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## To the Presiding Member SACE Board of South Australia

### Opinion

I have audited the financial report of the SACE Board of South Australia (the SACE Board) for the financial year ended 31 December 2025.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the SACE Board of South Australia as at 31 December 2025, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards – Simplified Disclosures.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 31 December 2025
- a Statement of Financial Position as at 31 December 2025
- a Statement of Changes in Equity for the year ended 31 December 2025
- a Statement of Cash Flows for the year ended 31 December 2025
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Presiding Member, the Acting Chief Executive and the Executive Director People and Performance.

### Basis for opinion

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

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

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

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

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

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

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

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 19A of the *SACE Board of South Australia Act 1983*, I have audited the financial report of the SACE Board for the financial year ended 31 December 2025.

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the SACE Board's internal control

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

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

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



Daniel O'Donohue  
**Deputy Auditor-General**

31 March 2026

**SACE Board of South Australia**  
**Annual Financial Statements for the year ended 31 December 2025**

**SACE Board of South Australia**  
**Statement of Comprehensive Income**  
for the year ended 31 December 2025

	Note	2025 \$'000	2024 \$'000
<b>Income</b>			
Intra-government transfers	2.1	17,703	17,230
Fees and charges	2.2	48	59
Sales of goods and services	2.3	6,113	6,351
Resources received free of charge	2.4	162	139
Replacement teachers' write-back	2.5	81	56
Other income	2.6	1,359	1,216
<b>Total income</b>		<b>25,466</b>	<b>25,051</b>
<b>Expenses</b>			
Employee related expenses	3.3	16,100	16,097
Supplies and services	4.1	7,654	7,504
Depreciation and amortisation	5.1	1,443	1,377
Replacement teachers' expense	4.2	52	367
<b>Total expenses</b>		<b>25,249</b>	<b>25,345</b>
<b>Net result</b>		<b>217</b>	<b>(294)</b>
<b>Total comprehensive result</b>		<b>217</b>	<b>(294)</b>

The accompanying notes form part of these financial statements.

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

SACE Board of South Australia  
Annual Financial Statements for the year ended 31 December 2025

SACE Board of South Australia  
Statement of Financial Position  
as at 31 December 2025

	Note	2025 \$'000	2024 \$'000
<b>Current Assets</b>			
Cash and cash equivalents	6.2	20,943	20,444
Receivables	6.3	810	799
<b>Total current assets</b>		<b>21,753</b>	<b>21,243</b>
<b>Non-current Assets</b>			
Receivables	6.3	9	12
Plant and equipment	5.2	352	653
Intangible assets	5.3	5,516	5,704
<b>Total non-current assets</b>		<b>5,877</b>	<b>6,369</b>
<b>Total assets</b>		<b>27,630</b>	<b>27,612</b>
<b>Current Liabilities</b>			
Payables	7.2	358	608
Contract liabilities	2.3	784	589
Employee related liabilities	3.4	1,752	1,703
Replacement teachers	7.3	149	282
Provisions	7.4	35	31
<b>Total current liabilities</b>		<b>3,078</b>	<b>3,213</b>
<b>Non-current Liabilities</b>			
Payables	7.2	4	-
Employee related liabilities	3.4	1,762	1,839
Provisions	7.4	446	437
<b>Total non-current liabilities</b>		<b>2,212</b>	<b>2,276</b>
<b>Total liabilities</b>		<b>5,290</b>	<b>5,489</b>
<b>Net assets</b>		<b>22,340</b>	<b>22,123</b>
<b>Equity</b>			
Retained earnings		22,340	22,123
<b>Total equity</b>		<b>22,340</b>	<b>22,123</b>

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

**SACE Board of South Australia**  
**Annual Financial Statements for the year ended 31 December 2025**

**SACE Board of South Australia**  
**Statement of Changes in Equity**  
for the year ended 31 December 2025

	Note	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 January 2024		22,417	22,417
<b>Net result for 2024</b>		(294)	(294)
<b>Total comprehensive result for 2024</b>		(294)	(294)
<b>Balance at 1 January 2025</b>		<b>22,123</b>	<b>22,123</b>
<b>Net result for 2025</b>		217	217
<b>Total comprehensive result for 2025</b>		217	217
<b>Balance at 31 December 2025</b>		<b>22,340</b>	<b>22,340</b>

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

SACE Board of South Australia  
Annual Financial Statements for the year ended 31 December 2025

SACE Board of South Australia  
**Statement of Cash Flows**  
for the year ended 31 December 2025

	Note	2025 \$'000	2024 \$'000
<b><u>Cash Flows from Operating Activities</u></b>			
<b><u>Cash Inflows</u></b>			
Intra-government transfers		17,703	17,230
Sales of goods and services		6,611	7,132
Fees and charges		48	59
Interest received		853	916
GST recovered from the ATO		373	413
Other receipts		649	417
<b>Cash generated from operations</b>		<b>26,237</b>	<b>26,167</b>
<b><u>Cash Outflows</u></b>			
Employee benefit payments		(16,127)	(15,383)
Payments for supplies and services		(8,553)	(8,160)
Replacement teachers		(104)	(137)
<b>Cash used in operations</b>		<b>(24,784)</b>	<b>(23,679)</b>
<b>Net cash provided by (used in) operating activities</b>		<b>1,454</b>	<b>2,487</b>
<b><u>Cash Flows from Investing Activities</u></b>			
<b><u>Cash Outflows</u></b>			
Purchases of intangible assets		(955)	(965)
Purchase of PP&E		-	(47)
<b>Net cash provided by (used in) investing activities</b>		<b>(955)</b>	<b>(1,012)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>499</b>	<b>1,475</b>
Cash and cash equivalents at the beginning of the calendar year		20,444	18,969
<b>Cash and cash equivalents at the end of the calendar year</b>	6.2	<b>20,943</b>	<b>20,444</b>

The accompanying notes form part of these financial statements.

**SACE Board of South Australia**  
**Annual Financial Statements for the year ended 31 December 2025**

**Notes to the Financial Statements**

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

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

**1.1 Basis of preparation**

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

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

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

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

All amounts in the financial statements and accompanying notes are rounded to the nearest thousand dollars (\$'000).

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

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

Cash flows include GST in the Statement of Cash Flows.

Assets that are to be sold, consumed or realised as part of the 12 month normal operating cycle have been classified as current assets. Liabilities that are due to be settled within 12 months after the end of the reporting period or for which the department has no right to defer the settlement for at least 12 months after the end of the reporting period are classified as current liabilities. All other assets and liabilities are classified as non-current.

Material accounting policies are set out throughout the notes.

**1.2 Objectives and programs**

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

The SACE Board is actively pursuing three key strategic priorities:

- Bold Leader - further develop the SACE Board as a leader in education and as an exemplary public service agency.
- A Qualification for a Changing World - further develop a qualification through which students can thrive and provide evidence of their knowledge, skills, capabilities and other attributes that will connect them to industry sectors and other pathways.
- Engine Room - genuinely partnering for results delivery is at the core of what we do, while ensuring systems and processes are solid and teachers and leaders are supported through continuity and stability.

The main programs of the SACE Board, prescribed by the Act, are to:

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

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

**SACE Board of South Australia**  
**Annual Financial Statements for the year ended 31 December 2025**

**2. Income**

**2.1 Intra-government transfers**

	2025	2024
	\$'000	\$'000
Transfers from the Department for Education	17,703	17,230
<b>Total intra-government transfers</b>	<b>17,703</b>	<b>17,230</b>

The transfer of funds is recognised as revenue when the SACE Board obtains control over the funding. Intra-government transfers are recognised as income upon receipt.

Total revenues consist of \$16,807,000 (2024: \$16,360,000) for operational funding and \$896,000 (2024: \$870,000) for capital projects.

**2.2 Fees and charges**

Students are charged for replacement certificates. Income is recognised when fees are received.

	2025	2024
	\$'000	\$'000
Regulatory fees	48	59
<b>Total fees and charges</b>	<b>48</b>	<b>59</b>

**2.3 Sales of goods and services**

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

	2025	2024
	\$'000	\$'000
Northern Territory Government	2,983	2,910
SACE International Program	2,390	2,773
Overseas students studying in South Australia	740	668
<b>Total sales of goods and services</b>	<b>6,113</b>	<b>6,351</b>

**Northern Territory Government Arrangement**

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

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

**SACE International Program**

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

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

- A program fee annually charged to the school represents the provision of services to enable the school to offer the courses of study in accredited subjects. This is recognised over the academic year.
- Student fees are charged per student and recognised at completion of the academic year when results are released.

**SACE Board of South Australia**  
**Annual Financial Statements for the year ended 31 December 2025**

**Overseas students studying in South Australia**

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

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

**Contract balances**

	2025	2024
	\$'000	\$'000
Receivables from contracts with customers included in 'Receivables'	18	39
Revenue received in advance	766	550
<b>Total revenue from contracts with customers</b>	<b>784</b>	<b>589</b>

Under revenue standard *AASB 15 Revenue from Contracts with Customers*, receivables relate to the sales of goods and services from contracts with customers and contract liabilities relate to cash received or receivable from SACE International schools who have prepaid their fees. Revenue from contract liabilities will be earned within the next 12 months.

**2.4 Resources received free of charge**

	2025	2024
	\$'000	\$'000
Services received free of charge - Shared Services SA	105	84
Services received free of charge - Audit Office of SA	57	55
<b>Total resources received free of charge</b>	<b>162</b>	<b>139</b>

The resources received free of charge are measured at fair value.

The SACE Board receives accounting services from Shared Services SA free of charge. The SACE Board also receives audit services free of charge from the Audit Office of South Australia relation to work performed under the Public Finance and Audit Act 1987. No other services were provided by the Audit Office of South Australia.

**2.5 Replacement teachers' write-back**

	2025	2024
	\$'000	\$'000
Replacement teachers' write-back income	81	56
<b>Total Replacement teachers' write-back income</b>	<b>81</b>	<b>56</b>

The write-back relates to outstanding amounts previously recorded as expenses, for which schools have not sought reimbursement within the allowable claimable timeframe. This write-back is recorded as revenue in the Statement of Comprehensive Income in accordance with accounting standards. Refer to Note 7.3 for additional explanation of the liability for replacement teachers.

**2.6 Other income**

	2025	2024
	\$'000	\$'000
Miscellaneous income	513	300
Interest on cash and cash equivalents	846	916
<b>Total other income</b>	<b>1,359</b>	<b>1,216</b>

Miscellaneous income includes the scaling grant, provided by the South Australian Tertiary Admissions Centre (SATAC) for the SACE Board to provide services on their behalf. This revenue has been recognised under *AASB 15* over the academic year and is charged annually.

**SACE Board of South Australia**  
**Annual Financial Statements for the year ended 31 December 2025**

**3. Board, committees and employees**

**3.1 Key management personnel**

Key management personnel of the SACE Board include the Minister, the Chief Executive Officer, Board members, the Deputy Chief Executive Officer, the Director of People and Performance, the Director Education Services and the Director Operations Transformation and Enterprise Portfolio Manager. Total compensation for the SACE Board's key management personnel was \$1,441,000 (2024: \$1,368,000).

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.

The SACE Board has not identified any material transactions with key management personnel and other related parties during 2025.

**3.2 Board and committee members**

Members during the 2025 calendar year were:

**SACE Board of South Australia**

**Presiding Member**

Ms Ruth Blenkiron

**Members**

Mr Timothy Browning

Ms Eliza Chui

Ms Georgette Elston

Ms Jayne Heath

Ms Becky Hirst

Ms Eva Kannis-Torry\*

Mr Diarmid Lee

Mr Daniel Lynch

Mr Peter Prest

Ms Pamela Ronan

Ms Marilyn Sleath

Mr Ben Temperly\*

\*These board members are current SA Government employees. In accordance with the Premier and Cabinet Circular 016, government employees did not receive any remuneration for board/committee duties during the calendar year.

**Board and committee remuneration**

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

	2025	2024
	No.	No.
\$0	2	4
\$1 to \$19,999	10	9
\$20,000 to \$39,999	1	1
<b>Total number of members</b>	<b>13</b>	<b>14</b>

The total remuneration received or receivable by members was \$134,000 (2024: \$150,000). Remuneration of members includes all costs paid/payable to board members, such as sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

**SACE Board of South Australia**  
**Annual Financial Statements for the year ended 31 December 2025**

**3.3 Employee related expenses**

	2025	2024
	\$'000	\$'000
Salaries and wages	9,908	9,621
Casual salaries external assessment	2,157	2,074
Casual salaries moderation	710	656
Casual salaries other	27	41
Long service leave	(17)	459
Annual leave	807	809
Skills and experience retention leave	28	51
Superannuation	1,611	1,518
Board and committee fees	128	134
Other employee related expenses	741	734
<b>Total employee related expenses</b>	<b>16,100</b>	<b>16,097</b>

**Superannuation**

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

**Employee remuneration**

	2025	2024
	No.	No.
The number of employees whose remuneration received or receivable falls within the following bands:		
\$166,001 to \$171,000*	-	1
\$171,001 to \$191,000	-	1
\$191,001 to \$211,000	1	2
\$211,001 to \$231,000	-	1
\$231,001 to \$251,000	2	1
\$251,001 to \$271,000	1	-
\$331,001 to \$351,000	-	1
\$351,001 to \$371,000	1	-
<b>Total</b>	<b>5</b>	<b>7</b>

\* This band has been included for the purpose of reporting comparative figures based on the executive base level remuneration rate for 2024.

The total remuneration received by those employees for the year was \$1,307,000 (2024: \$1,560,000).

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

SACE Board of South Australia  
Annual Financial Statements for the year ended 31 December 2025

3.4 Employee related liabilities

	2025	2024
	\$'000	\$'000
<b>Current</b>		
Accrued salaries and wages	243	120
Annual leave	917	942
Long service leave	137	209
Skills and experience retention leave	61	69
Employment on-costs	394	363
<b>Total current employee related liability</b>	<b>1,752</b>	<b>1,703</b>
<b>Non-current</b>		
Long service leave	1,595	1,668
Employment on-costs	167	171
<b>Total non-current employee related liability</b>	<b>1,762</b>	<b>1,839</b>
<b>Total employee related liability</b>	<b>3,514</b>	<b>3,542</b>

Employee related liabilities are accrued as a result of services provided up to the reporting date that remain unpaid. Apart from long service leave liability, employee related liabilities are measured at nominal amounts.

**Long service leave**

The long service leave (LSL) liability is measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The expected timing and amount of long service leave payments are determined through whole-of-government actuarial calculations applied to the SACE Board's employee data. The calculations are based on actuarial assumptions of expected future salary and wage levels, experience of employee departures and periods of services. These assumptions are based on employee data over SA Government entities. The discount rate is reflective of long-term Commonwealth Government bonds.

The yield on long-term Commonwealth Government bonds has increased from 4.25% (2024) to 4.75% (2025).

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

The current portion of employee related liabilities reflects the amount for which the department does not have the right to defer settlement for at least 12 months after the reporting date. For long service leave, the amount relates to leave approved before year end that will be taken within 12 months, expected amount of leave to be approved and taken by eligible employees within 12 months, and expected amount of leave to be paid on termination to eligible employees within 12 months.

**Employment on-costs**

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

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

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the estimated proportion of long service leave taken as leave has remained the same in 2025 (44%), and the average factor for the calculation of employer superannuation on-cost has increased in 2025 (12%) from 2024 (11.5%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current year is not material. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions.

**SACE Board of South Australia**  
**Annual Financial Statements for the year ended 31 December 2025**

**4. Expenses**

Employee related expenses are disclosed in note 3.3.

**4.1 Supplies and services**

	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Office accommodation	1,293	1,215
Computing and communication	1,115	1,065
Shared Services SA charges	129	126
Consultants	91	24
Contractors	1,275	1,625
Printing	198	144
Motor vehicle transport	25	25
Travel and accommodation	240	182
Postage, courier, and freight	174	318
Software	1,508	1,526
Venue hire	227	189
Hospitality	219	206
Equipment hire	205	128
Advertising	171	151
Cleaning	71	107
Staff development	367	157
Impairment loss on receivables	32	3
Other	314	313
<b>Total supplies and services</b>	<b>7,654</b>	<b>7,504</b>

**Office Accommodation**

The SACE Board's accommodation is provided by the Department for Infrastructure and Transport under Memoranda of Administrative Arrangement issued in accordance with Government-wide accommodation policies. These accommodation costs are recognised as expenses as they become due, as the arrangements do not meet the definition of a lease set out in AASB 16.

**Other**

The Audit Office of SA provided services free of charge of \$57,000 (2024: 55,000) for work performed under the Public Finance and Audit Act 1987. No other services were provided by the Audit Office of SA.

**4.2 Replacement teachers' expense**

	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Temporary replacement teachers	52	367
<b>Total replacement teachers' expense</b>	<b>52</b>	<b>367</b>

This expense relates to costs incurred by schools for the release of teachers to undertake duties for the SACE Board. The SACE Board issues schools with vouchers entitling them to make a claim for reimbursement of their costs. The expense comprises a total of the amount of claims paid by the SACE Board plus an estimate of the cost of outstanding claims not yet received. The estimate of the cost of claims not yet received is equal to the number of unclaimed vouchers issued to schools at a value per voucher of the average cost per claim in 2025.

See also Note 7.3 for details of the unclaimed funds as at 31 December 2025.

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**5. Non-financial assets**

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

**5.1 Useful life and depreciation**

<b>Depreciation and amortisation</b>	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Equipment	7	5
Leasehold improvements	293	294
Intangible assets	1,143	1,078
<b>Total depreciation and amortisation</b>	<b>1,443</b>	<b>1,377</b>

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

**Useful life**

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

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

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

The useful lives of intangible assets are assessed to be either finite or indefinite. The SACE Board only has intangible assets with finite lives.

**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 life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

In 2025, the SACE Board reviewed the useful life of internally developed computer software and did not make any adjustments.

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**5.2 Plant and equipment**

Equipment comprises owned assets.

	2025 \$'000	2024 \$'000
<b>Leasehold improvements</b>		
Leasehold improvements at fair value	1,659	1,659
Accumulated depreciation at the end of the period	(1,342)	(1,048)
<b>Total leasehold improvements</b>	<b>317</b>	<b>611</b>
<b>Equipment</b>		
Equipment at cost (deemed fair value)	47	89
Accumulated depreciation at the end of the period	(12)	(47)
<b>Total equipment</b>	<b>35</b>	<b>42</b>
<b>Computer equipment</b>		
Computer equipment at cost (deemed fair value)	-	475
Accumulated depreciation at the end of the period	-	(475)
<b>Total computer equipment</b>	<b>-</b>	<b>-</b>
<b>Total plant and equipment</b>	<b>352</b>	<b>653</b>

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

Owned equipment is recorded at fair value.

**Impairment**

There were no indications of impairment, as at 31 December 2025.

<b>Reconciliation 2025</b>	<b>Leasehold improve- ments \$'000</b>	<b>Equipment \$'000</b>	<b>Computer equipment \$'000</b>	<b>Total \$'000</b>
Carrying amount at 1 January 2025	611	42	-	653
Depreciation	(293)	(7)	-	(300)
<b>Carrying amount at 31 December 2025</b>	<b>317</b>	<b>35</b>	<b>-</b>	<b>352</b>

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## 5.3 Intangible assets

	2025 \$'000	2024 \$'000
<b>Internally developed computer software</b>		
Internally developed computer software	15,890	14,971
Accumulated amortisation	(10,738)	(9,625)
<b>Total Internally developed computer software</b>	<b>5,153</b>	<b>5,346</b>
<b>Purchased computer software</b>		
Purchased computer software	29	381
Accumulated amortisation	(7)	(274)
<b>Total Purchased computer software</b>	<b>22</b>	<b>107</b>
<b>Work in progress</b>		
Internally developed computer software	341	251
<b>Total Work in progress</b>	<b>341</b>	<b>251</b>
<b>Total intangible assets</b>	<b>5,516</b>	<b>5,704</b>

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

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

The internally developed computer software relates to the SACE Board's Schools Online and Students Online systems. These systems are recorded in the SACE Board's asset register as a consolidated asset with a carrying amount of \$5,153,000 and are being amortised with a useful life of 10 years.

## Reconciliation 2025

	Internally developed computer software \$'000	Other computer software \$'000	WIP \$'000	Total \$'000
<b>Carrying amount at 1 January 2025</b>	5,346	107	251	5,704
Additions	-	-	1,010	1,010
Disposals	-	(54)	-	(54)
Transfers (Work in progress)	920	-	(920)	-
Amortisation	(1,112)	(31)	-	(1,143)
<b>Carrying amount at 31 December 2025</b>	<b>5,153</b>	<b>22</b>	<b>341</b>	<b>5,516</b>

## 6. Financial assets

## 6.1 Financial assets

	Notes	2025 Carrying amount \$'000	2024 Carrying amount \$'000
<b>Financial assets</b>			
<b>Cash and equivalents</b>			
- Cash and cash equivalents	6.2	20,943	20,444
<b>Financial assets at amortised cost</b>			
- Receivables	6.3	161	300
<b>Total financial assets</b>		<b>21,104</b>	<b>20,744</b>

All financial assets are measured at amortised cost.

Receivables as disclosed in this note do not include statutory amounts and prepayments as these are not financial instruments.

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**6.2 Cash and cash equivalents**

	<b>2025</b>	<b>2024</b>
	\$'000	\$'000
Operating account	9,332	9,281
Deposit with SAFA	11,611	11,163
<b>Total cash and cash equivalents</b>	<b>20,943</b>	<b>20,444</b>

**6.3 Receivables**

	<b>2025</b>	<b>2024</b>
	\$'000	\$'000

**Current receivables**

**Contractual receivables**

Receivables from sale of goods and services	65	194
Less: impairment loss on contractual receivables	(7)	-
Overpayment recoveries	56	60
Less: provision for salary overpayments	(23)	(31)
Accrued revenues	70	77
<b>Total contractual receivables</b>	<b>161</b>	<b>300</b>

**Statutory receivables**

GST receivable	38	121
<b>Total statutory receivables</b>	<b>38</b>	<b>121</b>

Prepayments	611	378
<b>Total current receivables</b>	<b>810</b>	<b>799</b>

**Non-current receivables**

Prepayments	9	12
<b>Total non-current receivables</b>	<b>9</b>	<b>12</b>
<b>Total receivables</b>	<b>819</b>	<b>811</b>

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

**Contractual receivables**

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

Impairment losses relate to contracts with customers external to SA Government.

**Statutory receivables**

Statutory receivables do not arise from contracts with customers. They are related to taxes and tax equivalents as well as statutory fees and charges. Statutory receivables are recognised and measured similarly to contractual receivables (except impairment) but are not classified as financial assets for disclosure purposes.

<b>Allowance for impairment loss on receivables</b>	<b>2025</b>	<b>2024</b>
	\$'000	\$'000
Carrying amount at 1 January 2025	31	41
Amounts written off	(33)	(13)
Increase/(decrease) in the allowance	32	3
<b>Carrying amount at 31 December 2025</b>	<b>30</b>	<b>31</b>

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7. Liabilities

Employee benefits liabilities are disclosed in note 3.4.

7.1 Financial liabilities

	Notes	2025 Carrying amount \$'000	2024 Carrying amount \$'000
<b>Financial liabilities measured at amortised cost</b>			
- Contractual payables	7.2	362	604
- Other financial liabilities (Replacement Teachers)	7.3	149	282
<b>Total financial liabilities</b>		<b>511</b>	<b>886</b>

All financial liabilities are measured at amortised cost.

7.2 Payables

	2025 \$'000	2024 \$'000
<b>Current</b>		
Contractual payables	(1)	71
Accrued expenses	359	533
Statutory payables	-	4
<b>Total current payables</b>	<b>358</b>	<b>608</b>
<b>Non-current</b>		
Unclaimed Monies	4	-
<b>Total non-current payables</b>	<b>4</b>	<b>-</b>
<b>Total payables</b>	<b>362</b>	<b>608</b>

Payables and accruals are raised for all amounts owing but unpaid. All payables are non interest bearing.

**Contractual Payables**

Contractual payables are normally settled within 15 days from the date the invoice is first received. The carrying amount of payables represents fair value due to their short term nature.

**Statutory Payables**

Statutory payables do not arise from contracts with customers, and include government taxes and equivalents as well as statutory fees and charges.

Statutory payables are carried at cost. They are not financial liabilities.

**GST payable**

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

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**7.3 Replacement teachers**

	2025	2024
	\$'000	\$'000
<b>Current</b>		
Temporary replacement teachers	149	282
<b>Total replacement teachers' liability</b>	<b>149</b>	<b>282</b>

The liability for replacement teachers represents the estimated cost of amounts owing to schools but not yet claimed as at 31 December 2025.

**7.4 Provisions**

	2025	2024
	\$'000	\$'000
<b>Current</b>		
Provision for workers' compensation	35	31
<b>Total current provisions</b>	<b>35</b>	<b>31</b>
<b>Non-current</b>		
Provision for workers' compensation	99	91
Make good provision	346	346
<b>Total non-current provisions</b>	<b>446</b>	<b>437</b>
<b>Total provisions</b>	<b>481</b>	<b>468</b>
<b>Movement in provisions</b>	<b>2025</b>	<b>2024</b>
	\$'000	\$'000
Carrying amount at the beginning of the period	468	466
Additional provisions recognised	13	2
<b>Carrying amount at the end of the period</b>	<b>481</b>	<b>468</b>

A provision has been reported to reflect unsettled workers' compensation claims. The workers' compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2025 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

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

During the reporting year the make good provision for our Waymouth Street tenancy premises remained the same. The provision is based on advice received from the Department for Infrastructure and Transport. The provision is for the estimated cost of repairs and maintenance required to complete decommissioning activities.

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**8. Outlook**

**8.1 Unrecognised commitments**

Commitments arising from contractual or statutory sources are disclosed at their nominal value and inclusive of non-recoverable GST.

**Expenditure commitments**

	2025	2024
	\$'000	\$'000
No later than one year	3,242	2,791
Later than one year but not longer than five years	5,114	2,694
Later than five years	831	-
<b>Total other commitments</b>	<b>9,188</b>	<b>5,485</b>

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

Office accommodation is provided for via Memoranda of Administrative Arrangements with the Department for Infrastructure and Transport.

**8.2 Contingent assets and liabilities**

The SACE Board does not have any contingent assets and liabilities.

**8.3 Events after the reporting period**

The previous Enterprise Bargaining Agreement (EBA) expired in July 2025. As at 31 December 2025 the replacement EBA is still under negotiation. Any required adjustment will be recognised in the period in which the EBA is finalised.

To the best of our knowledge and belief we certify that the attached draft general purpose financial statements for the SACE Board of South Australia:

- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987* and relevant Australian Accounting Standards;
- are in accordance with the accounts and records of the SACE Board of South Australia; and
- present a true and fair view of the financial position of the SACE Board of South Australia as at 31 December 2025 and the results of its operations and cash flows for the calendar year.

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



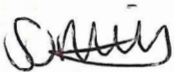
**Ruth Blenkiron**  
Presiding Member

26<sup>th</sup> March 2026  
Date: \_\_\_\_\_



**Hassan Mekawy**  
Acting Chief Executive

26/3/26  
Date:



**Sam Mill**  
Executive Director People and Performance

Date: 26/3/26