 16.

² Part-time government employee who gained approval to receive remuneration for board/committee duties during the financial year.

Department for Education
Notes to and forming part of the administered financial statements
for the year ended 30 June 2022

A3.1. Remuneration of board and committee members (Continued)

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

	2022	2021
	Number of	Number of
	members	members
\$0	18	24
\$1 - \$19 999	27	27
Total number of members	45	51

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, out of hours fees, retention fees, superannuation contributions, Fringe Benefits Tax and any other salary sacrifice arrangements. The total remuneration received or receivable by members was \$40 000 (2021: \$43 000).

Department for Education
Notes to and forming part of the administered financial statements
for the year ended 30 June 2022

A3.2. Employee benefits expenses

	2022	2021
	\$'000	\$'000
Salaries and wages	3 664	3 512
Employment on-costs - superannuation	419	339
Annual leave	322	292
Employment on-costs - payroll tax	190	191
Long service leave	(39)	79
Board and committee fees	46	40
Skills and experience retention leave	8	9
Workers' compensation	2	2
Other employee related expenses	33	30
Total employee benefits expenses	4 645	4 494

Employee remuneration

	2022	2022	2021	2021
	Number of	Number of	Number of	Number of
	Executives	Employees	Executives	Employees
The number of employees whose remuneration received or receivable falls within the following bands:				
\$154 000 to \$157 000*	-	-	n/a	n/a
\$217 001 to \$237 000	1	1	1	1
\$237 001 to \$257 000	-	-	1	1
\$297 001 to \$317 000	1	1	1	1
\$337 001 to \$357 000	1	1	-	-
Total number of executives / employees	3	3	3	3

¹ The number of executive officers disclosed in the above table includes employees appointed on a South Australian Executive Service (SAES) contract as at 30 June 2022 and 30 June 2021 respectively and who have earned the base remuneration during the year. The numbers of executive officers separately disclosed are also included in the number of employee totals for 2022 and 2021.

Remuneration received or due and receivable by the above employees was \$0.9 million (2021: \$0.8 million) which is included in employee benefits expenses.

Department for Education
Notes to and forming part of the administered financial statements
for the year ended 30 June 2022

A3.3. Employee benefits liabilities

	2022	2021
	\$'000	\$'000
Current		
Annual leave	329	282
Long service leave	70	34
Accrued salaries and wages	49	77
Skills and experience retention leave	8	6
Total current employee benefits	456	399
Non-current		
Long service leave	349	455
Total non-current employee benefits	349	455
Total employee benefits	805	854

A4. Expenses

A4.1. Supplies and services

	2022	2021
	\$'000	\$'000
Accommodation	223	199
Printing, postage and consumables	156	135
Sponsorship	148	67
Minor works, maintenance and equipment	129	68
Consultants	64	-
Contractors and other outsourced services	61	52
Training and development	61	10
Vehicle and travelling expenses	59	41
Management fees and charges	40	7
Cleaning	33	30
Advertising, publicity and promotion expenses	30	57
Program development	28	85
Information technology and communication	23	32
Catering	16	23
Conference expenses	12	5
Legal expenses	12	-
Shared Services SA charges	5	8
Other supplies and services	98	78
Total supplies and services	1 198	897

Department for Education
Notes to and forming part of the administered financial statements
for the year ended 30 June 2022

A4.1 Supplies and services (continued)

Consultants

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

	2022 Number	2022 \$'000	2021 Number	2021 \$'000
Above \$10 000	1	64	-	-
Total paid / payable to the consultants engaged	1	64	-	-

A4.2. Transfer payments

	2022 \$'000	2021 \$'000
Non-government schools	1 567 256	1 161 510
SACE Board of South Australia	17 122	21 543
Early Education Board of South Australia	4 074	4 199
Arts entities	10 461	8 204
Total transfer payments	1 598 913	1 195 456

Transfer payments are payments made to eligible recipients, consistent with legislation or other authority, where the amount transferred is determined by the initial transferring entity. The department is the agent responsible for the transfer process but does not control the amount of funds transferred or the use of the funds by the eligible recipients.

A4.3. Grants and subsidies

	2022 \$'000	2021 \$'000
Non-government schools	23 767	23 113
Family Day Care subsidies	15 939	16 990
Transport concessions	15 051	14 807
Other organisations	4 268	4 230
Non-government preschools	5 086	5 113
Arts entities	3 698	2 680
Multicultural grants	2 082	2 048
Other SA Government entities	661	643
Total grants and subsidies	70 552	69 624

A4.4. Depreciation

	2022 \$'000	2021 \$'000
Depreciation		
Buildings and improvements	398	139
Leasehold improvements	82	82
Computing, furniture and equipment	12	11
Other assets	-	3
Total depreciation	492	235

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A5. Non-financial assets

A5.1. Property, plant and equipment by asset class

	2022	2021
	\$'000	\$'000
Land		
Land	10 430	9 985
Total land	10 430	9 985
Buildings and improvements		
Buildings and improvements	33 689	33 688
Accumulated depreciation	(24 389)	(23 990)
Total buildings and improvements	9 300	9 698
Leasehold improvements		
Leasehold improvements	823	822
Accumulated depreciation	(282)	(199)
Total leasehold improvements	541	623
Computing, furniture and equipment		
Computing, furniture and equipment	101	87
Accumulated depreciation	(37)	(24)
Total computing, furniture and equipment	64	63
Other assets		
Other assets	2 132	2 132
Accumulated depreciation	(2 132)	(2 132)
Total other assets	-	-
Total property, plant and equipment	20 335	20 369

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A5.2. Property, plant and equipment

Reconciliation

2021-22	Land	Buildings and Improvements	Leasehold improvements	Computing, furniture and equipment	Other assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2021	9 985	9 698	623	63	-	20 369
Additions	-	-	-	13	-	13
Revaluation increment/(decrement)	445	-	-	-	-	445
Depreciation	-	(398)	(82)	(12)	-	(492)
Carrying amount at 30 June 2022	10 430	9 300	541	64	-	20 335

2020-21	Land	Buildings and Improvements	Leasehold improvements	Computing, furniture and equipment	Other assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2020	10 105	3 348	705	74	3	14 235
Revaluation increment/(decrement)	(120)	6 489	-	-	-	6 369
Depreciation	-	(139)	(82)	(11)	(3)	(235)
Carrying amount at 30 June 2021	9 985	9 698	623	63	-	20 369

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A6. Liabilities

A6.1. Payables

	2022	2021
	\$'000	\$'000
Current		
Creditors	451	269
Employment on-costs	73	61
Accrued expenses	19	15
Total current payables	<u>543</u>	<u>345</u>
Non-current		
Employment on-costs	116	54
Total non-current payables	<u>116</u>	<u>54</u>
Total payables	<u><u>659</u></u>	<u><u>399</u></u>

A7. Other disclosures

A7.1. Cash flow

Cash flow reconciliation

	2022	2021
	\$'000	\$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents disclosed in the Statement of Administered Financial Position	17 495	21 179
Balance as per the Statement of Administered Cash Flows	<u>17 495</u>	<u>21 179</u>
Reconciliation of net cash provided by / (used in) operating activities to net result		
Net cash provided by/(used in) operating activities	(3 671)	(19 839)
Add / (less) non-cash items		
Depreciation	(492)	(235)
Movement in assets and liabilities		
(Increase)/decrease in payables	(260)	615
Increase/(decrease) in receivables	1 787	19 075
(Increase)/decrease in employee benefits	49	(135)
Net result	<u><u>(2 587)</u></u>	<u><u>(519)</u></u>

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A8. Outlook

A8.1. Unrecognised contractual commitments

Commitments in relation to expenditure commitments contracted for at the reporting date but not recognised as liabilities are payable as follows:

Expenditure commitments	2022	2021
	\$'000	\$'000
Within one year	277	209
Later than one year but not longer than five years	1 621	899
Later than five years	1 534	493
Total operating lease commitments	3 432	1 601

The expenditure commitments relate to the memoranda of administrative arrangements with the Department for Infrastructure and Transport and for accommodation.

A9. Measurement and risk

A9.1. Long service leave and other employee benefit liabilities – measurement

For further information on the measurement of long service leave and other employee benefits, refer to note 3.4.

A9.2. Fair value

For further information on fair value measurement and recognition, refer to note 10.1.

In 2022 and 2021 all land was classified as level 2 and all buildings, improvements, computing, furniture and equipment were classified as level 3. All recurring fair value measurements are the same as in note A5.1. There are no significant unobservable inputs for level 3 property, plant and equipment.

A9.3. Financial instruments

Financial risk management

Risk management is managed by the department and departmental risk management policies are in accordance with the *SA Government Risk Management Guidelines* and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

The administered activities exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

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 the respective financial asset/financial liability note within the departments controlled financial statements.

Classification of financial instruments

The department measures all financial instruments at amortised cost. All financial assets and liabilities have a contractual maturity within one year.