

SECTION E

APPENDICES

Appendix 1	Management discussion and analysis (A5)	250
Appendix 2	Financial report (A6)	260
Appendix 3	Statement of performance (A7)	321
Appendix 4	Triple bottom line report (A10)	330
Appendix 5	Government contracting (C15)	333
Appendix 6	List of tables	345
Appendix 7	List of figures	347
Appendix 8	List of boxes	348
Appendix 9	Abbreviations and acronyms	349
Appendix 10	Index	351

Appendix 1: A5 Management discussion and analysis

General overview

Objectives

The Directorate works in partnership with parents and the community to ensure students are supported and engaged to achieve their full potential. The Directorate will work closely with the community to position the ACT as Australia's lifelong learning capital.

Services of the Directorate include the provision of public school education, preschool and early intervention education programs, registration of non-government schools, registration for home education, and the planning and coordination of vocational education and training. The Directorate aims to ensure that all young people in the ACT learn, thrive and are equipped with the skills to lead fulfilling, productive and responsible lives.

Risk management

The development of the Directorate's annual Strategic Risk Management and Audit Plan identified risks that could impact on the Directorate's operations and objectives. The key risks provided below are medium to long-term risks that require ongoing monitoring and attention by the Directorate's executive and senior management.

Key risks include:

- The ongoing attraction and retention of high quality staff and the provision of a safe, inclusive and productive workplace needs to be a focus in the context of the contemporary labour market and changes to the ACT Public Service.
- Increasing demand for the integration of ICT systems as part of educational programs. Assessment of ICT systems must take into account compatibility with existing systems, technological advances, future demands and value for money. The Directorate has an ICT Committee to develop strategic plans and oversee implementation of change management policies.
- Delivery of education reforms under COAG agreements in a timely, effective and transparent manner. The Directorate has identified strategies to mitigate the risks particular to each COAG reform.

Accounting issues

There has been no significant change in the accounting standards applicable to the Directorate's 2011-12 financial statements.

There has been a change in the accounting estimates for the calculation of the Directorate's long service leave provision which has had a significant impact on the Directorate's financial statements. In 2011-12, a rate of 106.6 percent was used to calculate the present value of the estimated future payments in comparison with

92.2 percent in 2010-11. The change in the rate used to estimate the present value significantly increased the employee benefits in the Balance Sheet, having a flow-on impact on employee expenses and the operating result.

The change in estimate was in accordance with accounting standards and was primarily due to a reduction in interest rates.

Supplementary appropriation

In 2011-12, the Directorate received supplementation funding of \$8.5 million through a second appropriation bill relating to teaching and non-teaching enterprise bargaining agreements.

The new teaching enterprise bargaining agreement provided an average of 5.3 percent pay increase in 2011-12 followed by 3.0 and 4.0 percent in the next two years. The non-teaching enterprise bargaining agreement reflected a pay rise of 3.5 percent in 2011-12 and 2012-13.

For the purposes of the management discussion and analysis, the original budget will be amended to incorporate the supplementary appropriation.

Directorate financial performance

Overall, the Directorate managed its activities within the 2011-12 appropriation. During this financial year, the Directorate faced cost pressures relating to increased enrolment growth, temporary relocation of Taylor Primary School and the provision of special needs transport. The Directorate managed these cost pressures through internal mitigation strategies.

Table A5.1 provides the financial information based on audited financial statements for 2010-11 and 2011-12.

Table A5.1: Net cost of services

	Actual 2011-12 \$m	Amended budget ¹ 2011-12 \$m	Actual 2010-11 \$m
Total expenditure	627.4	629.7	587.9
Total own source revenue	37.2	35.2	39.7
Net cost of services	590.2	594.5	548.2

Source: Education and Training Directorate financial statements

Note:

1. The original budget was amended to reflect the supplementary appropriation provided in 2011-12 totalling \$8.5million.

The Directorate’s net cost of services in 2011-12 decreased from the amended budget by \$4.3 million or 0.7 percent. The lower than anticipated costs primarily related to the timing of expenditure associated with national partnership programs such as Productivity Places Program, Youth Attainment and Transitions, Literacy and Numeracy and Improving Teacher Quality combined with superannuation and other savings. The lower than anticipated expenditure was offset by the increase in employee expenses due to a change in the rate used to calculate the present value of long service leave, an enrolment growth of 1,064 students in 2012, cost increases for special needs transport and the transfer of the Red Hill Preschool to the Economic Development Directorate.

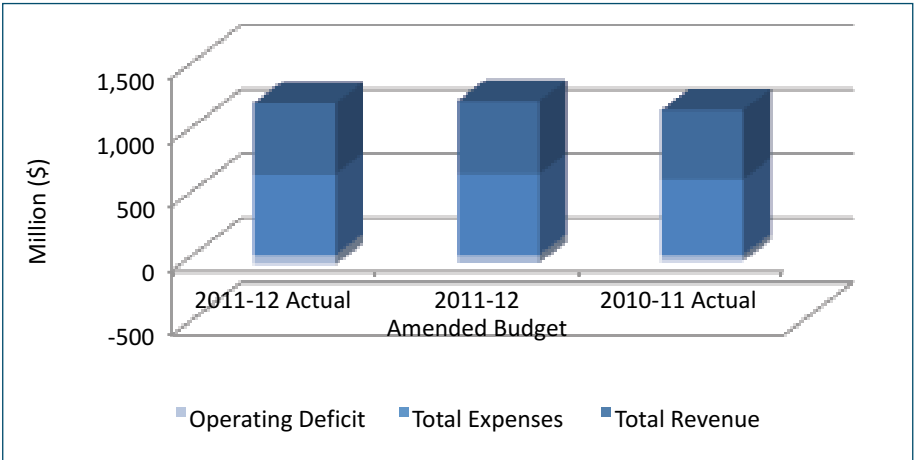
In comparison with 2010-11, there was a significant increase in the net cost of services by \$42.0 million or 7.7 percent. Higher levels of expenditure primarily related to additional costs associated with new enterprise bargaining agreements for teaching and non-teaching staff, change in long service leave provision, increase in teacher numbers to meet enrolment growth, impact of national partnership programs, increased depreciation associated with higher levels of capital investment particularly in new schools and asset revaluation.

The increase was partially offset by the rollover of unspent appropriation from the previous year associated with national partnership programs funding relating to Literacy and Numeracy and Productivity Places Program, combined with the transfer of Birrigai at Tidbinbilla infrastructure to the Territory and Municipal Services Directorate in 2010-11.

Operating deficit

The 2011-12 financial statements provided an operating deficit of \$74.2 million for the Directorate. This represented \$14.1 million or 23.5 percent higher than the amended budget and \$27.2 million or 58.0 percent higher than 2010-11.

Figure A5.1: Operating result



Source: Education and Training Directorate financial statements

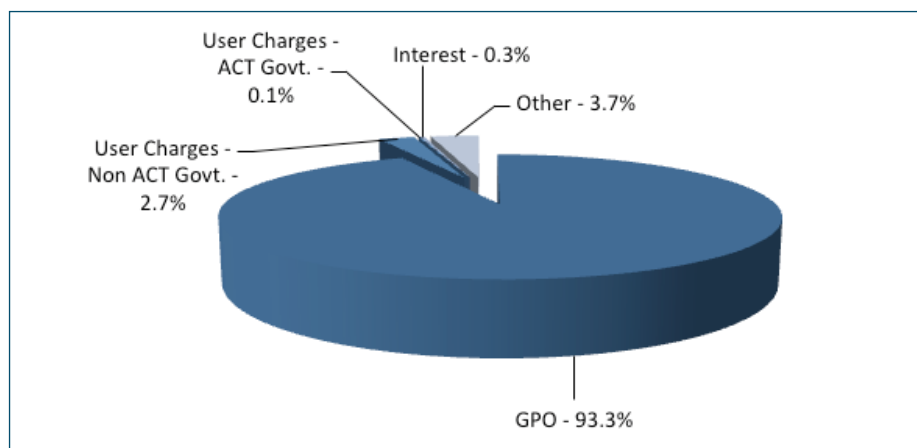
The higher than expected operating deficit against the amended budget mainly related to increased employee expenses due to a change in long service leave, as a result of a change in accounting estimate and wage increases from the teaching and non-teaching enterprise bargaining agreements.

In comparison with 2010-11, an increase in operating result primarily related to higher levels of employee expenses as explained above combined with increased depreciation due to higher levels of capital investment and asset revaluation.

Revenue

In 2011-12, the Directorate's revenue totalled \$553.3 million, which was \$16.4 million or 2.9 percent lower than the amended budget. In comparison with 2010-11, revenue increased by \$12.3 million or 2.3 percent.

Figure A5.2: Revenue



Source: Education and Training Directorate financial statements

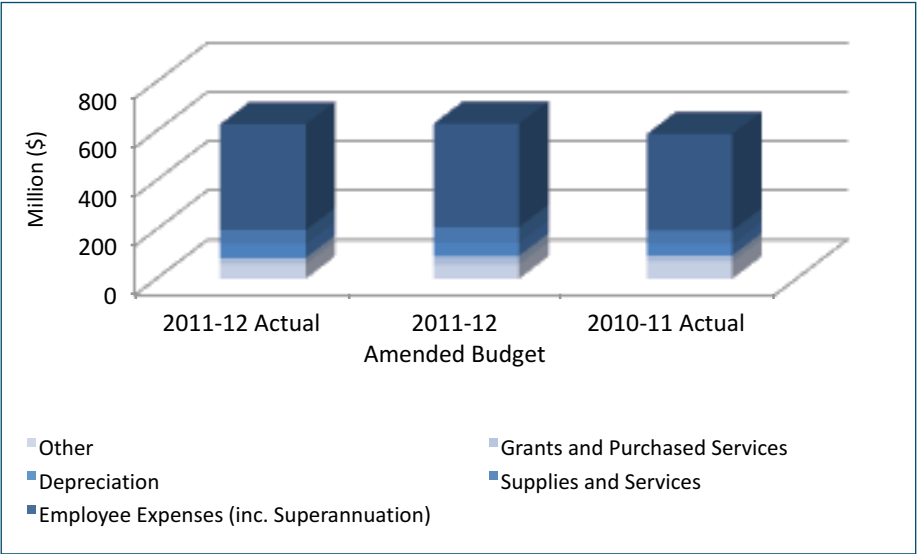
The lower than anticipated revenue of \$16.4 million from the amended budget primarily related to the rollover of unspent Government Payments for Outputs (GPO) appropriation from 2011-12 to 2012-13 for national partnership programs such as Productivity Places Program, Youth Attainment and Transitions, Improving Teacher Quality and Literacy and Numeracy. Further reduction in revenue related to superannuation and other savings partially offset by higher than budgeted levels of schools revenues primarily relating to activities such as overseas excursions and hire of facilities.

Increased revenue from 2010-11 mainly related to additional funding associated with the new enterprise agreements for teaching and non-teaching staff and budget initiatives relating to students with special needs, digital learning and flow on impact of operational funding relating to Gungahlin College and Namadgi School. This was partially offset by the rollovers of unspent funding from the previous year associated with national partnership programs and savings initiatives.

Expenses

In 2011-12, expenditure totalled \$627.4 million and comprised of employees costs, supplies and services, grants and purchased services, depreciation, schools and borrowing costs. According to Figure A5.3, employee related expenses including superannuation comprised 69 percent of the total expenditure.

Figure A5.3: Expenses



Source: Education and Training Directorate financial statements

Total expenditure was \$2.3 million or 0.4 percent lower than the amended budget primarily due to lower than anticipated expenditure for national partnership programs such as Productivity Places Programs, Youth Attainment and Transitions, Improving Teacher Quality and Literacy and Numeracy, and superannuation and other savings. This was partially offset by higher than anticipated employee costs due to a change in the rate used to calculate the present value of long service leave, enrolment growth, special needs transport and the transfer of the Red Hill Preschool to the Economic Development Directorate.

In comparison with the previous year, total expenditure increased by \$39.7 million or 6.8 percent mainly relating to additional costs associated with new enterprise bargaining agreements for teaching and non-teaching staff, the impact of the change in the rate used to calculate the present value of long service leave, enrolment growth, higher levels of Commonwealth grants and increased depreciation due to higher levels of capital investment and asset revaluation.

The increase was offset by the rollover of unspent appropriation from the prior year associated with national partnership programs, in particular relating to Productivity Places Program and Literacy and Numeracy, combined with the transfer of Birrigai at Tidbinbilla infrastructure to the Territory and Municipal Services Directorate in 2010-11.

Table A5.2: Line item explanation of significant variances from the amended budget – Directorate operating statement

Main areas of variance from the budget	Actual 2012 \$'m	Amended Budget ¹ 2012 \$'m	Variance \$'m
Total revenue	553.3	569.7	(16.4)
Government Payment for Outputs ²	516.1	534.4	(18.3)
User Charges – ACT Government ³	0.4	0.1	0.3
User Charges – Non ACT Government ⁴	14.9	16.2	(1.3)
Interest	1.7	1.7	-
Resources received free of charge	0.4	0.3	0.1
Other revenue ⁵	19.8	17.0	2.8
Total expenditure	627.4	629.7	(2.3)
Employee expenses ⁶	376.7	365.2	11.5
Superannuation expenses ⁷	53.4	54.8	(1.4)
Supplies and services ⁸	57.4	62.8	(5.4)
Depreciation ⁹	55.8	54.6	1.2
Grants and purchased services ¹⁰	25.1	34.0	(8.9)
Other ¹¹	59.1	58.3	0.8

Source: Education and Training Directorate financial statements

Notes:

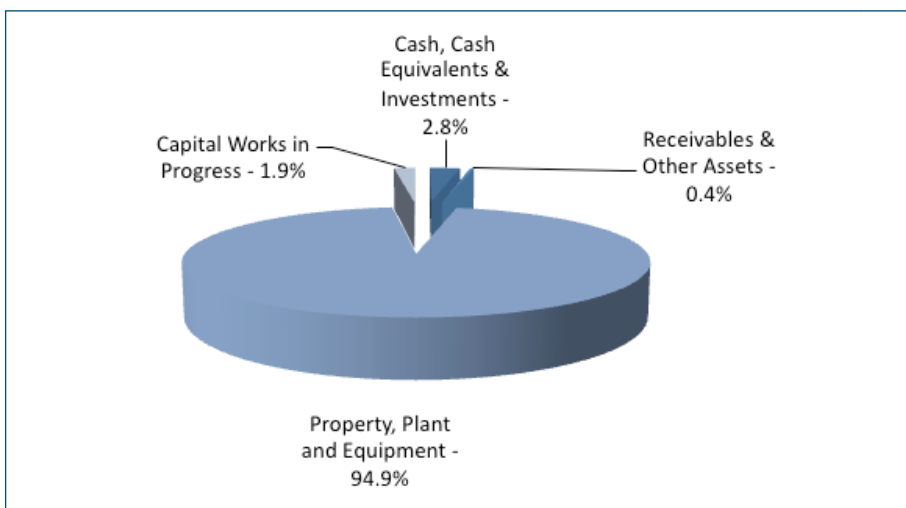
1. The original budget is amended to reflect the supplementary appropriation provided in 2011-12 totalling \$8.5m.
2. Reduction primarily relates to the timing of expenditure associated with national partnership programs, with the unspent appropriation being rolled over for expenditure in 2012-13. These national partnership programs primarily related to Productivity Places Program, Youth Attainment and Transitions, Improving Teacher Quality, Literacy and Numeracy, Empowering Local Schools and Student with Disabilities. The appropriation is further reduced by superannuation and other savings.
3. Higher than anticipated revenue relates to specific purpose grants relating to Mental Health initiative and Health Curriculum funded by the Health Directorate.
4. Decrease primarily relates to Commonwealth Own Purpose grants relating to Industry Skill Centres and Joint Group Training which have been funded as national partnership programs in 2011-12. Funding for these programs has been provided to the Directorate as Government Payments for Outputs.
5. Higher than anticipated revenue mainly relates to schools activities primarily associated with excursions and hire of facilities.
6. Increase primarily relates to change of employee provisions due to a change in long service leave estimates, increased provisions resulting from the teaching and non-teaching enterprise bargaining agreements, and enrolment growth. This is partially offset by rollover of national partnership programs and lower than anticipated casual salaries.
7. Lower than anticipated costs compared to budget relate to superannuation savings due to reduced numbers of employees in higher cost superannuation schemes including the CSS and PSS.
8. Decrease relates to timing of expenditure associated with national partnership programs and other specific projects, reduced costs associated with ICT and professional development funds. This is partially offset by increased costs associated with special needs transport.

9. Higher than anticipated expenditure mainly relates to the impact associated with asset revaluation.
10. Reduction primarily relates to timing of expenditure associated with Productivity Places Programs, Youth Attainment and Transition, Industry Skill Centres and Joint Group Training programs.
11. Increase mainly relates to the transfer of the Red Hill Preschool to the Economic Development Directorate, partially offset by timing of schools expenditure associated with excursions.

Total assets

The Directorate held 95 percent of its assets in property, plant and equipment, and 5 percent related to cash and cash equivalents, capital works in progress, receivables and other current assets.

Figure A5.4: Total assets



Source: Education and Training Directorate financial statements

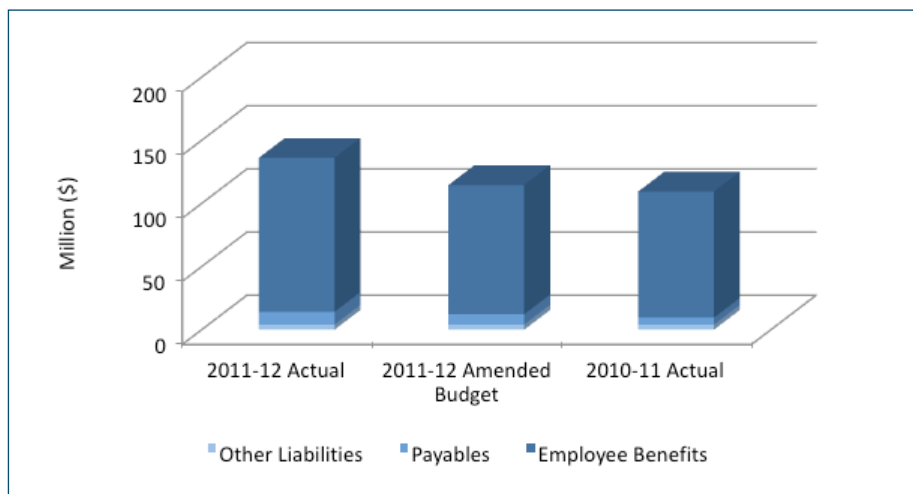
In 2011-12, assets totalled \$1,979.6 million. This represented a decrease of \$144.1 million or 6.8 percent over budget mainly due to the flow on impact from 2010-11 audited outcome in relation to asset revaluation and deferral of capital works projects to 2012-13, combined with timing of expenditure associated with the Commonwealth Digital Education Revolution and schools bank balances.

Total assets increased by \$40.2 million or 2.1 percent from the same period last year primarily due to the completion of capital works projects, higher levels of cash associated with timing of payments and also reflected by high levels of liabilities. The increase was partially offset by depreciation, impairment of Taylor Primary School and transfer of the Red Hill Preschool to the Economic Development Directorate.

Total liabilities

The Directorate's liabilities comprised of employee benefits, payables finance leases and make good provision. The majority of the Directorate's liabilities related to employee benefits (89.6 percent) and payables (7.5 percent).

Figure A5.5: Total liabilities



Source: Education and Training Directorate financial statements

At 30 June 2012, liabilities for the Directorate totalled \$136.0 million. This represented an increase of \$21.5 million or 18.7 percent over the amended budget, primarily due to increase in employee benefits associated with the change in the rate used to calculate long service leave and increased provisions resulting from the new enterprise bargaining agreement for teaching and non-teaching staff.

In comparison with 2010-11, total liabilities increased by \$26.7 million or 24.4 percent primarily associated with employee benefits as discussed above combined with increase in payables/accruals mainly relating to capital works.

Table A5.3: Line item explanation of significant variances from the amended budget - Directorate balance sheet

Main areas of variance from budget	Actual 2011-12 \$m	Amended Budget ¹ 2011-12 \$m	Variance \$m
Current assets			
Cash and cash equivalents ²	53.7	36.7	17.0
Receivables ³	4.6	7.1	(2.5)
Other current assets	2.7	2.7	-
Non-current assets			
Investment	1.8	1.8	-
Property, plant and equipment ⁴	1,878.3	2,042.1	(163.8)
Capital works in progress ⁵	38.5	33.2	5.3

Main areas of variance from budget	Actual 2011-12 \$m	Amended Budget ¹ 2011-12 \$m	Variance \$m
Current liabilities			
Payables ⁶	10.1	8.1	2.0
Finance leases	0.1	0.1	-
Employee benefits ⁷	111.3	90.2	21.1
Other liabilities	3.9	4.0	(0.1)
Non-current liabilities			
Finance leases	-	0.1	(0.1)
Employee benefits ⁷	10.6	12.1	(1.5)

Source: Education and Training Directorate financial statements

Notes:

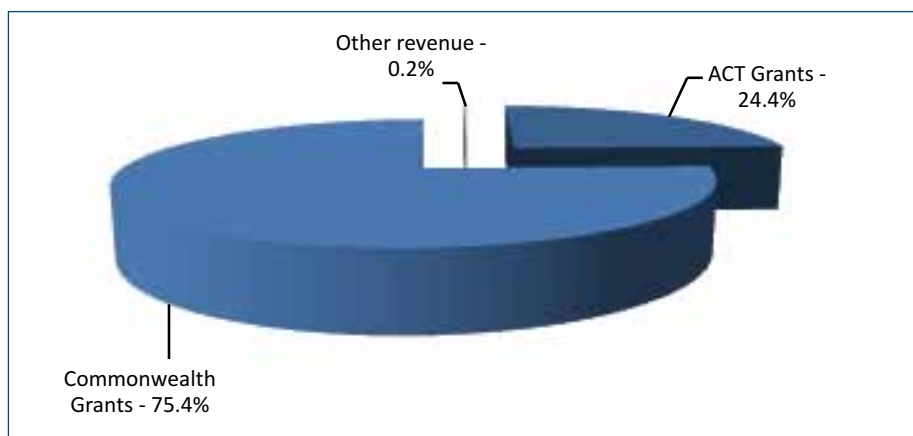
1. Amended budget is consistent with original budget as no supplementary appropriation was provided.
2. The increase primarily relates to higher than anticipated cash balances relating to the Commonwealth Digital Education Revolution program and increased schools bank balances.
3. Lower than anticipated levels of receivable mainly relates to the input tax credit from the Australian Taxation Office.
4. Decrease in property, plant and equipment primarily relates to the flow-on impact of 2010-11 audited outcome associated with asset revaluation. This is combined with deferral of capital works activities such as Canberra Performing Arts Centre, preschools expansion and ICT projects. This is further reduced by the impairment of Taylor Primary school and transfer of the Red Hill Preschool to the Economic Development Directorate.
5. Increase in capital works in progress primarily relates to the timing of completion of capital works projects. The works in progress mainly relates to new school projects for Bonner Primary and Franklin Early Childhoods Schools.
6. Higher than anticipated payables primarily relate to capital works accruals for Bonner Primary and Canberra College Performing Arts Centre.
7. The higher than anticipated employee benefits is mainly associated with the change in estimates for long service leave and the impact of the new enterprise bargaining agreements for teaching and non-teaching staff.

Territorial financial performance

Territorial revenue

Total income received includes Revenue for Expenses on Behalf of the Territory, primarily for the provision of grants to non-government schools.

Figure A5.6: Territorial revenue



Source: Education and Training Directorate financial statements

Territorial revenue mainly comprised of funding for non-government schools from the Australian and ACT Government. It also included ACT Government funding for the Secondary Bursary Scheme and Block Release Programs.

In 2011-12, Territorial revenue totalled \$195.1 million, a decrease of \$1.7 million or 0.9 percent from the 2011-12 budget. The decrease in funding primarily related to the rollover of unspent appropriation for interest subsidy scheme funding to 2012-13.

In comparison with 2010-11, total revenue decreased by \$17.6 million or 8.3 percent mainly due to the finalisation of the Building the Education Revolution program partially offset by increase in general recurrent grants for non-government schools.

Territorial expenditure

Territorial expenditure other than transfers of fees to the Territorial Banking Account comprised grant payments to non-government schools (\$194.7 million), the Secondary Bursary Scheme (\$0.3 million) and Block Release grants (\$0.1 million).

Lower than anticipated expenditure from the budget primarily related to the rollover of unspent appropriation for interest subsidy scheme funding to 2012-13.

In 2011-12, expenditure decreased by \$17.6 million or 8.3 percent from 2010-11 mainly due to the finalisation of the Building the Education Revolution program partially offset by increase in general recurrent grants for non-government schools.

For more information, contact:
Director
Finance and Corporate Support
(02) 6205 9108

Appendix 2: A6 Financial report



ACT AUDITOR-GENERAL'S OFFICE



ACT
Government

A12/20

Ms Diane Joseph
Director-General
Education and Training Directorate
Level 6, 220 Northbourne Avenue
BRADDON ACT 2612

Dear Ms Joseph *Diane*

**AUDIT REPORT - EDUCATION AND TRAINING DIRECTORATE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012**

The Audit Office has completed the audit of the financial statements of the Education and Training Directorate for the year ended 30 June 2012.

I have attached the audited financial statements and unqualified audit report.

I have provided a copy of the financial statements and audit report to the Minister for Education and Training, Dr Chris Bourke MLA.

Yours sincerely

Dr Maxine Cooper
Auditor-General

31 August 2012

c.c. Ms Sushila Sharma, Acting Director, Finance and Corporate Support
Ms Jenny Morison, Chair, Audit Committee
Mr Dougal Wilson, Manager, Risk Management and Audit



ACT AUDITOR-GENERAL'S OFFICE



INDEPENDENT AUDIT REPORT EDUCATION AND TRAINING DIRECTORATE

To the Members of the ACT Legislative Assembly

Report on the financial statements

The financial statements of the Education and Training Directorate (the Directorate) have been audited. These comprise the following financial statements and accompanying notes:

- Controlled financial statements - operating statement, balance sheet, statement of changes in equity, cash flow statement and statement of appropriation.
- Territorial financial statements – statement of income and expenses on behalf of the Territory, statement of assets and liabilities on behalf of the Territory, cash flow statement on behalf of the Territory and territorial statement of appropriation.

Responsibility for the financial statements

The Director-General of the Directorate is responsible for the preparation and fair presentation of the financial statements in accordance with the *Financial Management Act 1996*. This includes responsibility for maintaining adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and the accounting policies and estimates used in the preparation of the financial statements.

The auditor's responsibility

Under the *Financial Management Act 1996*, I am responsible for expressing an independent audit opinion on the financial statements of the Directorate.

The audit was conducted in accordance with Australian Auditing Standards to obtain reasonable assurance that the financial statements are free of material misstatement.

I formed the audit opinion following the use of audit procedures to obtain evidence about the amounts and disclosures in the financial statements. As these procedures are influenced by the use of professional judgement, selective testing of evidence supporting the amounts and other disclosures in the financial statements, inherent limitations of internal control and the availability of persuasive rather than conclusive evidence, an audit cannot guarantee that all material misstatements have been detected.

Although the effectiveness of internal controls is considered when determining the nature and extent of audit procedures, the audit was not designed to provide assurance on internal controls.

Level 4, 11 Moore Street, Canberra City, ACT 2601 | PO Box 275, Civic Square, ACT 2608
Telephone: 02 6207 0833 | Facsimile: 02 6207 0826 | Email: actauditorgeneral@act.gov.au

Electronic presentation of the audited financial statements

Those viewing an electronic presentation of these financial statements should note that the audit does not provide assurance on the integrity of information presented electronically and does not provide an opinion on any other information which may have been hyperlinked to or from these financial statements. If users of these statements are concerned with the inherent risks arising from the electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.

Independence

Applicable independence requirements of Australian professional ethical pronouncements were followed in conducting the audit.

Audit opinion

In my opinion, the financial statements of the Directorate for the year ended 30 June 2012:

- (i) are presented in accordance with the *Financial Management Act 1996*, Australian Accounting Standards and other mandatory financial reporting requirements in Australia; and
- (ii) present fairly the financial position of the Directorate as at 30 June 2012 and the results of its operations and cash flows for the year then ended.

The audit opinion should be read in conjunction with other information disclosed in this report.



Dr Maxine Cooper
Auditor-General

31 August 2012

**Education and Training Directorate
Financial Statements
For the Year Ended 30 June 2012**

Statement of Responsibility

In my opinion, the financial statements are in agreement with the Directorate's accounts and records and fairly reflect the financial operations of the Directorate for the year ended 30 June 2012 and the financial position of the Directorate on that date.

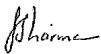


Diane Joseph
Director-General
Education and Training Directorate
28 August 2012

**Education and Training Directorate
Financial Statements
For the Year Ended 30 June 2012**

Statement by the Chief Finance Officer

In my opinion, the financial statements have been prepared in accordance with generally accepted accounting principles, and are in agreement with the Directorate's accounts and records and fairly reflect the financial operations of the Directorate for the year ended 30 June 2012 and the financial position of the Directorate on that date.



Sushila Sharma
Chief Finance Officer
Education and Training Directorate
28 August 2012

**EDUCATION AND TRAINING DIRECTORATE
OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2012**

	Note No.	Actual 2012 \$'000	Original Budget 2012 \$'000	Actual 2011 \$'000
INCOME				
Revenue				
Government Payment for Outputs	4	516,071	525,912	501,215
User Charges - ACT Government	5	413	120	458
User Charges - Non-ACT Government	6	14,853	16,172	16,015
Interest	7	1,634	1,688	1,972
Distribution from Investments with the Territory				
Banking Account	8	76	-	115
Resources Received Free of Charge	9	385	249	410
Other Revenue	10	19,785	17,009	20,762
Total Revenue		553,217	561,150	540,947
Gains				
Gains on Investment	11	58	-	1
Total Gains		58	-	1
Total Income		553,275	561,150	540,948
EXPENSES				
Employee Expenses	12	376,749	357,976	339,941
Superannuation Expenses	13	53,361	53,545	52,345
Supplies and Services	14	57,392	62,776	54,491
Depreciation	15	55,766	54,631	46,764
Grants and Purchased Services	16	25,143	34,010	25,293
Borrowing Costs	17	13	20	42
Other Expenses	18	59,023	58,265	69,019
Total Expenses		627,447	621,223	587,895
Operating (Deficit)		(74,172)	(60,073)	(46,947)
Other Comprehensive Income				
(Decrease) / Increase in Asset Revaluation				
Surplus		(9,020)	-	133,926
Total Other Comprehensive (Deficit) / Income		(9,020)	-	133,926
Total Comprehensive (Deficit) / Surplus		(83,192)	(60,073)	86,979

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

EDUCATION AND TRAINING DIRECTORATE
BALANCE SHEET
AS AT 30 JUNE 2012

	Note No.	Actual 2012 \$'000	Original Budget 2012 \$'000	Actual 2011 \$'000
CURRENT ASSETS				
Cash and Cash Equivalents	21	53,394	36,400	45,002
Receivables	22	4,609	7,102	7,125
Other Assets	23	2,648	2,698	3,653
Investments	24	259	259	259
Total Current Assets		60,910	46,459	56,039
NON-CURRENT ASSETS				
Investments	24	1,832	1,773	1,774
Property, Plant and Equipment	25	1,878,336	2,042,282	1,854,892
Capital Works in Progress	26	38,543	33,199	26,751
Total Non-Current Assets		1,918,711	2,077,254	1,883,417
TOTAL ASSETS		1,979,621	2,123,713	1,939,456
CURRENT LIABILITIES				
Payables	27	10,143	8,117	5,463
Finance Leases	28	76	50	149
Employee Benefits	29	111,259	90,196	91,297
Other Liabilities	30	3,853	4,000	3,787
Total Current Liabilities		125,331	102,363	100,696
NON-CURRENT LIABILITIES				
Finance Leases	28	27	99	103
Employee Benefits	29	10,582	12,068	8,480
Make Good Provision	31	57	-	57
Total Non-Current Liabilities		10,666	12,167	8,640
TOTAL LIABILITIES		135,997	114,530	109,336
NET ASSETS		1,843,624	2,009,183	1,830,120
EQUITY				
Accumulated Funds		831,421	864,268	808,897
Asset Revaluation Surplus	32	1,012,203	1,144,915	1,021,223
TOTAL EQUITY		1,843,624	2,009,183	1,830,120

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

**EDUCATION AND TRAINING DIRECTORATE
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012**

	Note No.	Accumulated Funds Actual 2012 \$'000	Asset Revaluation Surplus Actual 2012 \$'000	Total Equity Actual 2012 \$'000	Original Budget 2012 \$'000
Balance at the Beginning of the Reporting Period		808,897	1,021,223	1,830,120	1,957,940
Comprehensive Income					
Operating (Deficit)		(74,172)	-	(74,172)	(60,073)
(Decrease) in Asset Revaluation Surplus		-	(9,020)	(9,020)	-
Total Comprehensive (Deficit)		(74,172)	(9,020)	(83,192)	(60,073)
Transactions Involving Owners Affecting Accumulated Funds					
Capital Injections		96,696	-	96,696	112,152
Capital (Distributions)		-	-	-	(836)
Total Transactions Involving Owners Affecting Accumulated Funds		96,696	-	96,696	111,316
Balance at the End of the Reporting Period		831,421	1,012,203	1,843,624	2,009,183

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

EDUCATION AND TRAINING DIRECTORATE
STATEMENT OF CHANGES IN EQUITY - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2012

	Note	Accumulated	Asset	Total
	No.	Funds	Revaluation	Equity
		Actual	Surplus	Actual
		2011	2011	2011
		\$'000	\$'000	\$'000
Balance at the Beginning of the Reporting Period		661,613	887,297	1,548,910
Comprehensive Income				
Operating (Deficit)		(46,947)	-	(46,947)
Increase in Asset Revaluation Surplus		-	133,926	133,926
Total Comprehensive (Deficit) / Surplus		(46,947)	133,926	86,979
Transactions Involving Owners Affecting Accumulated Funds				
Capital Injections		194,231	-	194,231
Total Transactions Involving Owners Affecting Accumulated Funds		194,231	-	194,231
Balance at the End of the Reporting Period		808,897	1,021,223	1,830,120

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

**EDUCATION AND TRAINING DIRECTORATE
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2012**

	Note No.	Actual 2012 \$'000	Original Budget 2012 \$'000	Actual 2011 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Government Payment for Outputs		516,071	525,912	501,215
User Charges		16,062	16,292	16,148
Interest Received		1,634	1,688	1,977
Distribution from Investments with the Territory Banking Account		78	-	100
Schools and Other		19,495	17,009	20,886
Goods and Services Tax Received		24,356	23,523	36,681
Total Receipts from Operating Activities		577,696	584,424	577,007
Payments				
Employee		354,967	353,014	334,439
Superannuation		53,040	53,547	52,107
Supplies and Services		56,129	62,319	55,848
Borrowing Costs		13	20	42
Grants and Purchased Services		23,794	34,010	26,900
Schools and Other		56,446	58,472	55,622
Goods and Services Tax Paid		23,750	23,523	35,372
Total Payments from Operating Activities		568,139	584,905	560,330
Net Cash Inflows / (Outflows) from Operating Activities	38	9,557	(481)	16,677
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds from the Sale of Property, Plant and Equipment		1	-	3
Payments				
Purchase of Property, Plant and Equipment		97,713	113,367	199,235
Net Cash (Outflows) from Investing Activities		(97,712)	(113,367)	(199,232)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Capital Injections		96,696	112,152	194,231
Payments				
Repayment of Finance Leases		149	50	509
Transfer of Cash Balances		-	688	-
Net Cash Inflows from Financing Activities		96,547	111,414	193,722
Net Increase / (Decrease) in Cash and Cash Equivalents Held		8,392	(2,434)	11,167
Cash and Cash Equivalents at the Beginning of the Reporting Period		45,002	38,834	33,835
Cash and Cash Equivalents at the End of the Reporting Period	38	53,394	36,400	45,002

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

**EDUCATION AND TRAINING DIRECTORATE
CONTROLLED STATEMENT OF APPROPRIATION
FOR THE YEAR ENDED 30 JUNE 2012**

	Notes	Original Budget 2012 \$'000	Total Appropriated 2012 \$'000	Appropriation Drawn 2012 \$'000	Appropriation Drawn 2011 \$'000
Government Payment for Outputs	1	525,912	543,356	516,071	501,215
Total		525,912	543,356	516,071	501,215
Capital Injection - Directorate	2	112,152	124,604	96,696	194,231
Total		112,152	124,604	96,696	194,231
Total Controlled Appropriation		638,064	667,960	612,767	695,446

Notes:

1. The difference between the original budget and total appropriated relates to the supplementary appropriation for the teaching and clerical enterprise bargaining agreements (\$8.515m), amount transferred from 2010-11 (\$4.210m) mainly associated with Commonwealth National Partnership funding and new Commonwealth grants (\$4.719m) primarily for National Partnership Agreements for More Support for Students with a Disability, Empowering Local Schools and Reward for Great Teachers.

The difference between the total appropriated and appropriation drawn mainly relates to the funds transferred into 2012-13 (\$23.579m), mainly associated with National Partnerships including the Productivity Places Program, Literacy and Numeracy and Improving Teacher Quality as well as new National Partnership Programs relating to Empowering Local Schools, Support for Students with a Disability and Reward for Great Teachers. In addition, superannuation and other savings (\$3.706m) contributed to the lower drawdown.

2. The difference between the original budget and the total appropriated relates to the rollover of funds from 2010-11 (\$12.384m) primarily for capital upgrades, Harrison Secondary School and Gungahlin College and higher than expected Commonwealth grants (\$0.068m) for the National Solar Schools National Partnership.

The difference between the total appropriated and appropriation drawn relates to capital works deferrals and accrued expenditure not drawdown in cash (\$25.318m) including Canberra College Performing Arts Centre, Franklin Early Childhood School, Universal Access to Preschools, Red Hill Primary School Expansion and Digital Learning and lower than anticipated Commonwealth grants (\$2.590m) for Trade Training Centres.

**EDUCATION AND TRAINING DIRECTORATE
SUMMARY OF OUTPUT CLASSES
FOR THE YEAR ENDED 30 JUNE 2012**

	Output Class 1 \$'000	Output Class 2 \$'000	Output Class 3 \$'000	Total \$'000
2012				
Total Income	520,715	2,200	30,360	553,275
Total Expenses	(595,734)	(1,840)	(29,873)	(627,447)
Operating (Deficit) / Surplus	(75,019)	360	487	(74,172)

2011				
Total Income	503,666	2,629	34,653	540,948
Total Expenses	(555,816)	(1,873)	(30,206)	(587,895)
Operating (Deficit) / Surplus	(52,150)	756	4,447	(46,947)

**EDUCATION AND TRAINING DIRECTORATE
OPERATING STATEMENT FOR OUTPUT CLASS 1 - PUBLIC SCHOOL EDUCATION
FOR THE YEAR ENDED 30 JUNE 2012**

Description

This output contributes to the provision of preschool, primary, high, secondary and special school education in public schools to all enrolled students and early intervention services.

	Actual 2012 \$'000	Original Budget 2012 \$'000	Actual 2011 \$'000
INCOME			
Revenue			
Government Payment for Outputs	483,659	481,760	464,514
User Charges - ACT Government	400	119	449
User Charges - Non-ACT Government	14,825	15,415	15,449
Interest	1,612	1,685	1,971
Distribution from Investments with the Territory Banking Account	76	-	115
Resources Received Free of Charge	381	248	406
Other Revenue	19,704	16,980	20,761
Total Revenue	520,657	516,207	503,665
Gains			
Gains on Investments	58	-	1
Total Gains	58	-	1
Total Income	520,715	516,207	503,666
EXPENSES			
Employee Expenses	371,545	350,859	334,990
Superannuation Expenses	52,607	52,464	51,506
Supplies and Services	55,152	58,883	52,183
Depreciation	55,753	54,557	46,750
Grants and Purchased Services	1,693	1,150	1,351
Borrowing Costs	13	20	42
Other Expenses	58,971	58,153	68,994
Total Expenses	595,734	576,086	555,816
Operating (Deficit)	(75,019)	(59,879)	(52,150)

EDUCATION AND TRAINING DIRECTORATE
OPERATING STATEMENT FOR OUTPUT CLASS 2 - NON-GOVERNMENT SCHOOL EDUCATION
FOR THE YEAR ENDED 30 JUNE 2012

Description

This output contributes to the maintenance of standards in non-government schools and home education through compliance and registration, accreditation and certification of senior secondary courses, support and liaison with the non-government sector, administration and payment of Commonwealth Government and Territory grants for the non-government sector and the conduct of an annual non-government schools census.

	Actual 2012 \$'000	Original Budget 2012 \$'000	Actual 2011 \$'000
INCOME			
Revenue			
Government Payment for Outputs	2,093	4,523	2,457
User Charges - ACT Government	1	-	1
User Charges - Non-ACT Government	24	79	169
Interest	19	1	-
Resources Received Free of Charge	3	-	2
Other Revenue	60	-	-
Total Revenue	2,200	4,603	2,629
EXPENSES			
Employee Expenses	609	2,160	558
Superannuation Expenses	99	306	95
Supplies and Services	1,121	2,138	1,220
Depreciation	1	67	-
Other Expenses	10	3	-
Total Expenses	1,840	4,674	1,873
Operating Surplus / (Deficit)	360	(71)	756

EDUCATION AND TRAINING DIRECTORATE
OPERATING STATEMENT FOR OUTPUT CLASS 3 - VOCATIONAL EDUCATION AND TRAINING
FOR THE YEAR ENDED 30 JUNE 2012

Description

This output contributes to the planning, funding, managing and reporting services for Vocational Education and Training opportunities, programs and initiatives in the ACT.

	Actual 2012 \$'000	Original Budget 2012 \$'000	Actual 2011 \$'000
INCOME			
Revenue			
Government Payment for Outputs	30,319	39,629	34,244
User Charges - ACT Government	12	1	8
User Charges - Non-ACT Government	4	678	397
Interest	3	2	1
Resources Received Free of Charge	1	1	2
Other Revenue	21	29	1
Total Revenue	30,360	40,340	34,653
EXPENSES			
Employee Expenses	4,595	4,957	4,393
Superannuation Expenses	655	775	744
Supplies and Services	1,119	1,755	1,088
Depreciation	12	7	14
Grants and Purchased Services	23,450	32,860	23,942
Other Expenses	42	109	25
Total Expenses	29,873	40,463	30,206
Operating Surplus / (Deficit)	487	(123)	4,447

**EDUCATION AND TRAINING DIRECTORATE
NOTE INDEX**

	Notes
General Notes	
Objectives of the Directorate	1
Summary of Significant Accounting Policies	2
Changes in Accounting Policy and Accounting Estimates	3
Income Notes	
Government Payment for Outputs	4
User Charges – ACT Government	5
User Charges – Non-ACT Government	6
Interest	7
Distribution from Investments with the Territory Banking Account	8
Resource's Received Free of Charge	9
Other Revenue	10
Gains	
Gains on Investments	11
Expense Notes	
Employee Expenses	12
Superannuation Expenses	13
Supplies and Services	14
Depreciation	15
Grants and Purchased Services	16
Borrowing Costs	17
Other Expenses	18
Auditor's Remuneration	19
Act of Grace Payments, Waivers and Write-Offs	20
Asset Notes	
Cash and Cash Equivalents	21
Receivables	22
Other Current Assets	23
Investments	24
Property, Plant and Equipment	25
Capital Works in Progress	26
Liabilities Notes	
Payables	27
Finance Leases	28
Employee Benefits	29
Other Current Liabilities	30
Make Good Provision	31

**EDUCATION AND TRAINING DIRECTORATE
NOTE INDEX - CONTINUED**

Equity Note	
Equity	32
Other Notes	
Commitments	33
Gain from the Disposal of Non-Current Assets	34
Contingent Liabilities	35
Financial Instruments	36
Interest in Joint Venture	37
Cash Flow Reconciliation	38
Disaggregated Disclosure of Assets and Liabilities	39

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

1. OBJECTIVES OF THE DIRECTORATE

a) Operations and Principal Activities

The Education and Training Directorate (the Directorate) works in partnership with parents and the community to ensure students are supported and engaged to achieve their full potential. The Directorate will work closely with the community to position the ACT as Australia's lifelong learning capital.

Services of the Directorate include the provision of public school education, preschool and early intervention education programs, registration of non-government schools, registration for home education and the planning and coordination of vocational education and training.

The Directorate aims to ensure that all young people in the ACT learn, thrive and are equipped with the skills to lead fulfilling, productive and responsible lives.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

The *Financial Management Act 1996* (FMA) requires the preparation of annual financial statements for the Directorate.

The FMA and the Financial Management Guidelines issued under the Act, require the Directorate's financial statements to include:

- (i) an Operating Statement for the year;
- (ii) a Balance Sheet at the end of the year;
- (iii) a Statement of Changes in Equity for the year;
- (iv) a Cash Flow Statement for the year;
- (v) a Statement of Appropriation for the year;
- (vi) an Operating Statement for each class of output for the year;
- (vii) a summary of the significant accounting policies adopted for the year; and
- (viii) such other statements as necessary to fairly reflect the financial operations of the Directorate during the year and its financial position at the end of the year.

These general-purpose financial statements have been prepared in accordance with 'Generally Accepted Accounting Principles' (GAAP) as required by the FMA. The financial statements have been prepared in accordance with:

- (i) Australian Accounting Standards; and
- (ii) ACT Accounting and Disclosure Policies.

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

a) Basis of Accounting - Continued

The financial statements have been prepared using the accrual basis of accounting, which recognises the effects of transactions and events when they occur. The financial statements have also been prepared according to the historical cost convention, except for assets which were valued in accordance with the revaluation policies applicable to the Directorate during the reporting period.

These financial statements are presented in Australian dollars, which is the Directorate's functional currency.

The Directorate is an individual reporting entity.

b) Controlled and Territorial Items

The Directorate produces Controlled and Territorial financial statements. The Controlled financial statements include income, expenses, assets and liabilities over which the Directorate has control. The Territorial financial statements include income, expenses, assets and liabilities that the Directorate administers on behalf of the ACT Government, but does not control.

The purpose of the distinction between Controlled and Territorial is to enable an assessment of the Directorate's performance against the decisions it has made in relation to the resources it controls, while maintaining accountability for all resources under its responsibility.

The basis of accounting described in paragraph (a) above applies to both Controlled and Territorial financial statements except where otherwise specified.

c) The Reporting Period

These financial statements state the financial performance, changes in equity and cash flows of the Directorate for the year ending 30 June 2012, together with the financial position of the Directorate as at 30 June 2012.

d) Comparative Figures

Budget Figures

To facilitate a comparison with the Budget Papers, as required by the *Financial Management Act 1996 (FMA)*, budget information for 2011-2012 has been presented in the financial statements. Budget numbers in the financial statements are the original budget numbers that appear in the Budget Papers.

Prior Year Comparatives

Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements, except where an Australian Accounting Standard does not require comparative information to be disclosed.

Where the presentation or classification of items in the financial statements is amended, the comparative amounts have been reclassified where practical. Where a reclassification has occurred, the nature, amount and reason for the reclassification is provided.

e) Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000). Use of the "-" symbol represents zero amounts or amounts rounded up or down to zero.

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

f) Revenue Recognition

Revenue is recognised at the fair value of the consideration received or receivable in the Operating Statement. All revenue is recognised to the extent that it is probable that the economic benefits will flow to the Directorate and the revenue can be reliably measured. In addition, specific recognition criterion applies to the following:

Interest

Interest revenue is recognised using the effective interest method.

Distribution

Distribution revenue is received from Investments with the Territory Banking Account. This is recognised on an accrual basis using data supplied by the Territory Banking Account.

g) Resources Received Free of Charge

Resources received free of charge are recorded as a revenue and expense in the Operating Statement at fair value. The revenue is separately disclosed under resources received free of charge, with the expense being recorded in the line item to which it relates. Assets received free of charge as a result of administrative restructure are recorded as a net increase in assets from administrative restructure.

h) Repairs and Maintenance

The Directorate undertakes major cyclical maintenance on its assets. Where the maintenance leads to an upgrade of the asset that increases the service potential of the existing asset the cost is capitalised. Maintenance expenses which do not increase the service potential of the asset are expensed.

i) Borrowing Costs

Borrowing costs relate to finance leases. Borrowing costs are expensed in the period in which they are incurred.

j) Waivers of Debt

Debts are waived under section 131 of the *Financial Management Act 1996* and are expensed during the year in which the right of payment was waived. Further details are disclosed in **Note 20 - Act of Grace Payments, Waivers and Write-offs**.

k) Current and Non-Current Items

Assets and liabilities are classified as current or non-current in the Balance Sheet and in relevant notes. Assets are classified as current where they are expected to be realised within 12 months after the reporting date. Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or the Directorate does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Assets or liabilities not classified as current are classified as non-current.

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

l) Impairment of Assets

The Directorate assesses, at each reporting date, whether there is any indication that an asset may be impaired. Assets are also reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's 'fair value less the cost to sell' and its 'value in use'.

An asset's 'value in use' is its depreciated replacement cost, where the asset would be replaced if the Directorate were deprived of it.

If a material impairment loss results, the loss is recognised against the relevant class of asset in the Asset Revaluation Surplus with corresponding reduction to the carrying amount of asset in the Balance Sheet. Where the impairment loss is greater than the balance in the Asset Revaluation Surplus, the difference is expensed in the Operating Statement.

m) Cash and Cash Equivalents

For the purposes of the Cash Flow Statement and Balance Sheet, cash includes cash at bank and cash on hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are included in cash and cash equivalents in the Cash Flow Statement and are included as borrowings in the Balance Sheet.

n) Receivables

Accounts receivable (including both trade receivables and other trade receivables) are initially recognised at fair value and are subsequently measured at amortised cost, with any adjustments to the carrying amount going through the Operating Statement.

The allowance for impairment losses represents the amount of trade receivables and other trade receivables the Directorate estimates will not be repaid. The allowance for impairment losses is based on objective evidence and a review of overdue balances. The Directorate considers the following is objective evidence of impairment:

- becoming aware of financial difficulties of debtors;
- default payments; or
- debts more than 90 days overdue.

The amount of the allowance is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of allowance is recognised in the Operating Statement. The allowance for impairment losses are written back against receivables account when the Directorate ceases to collect the debt as it considers that it will cost more to recover than the debt is worth.

o) Investments

Short-term investments are held with the Territory banking Account in a unit trust called the Cash Enhanced Portfolio. Long-term investments are held with the Territory Banking Account in a unit trust called the Fixed Interest Portfolio. The price of units in both these unit trusts fluctuate in value. The net gains or losses do not include interest or dividend income.

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

o) Investments – Continued

These short-term and long-term investments are measured at fair value with any adjustments to the carrying amount recorded in the Operating Statement. Fair value is based on an underlying pool of investments which have quoted market prices at the reporting date.

p) Acquisition and Recognition of Property, Plant and Equipment

Property, plant and equipment are initially recorded at cost when they are acquired.

Where property, plant and equipment are acquired at no cost, or minimal cost, cost is its fair value as at the date of acquisition. However property, plant and equipment acquired at no cost or minimal cost as part of a Restructuring of Administrative Arrangements is measured at the transferor's book value.

Property, plant and equipment with a minimum value of \$2,000 (exclusive of GST) are capitalised. Assets below \$2,000 are expensed in the reporting period of purchase. Assets that are individually below the threshold, but for which the aggregate value is material, may be capitalised depending on the nature of the assets.

q) Measurement of Property, Plant and Equipment after Initial Recognition

Land and buildings are measured at fair value. Plant and equipment including leasehold improvements are measured at cost. Land and buildings are revalued every three years.

Fair value is the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. Fair value is measured using a market price in an active market where a market price is available for that asset (or a similar asset), as this is the best evidence of an asset's fair value. Where the market price for an asset cannot be obtained because the asset is specialised and is rarely sold, and where the asset would be replaced if the Directorate were to be deprived of the asset, depreciated replacement cost is used as fair value. Where the asset would not be replaced, the fair value is the asset's selling price, less costs to sell.

In the Directorate's case, land and buildings are held for their value in use rather than the asset's ability to generate net cash flows and it would be replaced if the Directorate was deprived of the asset. Based on the above, fair value of buildings is determined by the depreciated replacement cost while the fair value of land is based on current market prices.

r) Depreciation of Non-Current Assets

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

Land has an unlimited useful life and is therefore not depreciated.

Depreciation for non-current assets is determined as follows:

Class of Asset	Depreciation Method	Useful Life
Buildings and Land Improvements	Straight Line	50 years
Leasehold Improvements	Straight Line	5 years
Plant and Equipment	Straight Line	5-20 years
Leased Assets	Straight Line	2-20 years

The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed in **Note 15 – Depreciation**.

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

s) Payables

Payables include Trade Payables and Accrued Expenses.

Trade Payables represent the amounts owing for goods and services received prior to the end of the reporting period and unpaid at the end of the reporting period and relating to the normal operations of the Directorate. Accrued Expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received by period end.

t) Joint Venture

The Directorate is a venturer in a joint venture operation with the Catholic Education Office at Gold Creek Primary and its share of assets, liabilities, income and expenses has been recognised in the Directorate's financial statements under the appropriate headings consistent with AASB 131 'Interest in Joint Ventures'. Please refer to **Note 37 – Interest in Joint Venture** for details.

u) Leases

The Directorate has entered into finance leases and operating leases.

Finance Leases

Finance leases effectively transfer to the Directorate substantially all the risks and rewards incidental to ownership of the assets under finance lease. The Directorate's finance leases mainly relate to office equipment and motor vehicles. Finance leases are initially recognised as an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments each being determined at the inception of the lease. Assets under finance lease are depreciated over the shorter of the asset's useful life and lease term. Leased assets are depreciated on a straight-line basis. The depreciation is calculated after first deducting any residual values which remain for each leased asset. Each lease payment is allocated between interest expense and reduction of the lease liability. Lease liabilities are classified as current and non-current.

Operating Leases

Operating leases do not effectively transfer to the Directorate substantially the entire risks and rewards incidental to ownership of the asset under operating lease. Operating lease payments are recorded as an expense in the Operating Statement on a straight-line basis over the term of the lease.

v) Employee Benefits

Employee benefits include wages and salaries, annual leave, long service leave and applicable on-costs. On-costs include annual leave, long service leave, superannuation and other costs that are incurred when employees take annual leave and long service leave. These benefits accrue as a result of services provided by employees up to the reporting date that remain unpaid. Accrued wages and salaries are measured at the amount that remains unpaid to employees at the end of the reporting period.

The measurement of annual and long service leave liabilities is based on the timing of the expected leave taken. Annual and long service leave expected to be taken in the next 12 months are measured based on the nominal amounts of remuneration anticipated to be paid when the leave is taken. The nominal amount is estimated with regard to the rates expected to be paid on settlement of the liability.

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

v) Employee Benefits – Continued

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in the future years by employees of the Directorate is estimated to be less than the annual entitlement for sick leave.

Annual and long service leave, including applicable on-costs, that do not fall due in the next 12 months is measured at the present value of estimated future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to the future wage and salary levels, experience of employee departures and periods of service. At each reporting date, the present value of future payments are estimated using market yields on Commonwealth Government bonds with terms to maturity that match, as closely as possible, the estimated future cash flows. In 2011-12, the rate used to estimate the present value of these future payments is 106.6% (92.2% in 2010-11).

The long service leave liability is estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of 7 years qualifying service, the probability that employees will reach the required minimum period has been taken into account in estimating the provision for long service leave and the applicable on-costs.

The provision for annual leave and long service leave includes estimated on-costs. As these on-costs only become payable if the employee takes annual and long service leave while in-service, the probability that employees will take annual and long service leave while in service has been taken into account in estimating the liability for on-costs.

Annual and long service leave liabilities are classified as current liabilities in the Balance Sheet where the Directorate does not have an unconditional right to defer the settlement of the liability for at least 12 months. However, where there is an unconditional right to defer settlement of the liability for at least 12 months, annual leave and long service leave have been classified as a non-current liability in the Balance Sheet.

w) Superannuation

The Directorate receives funding for superannuation payments as part of the Government Payment for Outputs. The Directorate then makes payments on a fortnightly basis to the Territory Banking Account, to cover the Directorate's superannuation liability for the Commonwealth Superannuation Scheme (CSS) and the Public Sector Superannuation Scheme (PSS) on a fortnightly basis. This payment covers the CSS/PSS employer contribution, but does not include the productivity component. The productivity component is paid directly to ComSuper by the Directorate. The CSS and PSS are defined benefit superannuation plans meaning that the defined benefits received by employees are based on the employee's years of service and average final salary.

Superannuation payments have also been made directly to superannuation funds for those members of the Public Sector who are part of superannuation accumulation schemes. This includes the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice.

Superannuation employer contribution payments, for the CSS and PSS, are calculated, by taking the salary level at an employee's anniversary date and multiplying it by the actuarially assessed nominal CSS or PSS employer contribution rate for each employee. The productivity component payments are calculated by taking the salary level, at an employee's anniversary date, and multiplying it by the employer contribution rate (approximately 3%) for each employee. Superannuation payments for the PSSAP are calculated by taking the salary level, at an employee's anniversary date, and multiplying it by the appropriate employer contribution rate. Superannuation payments for fund of choice arrangements are calculated by taking an employee's salary each pay and multiplying it by the appropriate employer contribution rate.

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

w) Superannuation – Continued

A superannuation liability is not recognised in the Balance Sheet as the Superannuation Provision Account recognises the total Territory superannuation liability for the CSS and PSS, and ComSuper and the external schemes recognise the superannuation liability for the PSSAP and other schemes respectively.

x) Equity Contributed by the ACT Government

Contributions made by the ACT Government, through its role as owner of the Directorate that increase the net assets of the Directorate, are treated as contributions of equity.

Increases or decreases in net assets as a result of Administrative Restructures are also recognised in equity.

y) Insurance

The Directorate insures its major risks through the ACT Insurance Authority. The excess payable under this arrangement varies depending on each class of insurance held by the Directorate.

z) Taxation

The Directorate's activities are exempt from all forms of taxation except Fringe Benefits Tax and Goods and Services Tax (GST). The amount of Fringe Benefit Tax paid in the year was \$0.116 million (\$0.149 million; 2010-11). This amount is included in the Operating Statement under employee expenses.

Revenue, expenses and assets are recognised net of GST:

- except to the extent that the amount of GST incurred by a purchaser is not recoverable from the Australian Taxation Office.

Cash flows relating to GST are included in the Cash Flow Statement on a gross basis. The GST component of cash flows arising from investing and financing activities that are recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the Balance Sheet.

aa) Contingent Liabilities and Assets

Contingent liabilities include all provisions not meeting both of the recognition criteria of a liability. These criteria are: whether it is probable that the future sacrifice of economic benefits will be required; and whether the amount of the liability can be measured reliably. Contingent assets include any assets that do not meet both of the recognition criteria for an asset. These criteria are: whether it is probable that the future economic benefits embodied in the asset will eventuate; and the asset possesses a cost or other value that can be measured reliably. The contingent liabilities are disclosed in **Note 35 – Contingent Liabilities**. There are no contingent assets.

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ab) Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, the Directorate has made the following judgements and estimates that have the most significant impact on the amounts recorded in the financial statements:

- a) *Fair Value of Land and Buildings:* The Directorate has made a significant judgement regarding the fair value of its land and buildings. Land has been recorded at the market value of similar properties as determined by an independent valuer. Buildings are valued at depreciated replacement cost.
- b) *Employee Benefits:* Significant judgements have been applied in estimating the liability for employee benefits. The estimated liability for employee benefits requires a consideration of the future wage and salary levels, experience of employee departures and periods of service. The estimate also includes an assessment of the probability that employees will meet the minimum service period required to qualify for long service leave and that on-costs will become payable. Further information on this estimate is provided in **Note 2 (v) – Employee Benefits** and **3 (a) – Change in Accounting Estimates**.
- c) *Estimation of Useful Lives of Property, Plant & Equipment:* The Directorate disclosed that Property, Plant and Equipment is systematically depreciated over its estimated useful life. The estimated useful life of Property, Plant and Equipment is reassessed each year and adjusted when the condition and other factors affecting the useful life of Property, Plant and Equipment indicate an adjustment is warranted.
- d) *Impairment:* The Directorate disclosed that Property, Plant and Equipment is annually assessed for impairment. If this assessment indicates an asset is impaired, then an assessment of the asset's recoverable amount must be estimated to determine whether an impairment loss must be recognised. For 2011-12, the Directorate has undertaken assessment in relation to the school buildings and other property plant and equipment. The Directorate's impairment policy states that schools buildings used at less than 65% capacity are impaired. An adjustment is reflected in the financial statements if the overall impact is material.

ac) After Balance Date Events

There are no known events occurring after 30 June 2012 that will materially affect the financial statements.

ad) Going Concern

The Directorate's ability to fund its ongoing operations is dependent upon continued ACT Government appropriations.

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

a) Impact of Accounting Standards Issued but yet to be Applied

The following new and revised accounting standards and interpretations that are applicable to the Directorate have been issued by the Australian Accounting Standards Board but do not apply to the current reporting period. These standards and interpretations are applicable to future reporting periods. The Directorate does not intend to adopt these standards and interpretations early. Where applicable, these Australian Accounting Standards will be adopted from their application date. It is estimated that the effect of adopting the below pronouncements, when applicable, will have no material financial impact on the Directorate in future reporting periods:

- AASB 9 Financial Instruments (application date 1 January 2013);
- AASB 10 Consolidated Financial Statements (application date 1 January 2013);
- AASB 11 Joint Arrangements (application date 1 January 2013);
- AASB 12 Disclosure of Interests in Other Entities (application date 1 January 2013);
- AASB 13 Fair Value Measurement (application date 1 January 2013);
- AASB 119 Employee Benefits (application date 1 January 2013);
- AASB 127 Separate Financial Statements (application date 1 January 2013);
- AASB 128 Investments in Associates and Joint Ventures (application date 1 January 2013);
- AASB 2010-7 Amendments to Australian Accounting Standard arising from AASB 9 (application date 1 January 2013);
- AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (application date 1 January 2013);
- AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 (application date 1 January 2013);
- AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income (application date 1 July 2012); and
- AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (application date 1 January 2013).

3. CHANGES IN ACCOUNTING POLICY AND ACCOUNTING ESTIMATES

a) Change in Accounting Estimates

As disclosed in **Note 2 (v) – Employee Benefits**, annual leave and long service leave, including applicable on-costs that do not fall due in the next 12 months are measured at the present value of estimated payments to be made in respect of services provided by employees up to the reporting date. The present value of future payments is estimated using the Commonwealth Bond rate.

Last financial year the rate used to estimate the present value was 92.2%, however, due to a change in the Commonwealth Bond rate the rate is now 106.6%. As such the estimate of the long service leave liabilities has changed. This change has resulted in an increase to the estimate of the long service leave liability and expense in the current reporting period of \$10.389 million. There was no change to annual leave liabilities as they are classified as current.

b) Change in Accounting Policy

There have been no changes to accounting policy in 2011-12.

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$'000	2011 \$'000
INCOME		
4. Government Payment for Outputs		
Government Payment for Outputs (GPO) is revenue received from the ACT Government to fund the cost of delivering outputs. The ACT Government pays GPO appropriation on a fortnightly basis.		
Government Payment for Outputs ¹	516,071	501,215
Total	516,071	501,215
1. The increase mainly relates to wage increases associated with the teaching and non-teaching enterprise bargaining agreements.		
5. User Charges – ACT Government		
This relates to revenue received from ACT Government agencies.		
User Charges - ACT Government	413	458
Total	413	458
6. User Charges – Non-ACT Government		
International Private Students Program	5,659	5,805
Active Leisure Centre – Hire of Facilities and Recreational Activities	3,109	3,532
Commonwealth National Agreements ¹	4,395	4,222
Commonwealth Own Purpose Payments (COPE) / Specific Projects ²	955	1,954
Other	735	502
Total	14,853	16,015
1. Primarily relates to National Agreements with the Commonwealth for the provision of services at Jervis Bay and the French Australia School.		
2. Decrease primarily relates to reduced COPE revenue due to funding received for Industry and Indigenous Skills Centres and Joint Group Training Program through GPO in 2011-12.		
7. Interest		
Schools and Other Interest Received ¹	1,634	1,972
Total	1,634	1,972
1. The Commonwealth Government's Building the Education Revolution program was completed in 2010-11. The decrease mainly relates to interest generated on cash held for this program in 2010-11.		
8. Distribution from Investments with the Territory Banking Account		
Revenue from ACT Government Entities		
Distribution from Investments with the Territory Banking Account	76	115
Total	76	115

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$'000	2011 \$'000
9. Resources Received Free of Charge		
This relates to legal advice and other legal services provided by the Justice and Community Safety Directorate.		
Resources Received Free of Charge	385	410
Total	385	410

10. Other Revenue

Other revenue mainly comprises voluntary contributions, fundraising revenue and excursion funds.

School Revenue	18,828	18,707
Other ¹	957	2,055
Total	19,785	20,762

1. Reduced revenue relates to one-off insurance receipts from the ACT Insurance Authority in 2010-11. Line item includes revenue from disposal of non-current assets. Refer Note 34 - Gain from the Disposal of Non-Current Assets.

GAINS

11. Gains on Investments

Gains on Investments are part of the Directorate's unusual transactions that are not part of the Directorate's core activities.

Gain from Investments from the Territory Banking Account	58	1
Total	58	1

EXPENSES

12. Employee Expenses

Salaries and Related Costs ¹	345,888	326,596
Movements in Employee Benefits ²	22,064	5,650
Comicare Premium Payments	8,797	7,695
Total	376,749	339,941

1. The increase primarily relates to wage increases for teaching and non-teaching staff.
2. The increase relates to a change in the rate used to estimate the present value of long service leave liabilities (Refer Note 2(v) - Employee Benefits and 3(a) - Change in Accounting Estimates) and wage increases for teaching and non-teaching staff.

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$'000	2011 \$'000
13. Superannuation Expenses		
Superannuation	48,221	47,043
Employer Productivity Contribution	5,140	5,302
Total	53,361	52,345

14. Supplies and Services

Supplies and services include costs paid centrally relating to both central office and schools' operations.

Property and Maintenance	15,766	15,664
Materials and Services ¹	25,939	23,941
Travel and Transport	5,815	5,635
Administrative ²	3,577	3,037
Financial ³	4,674	4,176
Operating Lease Costs	1,396	1,374
Audit Fees ⁴	205	419
Asset Write-Off	20	245
Total	57,392	54,491

1. The increase from 2010-11 primarily relates to higher information communication costs.
2. Increase primarily relates to legal expenses and external training.
3. Increase from 2010-11 primarily relates to costs associated with copyright.
4. The decrease relates to the internal audit program. Includes audit fee to the Auditor-General's Office. Refer to Note 19 – Auditor's Remuneration.

15. Depreciation

Depreciation expenses for Property, Plant and Equipment are as follows:

Buildings and land Improvements ¹	43,215	37,841
Plant and Equipment ²	11,810	8,095
Leasehold Improvements	741	828
Total	55,766	46,764

1. The increase from 2010-11 primarily relates to the revaluation of the Directorate's assets in 2010-11 combined with capitalisation of new assets including Harrison High School and Capital Upgrades.
2. The increase from 2010-11 primarily relates to the capitalisation of computing assets associated with the Commonwealth's Digital Education Revolution program.

16. Grants and Purchased Services

Grant Payments – educational, apprenticeships, user choice programs and productivity places program	25,143	25,293
Total	25,143	25,293

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$'000	2011 \$'000
17. Borrowing Costs		
Interest on Finance Leases	13	42
Total	<u>13</u>	<u>42</u>

18. Other Expenses

Other expenses mainly comprise utilities, cleaning, security and maintenance costs in schools as well as educational enrichment activities.

School Expenses	56,375	55,354
Transfer of Asset Outside Administrative Arrangement Orders ¹	2,171	12,788
Other	477	877
Total	<u>59,023</u>	<u>69,019</u>

1. The 2011-12 transfers relate to the Narrabundah Preschool to the Community Services Directorate and Red Hill French-Australia Preschool to the Economic Development Directorate. The transfer in 2010-11 relates to Birrigal at Tidbinbilla Infrastructure to the Territory and Municipal Services Directorate.

19. Auditor's Remuneration

Auditor's remuneration consists of financial audit services provided to the Directorate by the ACT Auditor-General's Office. No other services were provided by the ACT Auditor-General's Office.

Audit Fees paid to the ACT Auditor-General's Office	126	111
Total	<u>126</u>	<u>111</u>

20. Act of Grace Payments, Waivers and Write Offs

Write-off of Assets ¹	20	245
Total	<u>20</u>	<u>245</u>

1. Relates to the write-off of minor assets in schools.

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$'000	2011 \$'000
ASSETS		
21. Cash and Cash Equivalents		
The Directorate holds a number of bank accounts with the Commonwealth Bank as part of the whole-of-government banking arrangements.		
Central Office Bank Account ¹	16,435	10,181
School Management Accounts ²	28,486	26,347
Other Operations Bank Accounts	8,462	8,463
Cash on Hand	11	11
Total	53,394	45,002

1. Increase is mainly due to the timing of expenditure and the impact of accruals.
2. The increase primarily reflects timing of expenditure associated with school excursions, combined with funding received through the 'Empowering Local Schools Program'.

22. Receivables

Current

Receivables are comprised of:

Accrued Revenue	33	35
Trade and Other Debtors	1,223	3,132
GST Receivable from the Australian Taxation Office	3,358	3,963
Less: Allowance for Impairment Losses	(5)	(5)
Total	4,609	7,125

Ageing of Receivables

	Not Overdue \$'000	Past Due			Total \$'000
		Less than 30 Days \$'000	30 to 60 Days \$'000	Greater than 60 Days \$'000	
2012					
Not impaired¹					
Receivables	4,290	54	20	245	4,609
Impaired					
Receivables	-	-	-	5	5
2011					
Not impaired¹					
Receivables	6,838	50	8	229	7,125
Impaired					
Receivables	-	-	-	5	5

1. 'Not Impaired' refers to Net Receivables (that is Gross Receivables less Impaired Receivables)

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$'000	2011 \$'000
22. Receivables - Continued		
Reconciliation of the Allowance for Impairment Losses		
Allowance for impairment at the Beginning of the Reporting Period	5	5
Reduction in Allowance Resulting from a Write-Back against the Receivable	-	-
Allowance for Impairment at the end of the Reporting Period	5	5
Classification of ACT Government / Non-ACT Government Receivables:		
<i>Receivables with ACT Government Entities</i>		
Trade Debtors	137	72
Other Debtors	60	1,422
Total Receivables with ACT Government Entities	197	1,494
<i>Receivables with Non-ACT Government Entities</i>		
Trade Debtors	411	1,156
Other Debtors	615	482
Accrued Revenue	33	35
GST Receivable from the Australian Taxation Office	3,358	3,963
Less: Allowance for Impairment Losses	(5)	(5)
Total Receivables with Non-ACT Government Entities	4,412	5,631
Total	4,609	7,125
23. Other Current Assets		
Prepayments	2,648	3,653
Total	2,648	3,653
24. Investments		
Current Investments		
Investments with the Territory Banking Account – Cash Enhanced Portfolio	259	259
Total Current Investments	259	259
Non-Current Investments		
Investments with the Territory Banking Account – Fixed Interest Portfolio ¹	1,832	1,774
Total Non-Current Investments	1,832	1,774
Total	2,091	2,033

1. The investments primarily relate to Literacy and Numeracy funds.

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$'000	2011 \$'000
25. Property, Plant and Equipment		
Land		
Land at Fair Value	259,873	260,454
Total Written-Down Value of Land	<u>259,873</u>	<u>260,454</u>
Building and Improvements to Land		
Building and Improvements to Land at Fair Value	1,621,156	1,548,898
(Accumulated Depreciation)	(44,281)	(1,105)
Total Written-Down Value of Buildings and Improvements to Land	<u>1,576,875</u>	<u>1,547,793</u>
Leasehold Improvements		
Leasehold Improvements at Cost	5,739	5,612
(Accumulated Depreciation)	(3,704)	(2,962)
Total Written-Down Value of Leasehold Improvements	<u>2,035</u>	<u>2,650</u>
Plant and Equipment		
Plant and Equipment at Cost	83,239	76,669
(Accumulated Depreciation)	(43,686)	(32,674)
Total Written-Down Value of Plant and Equipment	<u>39,553</u>	<u>43,995</u>
Total	<u>1,878,336</u>	<u>1,854,892</u>

Property, Plant and Equipment Movement Schedule 30 June 2012

Items	Land \$'000	Buildings and Improvements To Land \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Total \$'000
Carrying Amount at the Beginning of the Reporting Period	260,454	1,547,793	2,650	43,995	1,854,892
Revaluation	-	-	-	-	-
Impairment	-	(9,020)	-	-	(9,020)
Make Good Provision	-	-	-	-	-
Additions	-	82,907	126	7,388	90,421
Depreciation	-	(43,215)	(741)	(11,810)	(55,766)
Transfers (Out)	(581)	(1,590)	-	-	(2,171)
Disposals	-	-	-	-	-
Write-offs	-	-	-	(20)	(20)
Carrying Amount at the End of the Reporting Period	<u>259,873</u>	<u>1,576,875</u>	<u>2,035</u>	<u>39,553</u>	<u>1,878,336</u>

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

25. Property, Plant and Equipment - Continued

Property, Plant and Equipment Movement Schedule 30 June 2011

Items	Land \$'000	Buildings and Improvements To Land \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Total \$'000
Carrying Amount at the Beginning of the Reporting Period	228,078	1,221,960	3,360	32,678	1,486,076
Revaluation	33,246	107,600	-	-	140,846
Impairment	-	(6,920)	-	-	(6,920)
Make Good Provision	-	-	57	-	57
Additions	-	274,850	61	19,572	294,483
Depreciation	-	(37,841)	(828)	(8,095)	(46,764)
Transfers (Out)	(870)	(11,771)	-	-	(12,641)
Disposals	-	-	-	-	-
Write-offs	-	(85)	-	(160)	(245)
Carrying Amount at the End of the Reporting Period	260,454	1,547,793	2,650	43,995	1,854,892

2012
\$'000 2011
\$'000

Assets under a Finance Lease¹

Plant and Equipment

Gross Value	3,843	4,351
(Accumulated Depreciation)	(3,533)	(3,999)
Total	310	352

1. Assets under a Finance Lease are included as part of property, plant and equipment.

26. Capital Works in Progress

Capital Works in Progress are assets being constructed over periods of time in excess of the present reporting period.

Assets under construction include buildings and building improvements.

Capital Works in Progress	38,543	26,751
Total	38,543	26,751

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$'000	2011 \$'000
26. Capital Works in Progress - Continued		
Reconciliation of Capital Works in Progress		
Balance at the Beginning of the Reporting Period	26,751	128,052
Transfer to property, plant and equipment	(24,820)	(126,059)
Additions		
Capital Works ¹	36,247	24,736
Capital Initiatives ²	365	22
Balance at the End of the Reporting Period	38,543	26,751

1. 2011-12 primarily relates to works in progress for Bonner Primary School, Franklin Early Childhood School and Canberra College Performing Arts Centre. 2010-11 primarily relates to Harrison High School and design works for Bonner Primary School and Franklin Early Childhood School.
2. 2011-12 primarily relates to replacement of Australian Vocational Management System and Year 12 Certification Project.

LIABILITIES

27. Payables

Payables - ACT Government Entities	64	19
Payables - Non ACT Government Entities	144	152
Accrued Expenses ¹	9,935	5,292
Total	10,143	5,463

1. The increase primarily relates to capital works accruals for Bonner Primary School and Canberra College Performing Arts Centre.

The ageing of payables as at 30 June 2012 which totalled \$10.143 million (\$5.463 million in 2011) is as follows:

Not overdue	10,121	5,439
Overdue for Less than 30 Days	10	23
Overdue for 30 to 60 Days	12	1
Overdue for More than 60 Days	-	-
Total	10,143	5,463

Classification of ACT Government / Non ACT Government Payables

Payables with ACT Government Entities

Payables	64	19
Accrued Expenses ¹	7,886	2,928
Total Payables with ACT Government Entities	7,950	2,947

Payables with Non ACT Government Entities

Payables	144	152
Accrued Expenses	2,049	2,364
Total Payables Non ACT Government Entities	2,193	2,516

Total	10,143	5,463
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1. The increase primarily relates to capital works accruals for Bonner Primary School and Canberra College Performing Arts Centre.

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$'000	2011 \$'000
28. Finance Leases¹		
Finance Lease commitments payable for computers for teaching and motor vehicles:		
• Within One Year	80	161
• Later than One Year but not later than Five Years	28	108
Minimum Finance Lease Payments	108	269
Less: Future Finance Charges	(5)	(17)
Total Present Value of Minimum Finance Lease Payments	103	252
Comprising:		
• Within One Year	76	149
• Later than One Year but not later than Five Years	27	103
Total	103	252
Current	76	149
Non-Current	27	103
Total	103	252

1. The face of the financial statements shows the value of finance leases net of GST. GST recoverable is \$0.010 million in 2011-12 and \$0.023 million in 2010-11.

29. Employee Benefits

Current		
Annual Leave ¹	27,358	24,309
Long Service Leave ²	72,091	57,613
Accrued Salaries ³	11,448	9,057
Purchased Leave	362	318
Total Current	111,259	91,297
Non-Current		
Long Service Leave ²	10,582	8,480
Total Non-Current	10,582	8,480
Total	121,841	99,777

1. The increase is primarily due to wage increases associated with teaching and non-teaching staff.
2. The increase mainly relates to a change in the rate used to estimate the present value of long service leave. Refer Note (2v) – Employee Benefits and (3a) – Change in Accounting Estimates.
3. The increase reflects an additional accrual day in 2011-12.

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

	2012 \$'000	2011 \$'000
29. Employee Benefits – Continued		
Estimate of when leave is payable		
Estimated Amount Payable within 12 months		
Accrued Salaries	11,448	9,057
Annual Leave	27,358	24,309
Long Service Leave	5,765	5,924
Purchased Leave	362	318
Total Payable within 12 Months	44,933	39,608
Estimated Amount Payable after 12 Months		
Long Service Leave	76,908	60,169
Total Payable after 12 Months	76,908	60,169
Total	121,841	99,777
30. Other Current Liabilities		
International Students Fees Received in Advance	2,875	2,759
Schools Revenue Received in Advance	311	222
Other Revenue Received in Advance	667	806
Total	3,853	3,787
31. Make Good Provision		
On 1 July 2008 the Directorate entered into a lease agreement for the office space at Centrecourt – Unit 17 Fyshwick. There are clauses in the lease agreement which require the Directorate, upon cessation of the tenancy, to return the office space to the condition it was in before it was leased (this is referred to as 'make good'). The tenancy runs for 5 years. The estimated costs to make good this office space is \$0.057 million.		
Make Good Provision		
Make Good Provision at the Beginning of the Reporting Period	57	57
Total	57	57

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

	2012 \$'000	2011 \$'000
EQUITY		
32. Equity		
Asset Revaluation Surpluses		
Balance at the Beginning of the Reporting Period	1,021,223	887,297
Asset Revaluation ¹	-	140,846
Impairment ²	(9,020)	(6,920)
Balance at the End of the Reporting Period	<u>1,012,203</u>	<u>1,021,223</u>

1. During 2010-11 Colliers International Holdings (Australia) Ltd performed a revaluation of the Directorate's Land and Buildings.
2. Relates to the temporary relocation of Taylor Primary School students due to structural damage in 2012.

OTHER

33. Commitments¹

The capital commitments mainly relate to the construction of new schools.

Capital Commitments

• Within One Year	39,911	30,681
• Later than One Year but not later than Five Years	22,163	2,703
• Later than Five Years	-	367
Total	<u>62,074</u>	<u>33,751</u>

1. All 2011-12 Commitments are GST inclusive where relevant. Total GST recoverable from the Australian Taxation Office is \$5.643 million (2010-11 \$3.068 million). The capital commitments primarily relate to the Directorate's capital works program. The increase in 2011-12 is mainly due to capital works projects associated with Bonner Primary and Franklin Early Childhood Schools.

Operating Lease Commitments¹

Operating Lease Commitments are amounts for building leases, computing equipment and motor vehicles.

• Within One Year	2,660	2,131
• Later than One Year but not later than Five Years	2,603	3,595
Total	<u>5,263</u>	<u>5,726</u>

1. All 2011-12 commitments are GST inclusive where relevant. Total GST that will be recoverable from the Australian Taxation Office is \$0.479 million (2010-11 \$0.520 million). The decrease primarily relates to building leases.

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

	2012 \$'000	2011 \$'000
33. Commitments - Continued		
Other Commitments¹		
• Within One Year	49,379	34,077
• Later than One Year but not later than Five Years	50,951	32,455
• Later than Five Years	734	-
Total	101,064	66,532

1. The increase from 2010-11 primarily relates to the new National Partnership for VET Training (Building Australia's Future Workforce – Skills Reform).

34. Gain from the Disposal of Non-Current Assets

Gain from the Sale of Assets	1	3
Total	1	3

35. Contingent Liabilities

The estimated liability for known personal injury litigation cases not settled as at 30 June 2012 and 30 June 2011.¹

5,437	3,533
5,437	3,533

1. The Directorate's insurance policy with the ACT Insurance Authority, covers any realised litigation costs.

36. Financial Instruments

Terms, Conditions and Accounting Policies

Details of the significant policies and methods adopted, including the criteria for recognition, the basis of measurement, with respect to each class of financial asset and financial liability are disclosed in **Note 2 - Summary of Significant Accounting Policies**.

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

36. Financial Instruments - Continued

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Directorate's financial assets consist of cash and cash equivalents, investments and receivables and its financial liabilities are comprised of payables and finance leases. The Directorate's maximum exposure to interest rate risk relating to these financial assets and liabilities is shown below in the table later in this note on 'Maturity Analysis and Exposure to Interest Rates'.

As receivables and payables are held in non-interest bearing arrangements and finance leases are held in fixed interest arrangements, the Directorate is not exposed to movements in interest rates in respect of these financial assets and liabilities.

A significant proportion of the Directorate's financial assets consist of cash and cash equivalents. As these are held in floating interest arrangements with the Territory's Banking Provider, the Directorate is exposed to movements in the amount of interest it may earn on cash and cash equivalents.

As the Directorate's operating cash flows are not significantly dependant on interest earned from cash and cash equivalents, a sensitivity analysis of interest rate risk has not been performed.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Financial assets consist of cash, investments and receivables. The Directorate's maximum exposure to credit is limited to the amount of these financial assets net of any allowance made for impairment. This is shown below in the table 'Maturity Analysis and Exposure to Interest Rates'.

Cash and investment accounts are held with high credit quality financial institutions under whole-of-government banking arrangements. Cash at the bank is held with the Commonwealth Bank and cash not immediately required is invested with the Territory Banking Account. The Treasury Directorate coordinates the investment of this money with various fund managers. These fund managers have the discretion to invest money in a variety of different investments within certain parameters.

Most of the receivables consist of Goods and Services Tax (GST) refund due from the Australian Taxation Office (ATO) and ACT Government Agencies which has a strong credit history. Credit risk for investments is managed by the Directorate through only investing with the Territory Banking Account, which has appropriate investment criteria for the external fund manager engaged to manage the Territory's surplus funds and therefore credit risk is considered to be low.

Liquidity Risk

Liquidity risk is the risk that the Directorate will not be able to meet its financial obligations as they fall due.

The Directorate's maximum exposure to liquidity risk is shown below in the table later in this note on 'Maturity Analysis and Exposure to Interest Rates'. This note discloses when the Directorate expects its financial assets and financial liabilities to mature.

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

36. Financial Instruments - Continued

Liquidity Risk - Continued

Appropriations received to fund operations are drawn down progressively throughout the year to meet the operating requirements. Under the cash management framework, the Directorate cannot hold excess cash, however, in the event of cash pressure, access to additional funding can be obtained from the Treasury Directorate.

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price (other than arising from interest rate risk or currency risk).

The only price risk which the Directorate is exposed to results from its investments in the fixed interest and cash enhanced portfolio. The Directorate has units in the fixed interest portfolio that fluctuate in value. The price fluctuations in the units of the fixed interest portfolio are caused by movements in the underlying investments of the portfolio. To limit price risk, all bonds that make up the underlying investments of the fixed interest portfolio must have a long term credit.

The Directorate's exposure to price risk and the management of this risk has not significantly changed since last reporting period. A sensitivity analysis has not been undertaken for the price risk of the Directorate as it has been determined that the possible impact on profit and loss or total equity from fluctuations in price is immaterial.

Currency Risk

Currency risk is the risk that the fair value on future cash flows of a financial instrument will fluctuate because of changes to foreign currency rates.

The Directorate is not exposed to currency risk as all of its transactions are conducted in Australian dollars.

Unrecognised Financial Assets and Financial Liabilities

There were no unrecognised financial assets and liabilities.

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

36. Financial Instruments - Continued

Fair Value of Financial Assets and Liabilities

The carrying amounts and fair values of financial assets and financial liabilities at the end of the reporting period are:

	2012 Carrying Amount \$'000	2012 Fair Value \$'000	2011 Carrying Amount \$'000	2011 Fair Value \$'000
Financial Assets				
Cash and Cash Equivalents	53,394	53,394	45,002	45,002
Investments with the Territory Banking Account	2,091	2,091	2,033	2,033
Receivables	4,609	4,609	7,125	7,125
Total Financial Assets	60,094	60,094	54,160	54,160
Financial Liabilities				
Payables	10,143	10,143	5,463	5,463
Finance Leases	103	103	252	252
Total Financial Liabilities	10,246	10,246	5,715	5,715

Fair Value Hierarchy

The Directorate is required to classify financial assets and financial liabilities into a fair value hierarchy that reflects the significance of the inputs used in determining their fair value. The fair value hierarchy is made up of the following three levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

36. Financial Instruments - Continued

The carrying amount of financial assets measured at fair value, as well as the methods used to estimate the fair value are summarised in the table below. All other financial assets and liabilities are measured, subsequent to initial recognition, at amortised cost and as such are not included in the table below.

2012	Classification According to Fair Value Hierarchy			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial Assets				
Investment with the Territory Banking Account – Cash Enhanced Portfolio	-	259	-	259
Investment with the Territory Banking Account – Fixed Interest Portfolio	-	1,832	-	1,832
Total	-	2,091	-	2,091

2011	Classification According to Fair Value Hierarchy			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial Assets				
Investment with the Territory Banking Account – Cash Enhanced Portfolio	-	259	-	259
Investment with the Territory Banking Account – Fixed Interest Portfolio	-	1,774	-	1,774
Total	-	2,033	-	2,033

Transfer between Categories

There have been no transfers of financial assets or financial liabilities between Level 1 and Level 2 during the reporting period.

Maturity Analysis and Exposure to Interest Rates

The following tables set out the Directorate's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2012 and 30 June 2011.

All financial assets and liabilities which have a floating interest rate or are non-interest bearing will mature in 1 year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

The Directorate does not hold any collateral as security relating to financial assets.

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

36. Financial Instruments - Continued

2012		Fixed Interest Maturing In:					Total \$'000
Financial Instruments	Note No.	Floating Interest Rate \$'000	1 Year or Less \$'000	Over 1 Year to 5 Years \$'000	Over 5 Years \$'000	Non-Interest Bearing \$'000	
Financial Assets							
Cash and Cash Equivalents	21	36,948	-	-	-	16,446	53,394
Receivables	22	-	-	-	-	4,609	4,609
Investments	24	-	-	-	-	2,091	2,091
Total Financial Assets		36,948	-	-	-	23,146	60,094
Weighted Average Interest Rate		3.86%					
Financial Liabilities							
Payables	27	-	-	-	-	(10,143)	(10,143)
Finance Leases ¹	28	-	(80)	(28)	-	-	(108)
Total Financial Liabilities		-	(80)	(28)	-	(10,143)	(10,251)
Weighted Average Interest Rate			7.37%	7.37%			
Net Financial Assets/(Liabilities)		36,948	(80)	(28)	-	13,003	49,843

1. The finance lease includes the interest component.

2011		Fixed Interest Maturing In:					Total \$'000
Financial Instruments	Note No.	Floating Interest Rate \$'000	1 Year or Less \$'000	Over 1 Year to 5 Years \$'000	Over 5 Years \$'000	Non-Interest Bearing \$'000	
Financial Assets							
Cash and Cash Equivalents	21	34,810	-	-	-	10,192	45,002
Investments	24	-	-	-	-	2,033	2,033
Receivables	22	-	-	-	-	7,125	7,125
Total Financial Assets		34,810	-	-	-	19,350	54,160
Weighted Average Interest Rate		4.60%					
Financial Liabilities							
Payables	27	-	-	-	-	(5,463)	(5,463)
Finance Leases ¹	28	-	(161)	(108)	-	-	(269)
Total Financial Liabilities		-	(161)	(108)	-	(5,463)	(5,732)
Weighted Average Interest Rate			7.81%	7.81%			
Net Financial Assets/(Liabilities)		34,810	(161)	(108)	-	13,887	48,428

1. The finance lease includes the interest component.

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$'000	2011 \$'000
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36. Financial Instruments - Continued

Carrying Amount of Each Category of Financial Asset and Financial Liability

Financial Assets		
Loans and Receivables	4,609	7,125
Financial Assets at Fair Value through Profit and Loss	2,091	2,033
Financial Liabilities		
Financial Liabilities Measured at Amortised Cost	10,246	5,715

The Directorate does not have any financial assets in the 'Available for Sale' category or the 'Held to Maturity' category and as such these categories are not included above. Also, the Directorate does not have any financial liabilities in the 'Financial Liabilities at Fair Value through Profit and Loss' category and, as such, this category is not included above. The Directorate does not hold any loans, however, this classification is required by Australian Accounting Standards Board standard 7.

37. Interest in Joint Venture

Gold Creek Primary School operates adjacent to the Holy Spirit Primary School that is operated by the Catholic Education Office. Both schools share joint facilities including a hall/gymnasium, canteen, library, car park and meeting rooms. The shared facilities are managed by a Joint Facilities Management Committee through a formal agreement between the ACT Government and the Catholic Education Office. All assets and liabilities relating to the shared facilities are owned by the ACT Government and Catholic Education Office in accordance with the participating share of each party, which is 53% for the ACT Government and 47% for the Catholic Education Office. The joint venture is accounted for using the equity method.

	2012 \$'000	2011 \$'000
Share of the Joint Venture Profits		
Revenue	72	67
Expenses	(148)	(138)
Operating (Deficit)	(76)	(71)
Share of the Joint Venture Assets and Liabilities		
Current Assets	61	56
Non-Current Assets	3,062	3,142
Total Assets	3,123	3,198
Current Liabilities	7	5
Non-Current Liabilities	-	-
Total Liabilities	7	5
Net Assets	3,116	3,193
Share of the Joint Venture Cash	52	50

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$'000	2011 \$'000
38. Cash Flow Reconciliation		
(a) Reconciliation of Net Cash Inflows from Operating Activities to the Operating (Deficit)		
Operating (Deficit)	(74,172)	(46,947)
Non-Cash Flows in the Operating (Deficit)		
Depreciation	55,766	46,764
Increase in Employee Benefits	22,064	5,649
Assets Written-Off	20	245
Increase / (Decrease) in Revenue Received in Advance	66	(213)
Increase / (Decrease) in Creditors	180	(488)
Decrease / (Increase) in Receivables	2,516	(15)
Decrease / (Increase) in Prepaid Expenditure	1,005	(955)
(Gain) from Sale of Assets	(1)	(3)
Transfer of Assets Outside of Administrative Restructures	2,171	12,641
Unrealised Gain on Investments	(58)	(1)
Net Cash Inflows from Operating Activities	9,557	16,677
(b) Non-Cash Financing Activities		
The Directorate has entered into finance lease arrangements for plant and equipment.		
Plant and Equipment	-	127
Total	-	127

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

	2012 \$'000	2011 \$'000
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38. Cash Flow Reconciliation - Continued

(c) Reconciliation of Cash and Cash Equivalents

Cash at the End of the Reporting Period as shown in the Cash Flow Statement is reconciled to the Items in the Balance Sheet as follows:

Cash Flow Statement

Cash at End of the Reporting Period	53,394	45,002
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Balance Sheet

Cash and Cash Equivalents	53,394	45,002
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EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

39. Disaggregated Disclosure of Assets and Liabilities

Year Ended 30 June 2012	Output Class 1 \$'000	Output Class 2 \$000	Output Class 3 \$'000	Unallocated \$'000	Total \$'000
Current Assets					
Cash and Cash Equivalents ¹	28,578	-	-	24,816	53,394
Investments	-	-	-	259	259
Receivables	4,609	-	-	-	4,609
Other	720	-	1,928	-	2,648
Total Current Assets	33,907	-	1,928	25,075	60,910
Non-Current Assets					
Investments	1,332	-	-	500	1,832
Property Plant and Equipment	1,878,336	-	-	-	1,878,336
Capital Works in Progress	38,543	-	-	-	38,543
Total Non-Current Assets	1,918,211	-	-	500	1,918,711
Total Assets	1,952,118	-	1,928	25,575	1,979,621
Current Liabilities					
Payables	9,442	5	696	-	10,143
Finance Leases	76	-	-	-	76
Employee Benefits	110,146	-	1,113	-	111,259
Other	3,853	-	-	-	3,853
Total Current Liabilities	123,517	5	1,809	-	125,331
Non Current Liabilities					
Finance Leases	27	-	-	-	27
Employee Benefits	10,476	-	106	-	10,582
Make Good Provision	57	-	-	-	57
Total Non-Current Liabilities	10,560	-	106	-	10,666
Total Liabilities	134,077	5	1,915	-	135,997
Net Assets	1,818,041	(5)	13	25,575	1,843,624

1. Unallocated Cash and Cash Equivalents

Cash and cash equivalents have been included in the 'Unallocated' column above as this class cannot be reliably attributed to the Directorate's output classes. As the amount in cash and cash equivalents held by the Directorate is comprised of a number of disparate components, no single allocation driver can be used to reliably attribute this asset class. The components include working capital, cash for un-presented cheques, and for specific purpose payments.

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

39. Disaggregated Disclosure of Assets and Liabilities - Continued

Year Ended 30 June 2011	Output Class 1 \$'000	Output Class 2 \$000	Output Class 3 \$'000	Unallocated \$'000	Total \$'000
Current Assets					
Cash and Cash Equivalents ¹	26,486	-	-	18,516	45,002
Investments	-	-	-	259	259
Receivables	7,054	-	71	-	7,125
Other	892	-	2,761	-	3,653
Total Current Assets	34,432	-	2,832	18,775	56,039
Non-Current Assets					
Investments	1,252	-	-	522	1,774
Property Plant and Equipment	1,854,892	-	-	-	1,854,892
Capital Works in Progress	26,751	-	-	-	26,751
Total Non-Current Assets	1,882,895	-	-	522	1,883,417
Total Assets	1,917,327	-	2,832	19,297	1,939,456
Current Liabilities					
Payables	5,182	22	259	-	5,463
Finance Leases	149	-	-	-	149
Employee Benefits	90,384	-	913	-	91,297
Other	3,787	-	-	-	3,787
Total Current Liabilities	99,502	22	1,172	-	100,696
Non Current Liabilities					
Finance Leases	103	-	-	-	103
Employee Benefits	8,395	-	85	-	8,480
Make Good Provision	57	-	-	-	57
Total Non-Current Liabilities	8,555	-	85	-	8,640
Total Liabilities	108,057	22	1,257	-	109,336
Net Assets	1,809,270	(22)	1,575	19,297	1,830,120

1. Unallocated Cash and Cash Equivalents

Cash and cash equivalents have been included in the 'Unallocated' column above as this class cannot be reliably attributed to the Directorate's output classes. As the amount in cash and cash equivalents held by the Directorate is comprised of a number of disparate components, no single allocation driver can be used to reliably attribute this asset class. The components include working capital, cash for un-presented cheques, specific purpose and salary packaging.

EDUCATION AND TRAINING DIRECTORATE
STATEMENT OF INCOME AND EXPENSES ON BEHALF OF THE TERRITORY
FOR THE YEAR ENDED 30 JUNE 2012

	Note No.	Actual 2012 \$'000	Original Budget 2012 \$'000	Actual 2011 \$'000
INCOME				
Revenue				
Payment for Expenses on Behalf of the Territory	40	195,105	196,633	212,454
Fees	41	-	203	246
Interest	42	1	-	-
Total Revenue		195,106	196,836	212,700
EXPENSES				
Grants and Purchased Services	43	195,105	196,633	212,454
Transfer to Government	44	1	203	246
Total Expenses		195,106	196,836	212,700
Operating Result		-	-	-
Other Comprehensive Income		-	-	-
Total Comprehensive Income		-	-	-

The above Statement of Income and Expenses on Behalf of the Territory should be read in conjunction with the accompanying notes.

EDUCATION AND TRAINING DIRECTORATE
STATEMENT OF ASSETS AND LIABILITIES ON BEHALF OF THE TERRITORY
AS AT 30 JUNE 2012

	Note No.	Actual 2012 \$'000	Original Budget 2012 \$'000	Actual 2011 \$'000
CURRENT ASSETS				
Cash and Cash Equivalents	45	50	241	558
Receivables	46	23	22	99
Total Current Assets		73	263	657
TOTAL ASSETS		73	263	657
CURRENT LIABILITIES				
Payables	47	73	263	657
Total Current Liabilities		73	263	657
TOTAL LIABILITIES		73	263	657
NET ASSETS		-	-	-
EQUITY				
Accumulated Funds		-	-	-
TOTAL EQUITY		-	-	-

The above Statement of Assets and Liabilities on Behalf of the Territory should be read in conjunction with the accompanying notes.

Net Assets and Total Equity has remained at nil, therefore a Statement of changes in Equity on behalf of the Territory has not been performed.

**EDUCATION AND TRAINING DIRECTORATE
CASH FLOW STATEMENT ON BEHALF OF THE TERRITORY
FOR THE YEAR ENDED 30 JUNE 2012**

	Note No.	Actual 2012 \$'000	Original Budget 2012 \$'000	Actual 2011 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Cash from Government for Expenses on Behalf of the Territory		209,184	211,340	229,514
Fees		8	203	237
Interest		1	-	-
Goods and Services Tax Received		4,787	4,923	4,684
Payments				
Grants and Purchased Services		209,718	211,340	229,170
Transfer of Territory Receipts to Government		10	203	237
Goods and Services Tax Paid		4,760	4,923	4,711
Net Cash (Outflows) / Inflows from Operating Activities	49	(508)	-	317
CASH FLOWS FROM INVESTING ACTIVITIES				
		-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES				
		-	-	-
Net (Decrease) / Increase in Cash Held		(508)	-	317
Cash and Cash Equivalents at the Beginning of the Reporting Period				
		558	241	241
Cash and Cash Equivalents at the End of the Reporting Period				
	49	50	241	558

The above Cash Flow Statement on Behalf of the Territory should be read in conjunction with the accompanying notes.

**EDUCATION AND TRAINING DIRECTORATE
TERRITORIAL STATEMENT OF APPROPRIATION
FOR THE YEAR ENDED 30 JUNE 2012**

	Notes	Original Budget 2012 \$'000	Total Appropriated 2012 \$'000	Appropriation Drawn 2012 \$'000	Appropriation Drawn 2011 \$'000
Expenses on Behalf of the Territory	1	211,340	215,444	209,184	229,514
Total Territorial Appropriation		211,340	215,444	209,184	229,514

Notes:

1. The difference between the original budget and the total amount appropriated relates to increased Commonwealth grants (\$3.170m) and the rollover of funds for the Interest Subsidy Scheme (\$0.934m). The increased Commonwealth grants relate to National Partnership Programs for Support for Students with a Disability, Empowering Local Schools, Reward for Great Teachers and general recurrent grants.

The difference between the total appropriated and appropriation drawn mainly relates to Commonwealth grant savings (\$2.692m) primarily associated with the Trade Training Centres National Partnership and the rollover of funds for the Interest Subsidy Scheme and Reward for Great Teachers into 2012-13 (\$2.568m). In addition, there has been lower than anticipated drawdown due to the use of opening cash (\$0.631m) and lower than budgeted payments primarily relating to the Bursary Scheme.

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
ON BEHALF OF THE TERRITORY FOR THE YEAR ENDED 30 JUNE 2012

	Notes
Income Notes	
Payment for Expenses on Behalf of the Territory	40
Fees	41
Interest	42
Expense Notes	
Grants and Purchased Services	43
Transfer to Government	44
Asset Notes	
Cash	45
Receivables	46
Liability Notes	
Payables	47
Other Notes	
Financial Instruments	48
Cash Flow Reconciliation	49

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
ON BEHALF OF THE TERRITORY FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$'000	2011 \$'000
INCOME		

40. Payment for Expenses on Behalf of the Territory

Under the *Financial Management Act 1996*, funds can be appropriated for expenses incurred on behalf of the Territory. The Directorate receives this appropriation to fund a number of expenses incurred on behalf of the Territory, the main one being the payment of grants to non-government schools. Refer to **Note 43 – Grants and Purchased Services** for the details of the expenses.

Amounts Received to Meet Expenses Incurred on Behalf of the Territory ¹	195,105	212,454
Total	<u>195,105</u>	<u>212,454</u>

1. The decrease from 2010-11 primarily relates to the finalisation of the Building the Education Revolution Program, partially offset by increased Commonwealth recurrent grants.

41. Fees

Fees for Regulatory Services – Training ¹	-	246
Total	<u>-</u>	<u>246</u>

1. Fees for the accreditation of the Registered Training Organisations are no longer collected by the Education and Training Directorate on behalf of the Territory. This function is now administered by the Australian Skills Quality Authority (ASQA), a statutory authority funded by the Commonwealth.

42. Interest

Interest ¹	1	-
Total	<u>1</u>	<u>-</u>

1. This relates to interest received from the Australian Taxation Office for the late reimbursement of input tax credits.

EXPENSES

43. Grants and Purchased Services

Payments for grants and subsidies were made as follows:

Grants – Non-Government Schools ¹	194,701	212,009
Junior Bursary Scheme	338	356
Block Release Grants	66	89
Total	<u>195,105</u>	<u>212,454</u>

1. The decrease from 2010-11 primarily relates to the finalisation of the Building the Education Revolution program, partially offset by increased Commonwealth recurrent grants.

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
ON BEHALF OF THE TERRITORY FOR THE YEAR ENDED 30 JUNE 2012

2012
\$'000

2011
\$'000

44. Transfer to Government

Transfers to government primarily relates to fees that are collected on behalf of the Territory - refer **Note 41 - Fees**.

Transfer to Government ¹	1	246
Total	1	246

1. The decrease from 2010-11 relates to a reduction in the collection of fees for the accreditation of registered training organisations (Refer **Note 41 - Fees**).

ASSETS

45. Cash and Cash Equivalents

Cash at bank	50	558
Total	50	558

46. Receivables¹

Current

GST Receivable from the Australian Taxation Office	19	46
Other Receivables	4	53
Total	23	99

1. All receivables are with Non-ACT Government entities.

Ageing of Receivables

	Not Overdue \$'000	Past Due			Total \$'000
		Less than 30 Days \$'000	30 to 60 Days \$'000	Greater than 60 Days \$'000	
2012					
Not impaired¹					
Receivables	19	-	-	4	23
Impaired					
Receivables	-	-	-	-	-
2011					
Not impaired¹					
Receivables	99	-	-	-	99
Impaired					
Receivables	-	-	-	-	-

1. 'Not Impaired' refers to Net Receivables (that is Gross Receivables less Impaired Receivables)

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
ON BEHALF OF THE TERRITORY FOR THE YEAR ENDED 30 JUNE 2012**

	2012 \$'000	2011 \$'000
LIABILITIES		
47. Payables		
Current		
All payables at 30 June 2012 were current and not overdue.		
Current amount owed to the Territory Banking Account	73	657
Total	73	657

48. Financial Instruments

Terms, Conditions and Accounting Policies

Details of the significant policies and methods adopted, including the criteria for recognition, the basis of measurement, with respect to each class of financial asset and financial liability are disclosed in **Note 2 - Summary of Significant Accounting Policies**.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The financial assets held by the Directorate on behalf of the Territory consist of cash and cash equivalents and receivables and its financial liabilities are comprised of payables. As cash, receivables and payables are held in non-interest bearing arrangements, the Directorate on behalf of the Territory is not exposed to movements in interest rates in respect of these financial assets and liabilities, as shown in the table 'Fair Value of Financial Assets and Liabilities'.

As all financial assets and liabilities are held in non-interest bearing arrangements, a sensitivity analysis of interest rate risk is not required.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Financial assets consist of cash and receivables. The Directorate on behalf of the Territory's maximum exposure to credit risk is limited to the amount of these financial assets net of any allowance made for impairment. This is shown below in the table 'Maturity Analysis and Exposure to Interest Rates'.

All receivables relate to either Commonwealth, ACT or non-government agencies which have strong credit histories (most receivables consist of Goods and Services Tax (GST) refunds due from the Australian Taxation Office). Credit risk is therefore considered to be low.

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
ON BEHALF OF THE TERRITORY FOR THE YEAR ENDED 30 JUNE 2012**

48. Financial Instruments - Continued

Liquidity Risk

Liquidity risk is the risk that the Directorate on behalf of the Territory will not be able to meet its financial obligations as they fall due.

Expenses on Behalf of the Territory appropriations are drawn down progressively throughout the year to meet operating requirements. In the event of cash pressure, access to additional funding may be obtained from the ACT Government.

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price.

The Directorate on behalf of the Territory is not exposed to price risk as its financial assets, consisting of cash and receivables are not affected by movements in market price.

Currency Risk

Currency risk is the risk that the fair value on future cash flows of a financial instrument will fluctuate because of changes to foreign currency rates.

The Directorate on behalf of the Territory is not exposed to currency risk as all of its transactions are made in Australian dollars.

Unrecognised Financial Assets and Financial Liabilities

There were no unrecognised financial assets and liabilities.

Fair Value of Financial Assets and Liabilities

	2012 Carrying Amount \$'000	2012 Fair Value \$'000	2011 Carrying Amount \$'000	2011 Fair Value \$'000
Financial Assets				
Cash	50	50	558	558
Receivables	23	23	99	99
Total Financial Assets	73	73	657	657
Financial Liabilities				
Payables	73	73	657	657
Total Financial Liabilities	73	73	657	657

EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
ON BEHALF OF THE TERRITORY FOR THE YEAR ENDED 30 JUNE 2012

48. Financial Instruments – Continued

Maturity Analysis and Exposure to Interest Rate

2012		Fixed Interest Maturing In:					Total \$'000
Financial Instruments	Note No.	Floating Interest Rate \$'000	1 Year or Less \$'000	Over 1 Year to 5 Years \$'000	Over 5 Years \$'000	Non-Interest Bearing \$'000	
Financial Assets							
Cash	45	-	-	-	-	50	50
Receivables	46	-	-	-	-	23	23
Total Financial Assets		-	-	-	-	73	73
Weighted Average Interest Rate		-	-	-	-	-	-
Financial Liabilities							
Payables	47	-	-	-	-	(73)	(73)
Total Financial Liabilities		-	-	-	-	(73)	(73)
Weighted Average Interest Rate		-	-	-	-	-	-
Net Financial Assets/(Liabilities)		-	-	-	-	-	-

2011		Fixed Interest Maturing In:					Total \$'000
Financial Instruments	Note No.	Floating Interest Rate \$'000	1 Year or Less \$'000	Over 1 Year to 5 Years \$'000	Over 5 Years \$'000	Non-Interest Bearing \$'000	
Financial Assets							
Cash	45	-	-	-	-	558	558
Receivables	46	-	-	-	-	99	99
Total Financial Assets		-	-	-	-	657	657
Weighted Average Interest Rate		-	-	-	-	-	-
Financial Liabilities							
Payables	47	-	-	-	-	(657)	(657)
Total Financial Liabilities		-	-	-	-	(657)	(657)
Weighted Average Interest Rate		-	-	-	-	-	-
Net Financial Assets/(Liabilities)		-	-	-	-	-	-

**EDUCATION AND TRAINING DIRECTORATE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
ON BEHALF OF THE TERRITORY FOR THE YEAR ENDED 30 JUNE 2012**

48. Financial Instruments – Continued

Fair Value Hierarchy

All financial assets and liabilities are measured, subsequent to initial recognition at amortised cost and as such no fair value hierarchy disclosures have been made.

	2012 \$'000	2011 \$'000
49. Cash Flow Reconciliation		
(a) Reconciliation of Net Cash (Outflows)/Inflows from Operating Activities with the Operating Result		
Operating Result	-	-
Non-Cash Changes in Assets and Liabilities		
Decrease / (Increase) in Receivables	76	(78)
(Decrease) / Increase in Payables	(584)	395
Net Cash (Outflows)/Inflows from Operating Activities	<u>(508)</u>	<u>317</u>

(b) Reconciliation of Cash and Cash Equivalents

Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the items in the Statement of Assets and Liabilities as follows:

Cash Flow Statement on Behalf of the Territory:

Cash at the End of the Reporting Period	<u>50</u>	<u>558</u>
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Statement of Assets and Liabilities on Behalf of the Territory:

Cash and Cash Equivalents	<u>50</u>	<u>558</u>
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Appendix 3: A7 Statement of performance



ACT AUDITOR-GENERAL'S OFFICE

A12/20

Ms Diane Joseph
Director-General
Education and Training Directorate
Level 6, 220 Northbourne Avenue
BRADDON ACT 2612

Dear Ms Joseph

Diane

REPORT OF FACTUAL FINDINGS - EDUCATION AND TRAINING DIRECTORATE STATEMENT OF PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2012

The Audit Office has completed the review of the statement of performance of the Education and Training Directorate for the year ended 30 June 2012.

I have attached the statement of performance and unqualified report of factual findings.

I have provided a copy of the statement of performance and report of factual findings to the Minister for Education and Training, Dr Chris Bourke MLA.

Yours sincerely

M. Cooper

Dr Maxine Cooper
Auditor-General

12 September 2012

c.c. Ms Sushila Sharma, Director, Finance and Corporate Support
Ms Jenny Morison, Chair, Audit Committee
Mr Dougal Wilson, Manager, Risk Management and Audit



ACT AUDITOR-GENERAL'S OFFICE



REPORT OF FACTUAL FINDINGS

EDUCATION AND TRAINING DIRECTORATE

To the Members of the ACT Legislative Assembly

Report on the statement of performance

The statement of performance of the Education and Training Directorate (the Directorate) has been reviewed.

Responsibility for the statement of performance

The Director-General of the Directorate is responsible for the preparation and fair presentation of the statement of performance in accordance with the *Financial Management Act 1996*. This includes responsibility for maintaining adequate records and internal controls that are designed to prevent and detect fraud and error, and for the systems and procedures used to measure the results reported in the statement of performance.

The auditor's responsibility

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2011*, I am responsible for providing a report of factual findings on the statement of performance.

This review was conducted in accordance with Australian Auditing Standards applicable to review engagements, to provide assurance that the results of the accountability indicators reported in the statement of performance have been fairly presented in accordance with the *Financial Management Act 1996*.

A review is primarily limited to making inquiries with representatives of the Directorate, performing analytical and other review procedures and examining other available evidence. These review procedures do not provide all of the evidence that would be required in an audit, therefore, the level of assurance provided is less than that given in an audit. An audit has not been performed and no audit opinion is being expressed on the statement of performance.

The review did not include an assessment of the relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets.

No opinion is expressed on the accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations.

Electronic presentation of the statement of performance

Those viewing an electronic presentation of this statement of performance should note that the review does not provide assurance on the integrity of information presented electronically, and does not provide an opinion on any other information which may have been hyperlinked to or from this statement. If users of the statement of performance are concerned with the inherent risks arising from the electronic presentation of information, they are advised to refer to the printed copy of the reviewed statement of performance to confirm the accuracy of this electronically presented information.

Independence

Applicable independence requirements of Australian professional ethical pronouncements were followed in conducting the review.

Review opinion

Based on the review procedures, no matters have come to my attention which indicate that the results of the accountability indicators, reported in the statement of performance of the Directorate for the year ended 30 June 2012, are not fairly presented in accordance with the *Financial Management Act 1996*.

This review opinion should be read in conjunction with the other information disclosed in this report.



Maxine Cooper
Auditor-General

12 September 2012

**Education and Training Directorate
Statement of Performance
For the Year Ended 30 June 2012**

Statement of Responsibility

In my opinion, the Statement of Performance is in agreement with the Directorate's records, fairly reflects the service performance of the Directorate in providing each class of outputs during the financial year ended 30 June 2012 and also fairly reflects the judgements exercised in preparing each output class.



Diane Joseph
Director-General
// September 2012

Output Class 1: Public School Education

Description

Public primary school education is available, on average, for eight years with a preschool age of four years and a kindergarten starting age of five years. A balanced preschool/primary school curriculum covering the early and later childhood education allows students to develop the qualities needed for lifelong learning. Public high school education covers the years 7 to 10. ACT public high schools offer a broad and comprehensive education across all key learning areas. Public secondary college education covers years 11 and 12, offering courses catering for a broad range of student needs and interests.

A range of educational settings are available in the ACT public schools for students with a disability: special needs schools; special classes or units in mainstream schools; and additional support in mainstream classes. The Directorate also provides early intervention programs to children between the ages of two to five years who have a disability or a developmental delay. Early learning and development programs identify and address the physical, emotional, social and educational needs of children from birth to five years.

	2011-12 Target	2011-12 Result	Percentage variance from the target	Explanation of material variance (±10% or higher)
Total Cost (\$'000)				
1.1 Public Primary School Education	263,108	277,082	5.3	
1.2 Public High School Education	152,697	154,262	1.0	
1.3 Public Secondary College Education	99,561	101,010	1.5	
1.4 Disability Education in Public Schools	60,720	63,380	4.4	
Total Output Class 1	576,086	595,734	3.4	
Government Payment for Output (\$'000)				
1.1 Public Primary School Education	218,899	220,658	0.8	
1.2 Public High School Education	127,531	127,330	(0.2)	
1.3 Public Secondary College Education	82,193	82,235	0.1	
1.4 Special Education in Public Schools	53,137	53,436	0.6	
Total Output Class 1	481,760	483,659	0.4	

Output Class 1: Public School Education Accountability Indicators	2011-12 Target	2011-12 Result	Percentage variance from the target	Explanation of material variance (±10% or higher)
National Assessment Program – Literacy and Numeracy ^a				
<i>Literacy mean achievement score of:</i>				
a. all year 3 students in reading	421	440	4.5	
b. Indigenous year 3 students in reading	363	370	1.9	
c. all year 5 students in reading	503	513	2.0	
d. Indigenous year 5 students in reading	445	456	2.5	
e. all year 7 students in reading	551	551	0.0	
f. Indigenous year 7 students in reading	504	502	(0.4)	
g. all year 9 students in reading	594	585	(1.5)	
h. Indigenous year 9 students in reading	552	547	(0.9)	
i. all year 3 students in writing	426	417	(2.1)	
j. Indigenous year 3 students in writing	385	360	(6.5)	
k. all year 5 students in writing	487	491	0.8	
l. Indigenous year 5 students in writing	439	444	1.1	
m. all year 7 students in writing	527	519	(1.5)	
n. Indigenous year 7 students in writing	483	448	(7.2)	
o. all year 9 students in writing	561	553	(1.4)	
p. Indigenous year 9 students in writing	516	474	(8.1)	
<i>Numeracy mean achievement score of:</i>				
a. all year 3 students	415	413	(0.5)	
b. Indigenous year 3 students	360	352	(2.2)	
c. all year 5 students	486	500	2.9	
d. Indigenous year 5 students	433	444	2.5	
e. all year 7 students	551	546	(0.9)	
f. Indigenous year 7 students	499	485	(2.8)	
g. all year 9 students	589	584	(0.8)	
h. Indigenous year 9 students	547	528	(3.5)	
<i>Senior secondary education</i>				
a. Percentage of year 10 students who proceed to public secondary college education	85%	90%	5.9	
b. Percentage of year 12 students who receive a Year 12 Certificate ^b	Not applicable			
c. Percentage of year 12 students who receive a Tertiary Entrance Statement	50%	51%	2.0	
d. Percentage of year 12 students who receive a nationally recognised vocational qualification	60%	64%	6.7	

Output Class 1: Public School Education Accountability Indicators	2011-12 Target	2011-12 Result	Percentage variance from the target	Explanation of material variance (±10% or higher)
Disability education				
a. Individual Learning Plans completed for students in special and mainstream schools who access special education services	97%	97%	0.0	
Early intervention				
a. Number of eligible children with developmental delays and disabilities who attended an early intervention program	450	369	(18.0)	Note 1
b. Individual Learning Plans commenced within one month of the student's first attendance at an early intervention program	100%	100%	0.0	
c. Parent satisfaction with their children's progress in early intervention placement as measured by annual survey	90%	98%	8.9	
d. Average cost (\$) per child attending an early intervention program	3,956	4,163	5.2	
Average cost (\$) per student per annum in public:				
a. Primary schools	13,138	13,270	1.0	
b. Preschools	6,024	6,102	1.3	
c. High schools	16,617	16,720	0.6	
d. Secondary colleges	16,964	17,014	0.3	
e. Special schools	60,206	55,795	(7.3)	
f. Mainstream schools' student with a disability	26,467	27,501	3.9	

Notes to accountability indicator description:

- The reported results for these indicators are based on the National Assessment Program – Literacy and Numeracy conducted in May 2011.
- This indicator was removed as an accountability indicator by the Notifiable Instrument NI2010-277 in June 2010. The indicator became a strategic indicator and will not be reported under accountability indicators in the future.

Note to variance explanation:

- The variance is due to a lower than expected number of enrolments in early intervention programs.

Output Class 2: Non-government Education

Output 2.1: Non-government Education

Description

The Directorate contributes to the maintenance of standards in non-government schools and home education through compliance and registration, and the accreditation and certification of senior secondary courses through the Board of Senior Secondary Studies. The Directorate also undertakes the administration and payment of the Commonwealth and ACT Governments' grants.

	2011-12 Target	2011-12 Result	Percentage variance from the target	Explanation of material variance (±10% or higher)
Total Cost (\$'000)	4,674	1,840	(60.6)	Note 1
Government Payment for Output (\$'000)	4,523	2,093	(53.7)	Note 1
Accountability Indicators				
a. Non-government school registration reviews completed within the period required under the <i>Education Act 2004</i>	100%	100%	0.0	
b. Home education registration reviews for provisionally registered children be completed within three months	96%	100%	4.2	
c. Grants paid within the required period of receiving funds from the Commonwealth Government	100%	100%	0.0	
d. Satisfaction with the processes of the non-government Education section ^a	87%	86%	(1.1)	

Note to accountability indicator description:

- The former Non-Government Education section was merged in the Liaison Unit in early 2012. Stakeholders of the section are non-government schools officials, non-government schools associations, registered home educators and ACT Home educators' network presidents. The stakeholders are surveyed for their satisfaction with the following processes: timeliness of responses to queries; quality of advice; and overall services.

Note to variance explanation:

- The variance is primarily due to the receipt of Commonwealth funding for the Improving Teacher Quality and Literacy and Numeracy National Partnerships in June 2012 and therefore was unspent in 2011-12. The unspent appropriation at the end of the 2011-12 financial year has been transferred for expenditure in 2012-13.

Output Class 3: Vocational Education and Training

Output 3.1: Planning and Coordination of Vocational Education and Training Services

Description

The Directorate is responsible and accountable for the provision of strategic advice and management of vocational education and training (VET) and higher education in the ACT. This includes administering territory and national funds for a variety of programs addressing skills development for entry level and existing workers as well as adult and community education. The VET system in the ACT responds to the demands and requirements of industry and the community. The Directorate gathers advice from industry stakeholders to predict industry trends and identify the future training requirements of the ACT.

	2011-12 Target	2011-12 Result	Percentage variance from the target	Explanation of material variance (±10% or higher)
Total Cost (\$'000)	40,463	29,873	(26.2)	Note 1
Government Payment for Output (\$'000)	39,629	30,319	(23.5)	Note 1
Accountability Indicators				
a. Total number of hours under programs available for competitive purchase	1,800,000	2,010,647	11.7	Note 2
b. Total reported number of training commencements under available programs ^a	6,800	6,669	(1.9)	
c. Total number of enrolments of existing workers under additional programs ^b	2,405	2,321	(3.5)	
d. Percentage of apprentices satisfied with their training under Australian Apprenticeships	80%	86%	7.5	
e. Percentage of employers satisfied with their employees' training under Australian Apprenticeships ^c	Not applicable			
f. Retention rate of existing workers training towards a qualification under additional programs	85%	94%	10.6	Note 3

Notes to accountability indicator description:

- Refers to Australian Apprenticeships under User Choice Programs and the Priorities Support Program.
- Refers to the Productively Places Program/National Entitlement to a Quality Training Place.
- This indicator was discontinued through Notifiable Instrument NI2010-684 effective from 1 July 2010, as it was based on a national survey which is only conducted once every two years. It will not be reported under accountability indicators in the future.

Notes to variance explanations:

- The variance is primarily due to the transfer of funds to 2012-13 to line up with the delivery of training under the Productivity Places Program National Partnership.
- The variance is due to improvements in the recording of VET activity.
- The variance is due to the high number of existing workers, in training at 30 June 2012, who had recently commenced their training. Withdrawals are lower in the early stages of training resulting in a higher retention rate.

Appendix 4: A10 Triple bottom line report

The ACT Government is committed to sustainable government operations. The ACT Government's framework for sustainability is laid out in *People, Place, and Prosperity*, which uses a triple bottom line approach to sustainability, recognising the interdependence of social, economic and environmental wellbeing.

An essential element of sustainability is transparent reporting. Table A10.1 below compares the Directorate performance in 2011-12 and 2010-11. The table also provides percentage change from 2010-11 to 2011-12.

Table A10.1: Triple bottom line performance in 2010-11 and 2011-12

	Indicator	2010-11	2011-12	Percentage change
Economic ^a	Employee expenses			
	• Number of staff employed (head count)	5,694	5,854	2.8
	• Total employee expenditure (\$million)	392.3	430.1	9.6
	Operating statement			
	• Total expenditure (\$million)	587.9	627.4	6.7
	• Total own source revenue (\$million)	39.7	37.2	(6.3)
	• Total net cost of services (\$million)	548.2	590.2	7.7
	Economic viability			
	• Total assets (\$million)	1,939.5	1,979.6	2.1
	• Total liabilities (\$million)	109.3	136.0	24.4

	Indicator	2010-11	2011-12	Percentage change
Environmental ^b	Transport			
	• Total number of fleet vehicles	24	19	(20.8)
	• Total transport fuel used (kilolitres)	24	17	(29.2)
	• Total direct greenhouse emissions of the fleet (tonnes of CO ₂ -e)	63	46	(27.0)
	Energy use			
	• Total office energy use (megajoules)	7,386,858	7,234,710	(2.1)
	• Office energy use per FTE (megajoules)	21,919	21,680	(1.1)
	• Office energy use per square metre (megajoules) ^c	946.06	1,096.17	15.9
	Greenhouse emissions			
	• Total office greenhouse emissions – direct and indirect (tonnes of CO ₂ -e)	1,379	978	(29.1)
Social	• Total office greenhouse emissions per FTE (tonnes of CO ₂ -e)	4.09	2.93	(28.4)
	• Total office greenhouse emissions per square metre (tonnes of CO ₂ -e)	0.18	0.15	(16.7)
	Water consumption^d			
	• Total water use (kilolitres)	7,254	2,961	(59.2)
	• Office water use per FTE (kilolitres)	22	9	(59.1)
	• Office water use per square metre (kilolitres)	0.93	0.45	(51.6)
	Resource efficiency and waste			
	• Estimate of co-mingled office waste per FTE (litres) ^e	4	109	2,625.0
	• Estimate of total paper recycled (litres)	224,400	239,520	6.7
	• Estimate of total paper used (by reams) per FTE (litres)	25	24	(4.0)
Social	Diversity of workforce			
	• Women (female FTEs as a percentage of total workforce)	76.2%	75.8%	(0.5)
	• People with a disability (percentage of the total workforce)	1.3%	1.2%	(7.7)
	• Aboriginal and Torres Strait Islander people (percentage of the total workforce)	0.7%	0.7%	0.0
	• Staff with English as a second language (percentage of total workforce)	9.3%	9.2%	(1.0)
	Staff health and wellbeing			
	• Occupational Health and Safety Incident Reports	533	484	(9.2)
	• Accepted claims for compensation	155	123	(20.6)
	• Staff receiving influenza vaccinations ^f	2,215	2,424	9.4
	• Workstation assessments requested	26	25	(4.0)

Source: Finance and Corporate Support, and Human Resources Branches

Notes:

- a. The results for the Economic element represent a Directorate total (figures supplied by Finance and Human Resources).

- b. The results for the Environmental element are based on the four central office sites at 220 Northbourne Avenue in Braddon, Hedley Beare Centre for Teaching and Learning in Stirling, former Higgins Primary School and the Fyshwick Annex.
- c. The decrease in area space is not directly relative to reductions in energy usage.
- d. The results for the 'water' element are significantly lower than 2010-11 due to there being no major water/plumbing issues during 2011-12.
- e. The results for the 'estimate of comingled material recycled (based on bins collected)' are significantly higher due to the increase in comingled recycling for 220 Northbourne Avenue in Braddon after this site became an ACT Smart Office accredited recycler in 2012.
- f. The results for staff receiving influenza vaccinations are based on calendar year as of the close of the scheduled program.

For more information contact:
Director
Finance and Corporate Support
(02) 6205 9108

Appendix 5: C15 Government contracting

All procurement processes in place within the Directorate are required to comply with the procurement legislative framework including the *Government Procurement Act 2001*, *Government Procurement Regulation 2007* and subordinate guidelines and circulars. Confirmation of the procurement selection and management processes is authorised by the appropriate Delegate within the Directorate.

Under whole of government procurement arrangements, Shared Services Procurement continued to provide advice and support in relation to procurement and contract management issues and undertook higher value procurement activities on behalf of the Directorate.

The Directorate continued to be responsible for the management of contracts. Where obligations were not met, including responsibility to comply with employment and industrial relations conditions, the contractor was required to rectify the non-compliance immediately to avoid cancellation of the contract.

Directorate central office expenditure included the acquisition of expert advice regarding curriculum, national assessment testing and other education related matters, human resource issues and capital works activities.

Contract information for schools related mainly to cleaning and grounds maintenance. All contracts were organised through Shared Services Procurement.

External sources of labour and services

Table C15.1: Central office contracts greater than \$25,000 or smaller contracts held by one contractor that totalled more than \$25,000 (GST exclusive) in 2011-12

Contractor	Purpose	Branch/Section	Date contract let	Contract type	Amount (\$)
Australian Council for Educational Research	Provision of the ACT Scaling Test	Board of Senior Secondary Studies	15-Dec-10	Open tender	487,832
GATEWAYS Education	External training provider	Curriculum Support	Multiple dates in September – December 2011	No contract as each provision was under the \$25,000 threshold	26,330
Michael Fullen	Critical Friend for Leadership	Professional Learning	02-Dec-11	Single select ¹	25,000
John K See Consulting	Tracking the transfer and movement of young people under 17 in the ACT	Training and Tertiary Education (TaTE)	06-Feb-12	Quotes ²	31,133

Contractor	Purpose	Branch/Section	Date contract let	Contract type	Amount (\$)
Oakton Services	Business Analysis Service	TaTE	14-Jun-11	Quotes ²	56,122
Shared Services	ICT Professional Services	TaTE	11-May-11	Quotes ²	70,200
Price Waterhouse Cooper	Review of User Choice requirements	TaTE	01-Nov-11	Single select ⁶	25,300
Volunteering ACT	Support for placing students into work experience places	TaTE	01-Apr-09	Single select ⁷	284,300
NSW Department of Education and Training	National Assessment Program Literacy and Numeracy Testing for 2012	Planning and Performance Branch (PPB)	01-Jan-11	Service agreement	710,000
Social Research Company	Data collection for survey	PPB	13-Mar-12	Select tender	37,548
University of Western Australia	Early Years Assessment Tool	PPB	01-Jan-11	Open tender	33,970
Oakton Services	2012 February census	Risk Management and Audit	01-Feb-12	Single select ³	51,351
Grant Thornton Australia	To review, evaluate and report on the Students with a Disability Targeted Funding Model	Disability Education	17-Jun-12	Quotation request from three organisations	87,248
Quality Learning Australia	External validation	School Improvement Support	01-May-12	Open tender	58,364
Susan Boucher, trading as The Leadership Practice	External validation	School Improvement Support	01-Nov-09	Open tender ⁴	28,755

Contractor	Purpose	Branch/Section	Date contract let	Contract type	Amount (\$)
The Leadership Practice	External validation	School Improvement Support	01-Nov-09	Open tender	28,755
ACT Property Group	Building rent and operating costs for 220 Northbourne Avenue and Fyshwick Annex	Corporate Support	01-Jun-10	Lease agreement	1,363,226
Universal Express Group	Central office and school mail run	Corporate Support	04-Jul-10	Open tender	106,142
National Cleaning Australia	Cleaning provider for Lyons Education Centre	Corporate Support	14-Dec-04	Open tender	29,441
Phillips Cleaning Services	Cleaning provider for Hedley Beare Centre for Teaching and Learning / Canberra College Weston Campus	Corporate Support	22-Apr-10	Open tender	116,583
Rolfe Property Services	Cleaning provider for Higgins Primary School Annex	Corporate Support	30-Jun-04	Open tender	31,135
SNP Security	Security provider for Northside schools	Corporate Support	16-Feb-10	Open tender	162,598
Wilson Security Services	Security provider for Southside schools	Corporate Support	16-Feb-10	Open tender	124,887
CRIMTRAC	Provide pre-employment criminal history checks	Human Resources	03-Jul-05	Single select ⁵	56,461
Davidson and Trahaire Corpsych	Employee Assistance Program	Human Resources	28-Feb-11	Open tender	139,000

Contractor	Purpose	Branch/Section	Date contract let	Contract type	Amount (\$)
LSI Consulting	To undertake a review of the Learning and Teaching Branch	Learning and Teaching	08-Sep-11	Single select ⁸	96,000
Australian National University	School Identification and Climate Project 2012: Experimental field trial and development of measurement tool	Student Wellbeing and Behaviour Support	22-May-12	Single select ⁹	80,000
Total ¹⁰					4,347,680

Source: Finance and Corporate Support Branch

Notes:

1. Provider is able to deliver a particular and unique service in assisting the ACT public education system through a range of long term presentations.
2. Proposals were invited from three companies.
3. Provider was contracted through Whole of Government Audit Panel.
4. Only one application was received as a result of open tender.
5. The only company in the ACT that can provide this service.
6. Internal audit completed by the Directorate. Recommendation was for an external review to be completed.
7. Volunteering ACT is the only organisation that provides this type of program.
8. The Directorate used the ACT Treasury panel of consultants.
9. World renowned expertise in this research.
10. Figures in the table have been rounded to the nearest dollar.

Table C15.2: Contracts held in individual public schools exceeding \$25,000 or smaller contracts held by one contractor that totalled more than \$25,000 (GST exclusive) in 2011-12

Contractor	School	Date contract let	Amount (\$)
CLEANING CONTRACTS (OPEN TENDER)			
24/7 Facilities Management	Evatt Primary	01-Sep-11	58,890
	Macgregor Primary	Monthly	30,742
Total			89,632
Abdo's Cleaning	Fadden Primary	01-Jun-11	58,150
	Wanniassa Hills Primary	02-Apr-12	28,552
Total			86,702
ACT Commercial Cleaning	Bonython Primary	01-Sep-11	54,963
	Latham Primary	23-Jan-12	32,271
Total			87,234
All Corp	Cranleigh	01-Jun-11	51,417
	Telopea Park ¹	Monthly	64,244
	Telopea Park ²	31-Oct-11	128,488
	Lake Ginninderra College	07-Nov-11	91,369
Total			335,518
Alpha Cleaning	Red Hill Primary	14-Nov-11	56,960
Total			56,960
Celeski Cleaning	Lyons Early Childhood ¹	Monthly	25,979
	Lyons Early Childhood ²	04-Mar-12	11,783
	Isabella Plains Early Childhood ¹	Monthly	5,713
	Isabella Plains Early Childhood ²	01-Sep-11	32,135
Total			75,610
City and Town Cleaning	Charnwood-Dunlop	01-Apr-11	84,615
Total			84,615
Dynuse Cleaning	Arawang Primary	16-Apr-12	12,430
	Campbell Primary ¹	01-Sep-11	76,805
	Campbell Primary ²	Monthly	12,298
	Forrest Primary ¹	Monthly	31,336
	Forrest Primary ²	31-Oct-11	74,194
Total			207,063
Faraj Cleaning	Aranda Primary	01-Sep-11	60,674
	UC High School Kaleen	31-May-11	28,552
Total			89,226

Contractor	School	Date contract let	Amount (\$)
Fred's Express	Richardson Primary ¹	Monthly	28,854
	Richardson Primary ²	01-Feb-12	20,610
	Gowrie Primary ¹	Monthly	30,253
	Gowrie Primary ²	19-Dec-11	34,703
	The Woden School	01-Jun-11	47,112
	Malkara ¹	Monthly	17,845
	Malkara ²	05-Dec-11	31,408
	Ainslie Primary ¹	Monthly	36,896
	Ainslie Primary ²	01-Dec-11	47,655
Total			295,336
GJK Facility Services	Stromlo High	01-Jun-11	159,147
	Gold Creek	30-Jan-12	86,775
	Curtin Primary	30-Apr-12	14,638
	Duffy Primary ¹	Monthly	8,160
	Duffy Primary ²	31-Aug-11	40,800
	Mount Rogers Primary	05-Mar-12	25,763
	Chapman Primary	01-Jun-11	89,615
Total			424,898
Hygiene Plus	Arawang Primary	02-Mar-09	74,615
	Gold Creek	20-Dec-08	128,106
	Melrose High	01-Apr-09	171,316
	Erindale College	01-Jun-09	126,558
	Melba-Copland Secondary	02-Mar-09	147,862
	Kingsford Smith	01-Sep-10	162,756
	Hawker College	01-Jan-09	128,484
	Chapman Primary	01-Jun-11	89,615
	Hughes Primary ¹	Monthly	38,546
	Hughes Primary ²	01-Dec-11	32,340
Total			1,100,198
Lingard and Meech Cleaning	Jervis Bay ¹	Monthly	3,770
	Jervis Bay ²	31-May-12	41,357
Total			45,127
M and V Cleaning Service	Torrens Primary ¹	Monthly	60,549
	Torrens Primary ²	01-Apr-12	12,124
	Garran Primary	01-Jun-11	69,571
Total			142,244

Contractor	School	Date contract let	Amount (\$)
Menzies Cleaning	Black Mountain	01-Jun-11	71,982
Total			71,982
Menzies International	Turner	01-Jun-11	92,194
Total			92,194
Mirrors Cleaning	Ngunnawal Primary	01-Mar-09	98,535
	Farrer Primary ¹	Monthly	17,132
	Farrer Primary ²	31-Oct-11	47,642
	Mawson Primary	01-Aug-10	49,545
	Weetangera Primary	01-Sep-11	57,121
	Macquarie Primary	01-Oct-09	64,514
Total			334,489
National Cleaning	Curtin Primary	Monthly	56,067
	Kaleen Primary	Monthly	13,729
	Weetangera Primary	Monthly	12,384
	Monash Primary	30-Jun-10	15,816
	Canberra College ¹	Monthly	23,566
	Canberra College ²	01-Sep-11	117,830
Total			239,392
Phillips Cleaning	Gunghalin College	25-Aug-11	149,374
	Calwell High ¹	Monthly	62,129
	Calwell High ²	19-Dec-11	68,312
	Lyneham High	19-Dec-11	186,558
	Harrison ¹	Monthly	49,267
	Harrison ²	31-May-11	81,945
	Alfred Deakin High	19-Dec-11	157,248
	Lake Tuggeranong College ¹	Monthly	51,935
	Lake Tuggeranong College ²	14-Nov-11	105,868
Total			912,636

Contractor	School	Date contract let	Amount (\$)
Rose Cleaning	Caroline Chisolm	01-Jun-11	174,508
	Namadgi ¹	Monthly	76,219
	Namadgi ²	05-Dec-11	110,327
	Dickson College ¹	Monthly	44,970
	Dickson College ²	19-Sep-11	164,891
	Monash Primary	29-Aug-11	77,092
	Charles Conder Primary ¹	Monthly	49,966
	Charles Conder Primary ²	01-Feb-12	37,480
	Gordon Primary	01-Jun-11	84,802
	Taylor Primary	Monthly	12,846
	Narrabundah College	01-Nov-11	169,780
Total			1,002,881
S and M Cleaning	Macgregor Primary	01-Jan-12	33,000
	Maribyrnong Primary	25-Aug-11	49,967
	Scullin Preschool	Monthly	8,578
	Southern Cross Early Childhood	01-Oct-09	42,829
Total			134,374
S and M Riteway Cleaning	Palmerston District Primary ¹	Monthly	49,967
	Palmerston District Primary ²	19-Dec-11	48,080
	Lyneham Primary ¹	Monthly	13,564
	Lyneham Primary ²	01-Sep-11	72,734
Total			184,345
Salloum Cleaning	Latham Primary	Monthly	41,105
	Taylor Primary	01-Feb-07	32,473
	Yarralumla Primary ¹	Monthly	10,727
	Yarralumla Primary ²	01-Sep-11	62,459
	Florey Primary ¹	Monthly	43,648
	Florey Primary ²	23-Jan-12	31,226
Total			221,638
Stefan Sparks Cleaning	Torrens Preschools ¹	Monthly	17,482
	Torrens Preschools ²	05-Mar-12	2,376
	Taylor Primary	Monthly	13,917
Total			33,775
Storm International Cleaning	Theodore Primary	01-Jun-11	60,233
	Calwell Primary	01-Jun-11	45,627
Total			105,860

Contractor	School	Date contract let	Amount (\$)
Universal Cleaning	Kaleen Primary	25-Aug-11	66,909
Total			66,909
VIP Cleaners	Fraser Primary ¹	Monthly	17,590
	Fraser Primary ²	17-Oct-11	42,370
Total			59,960
VNT Cleaning Services	Bonython Primary	Monthly	9,759
	Namadgi	Monthly	5,724
	Hawker Primary ¹	Monthly	20,885
	Hawker Primary ²	14-Nov-11	34,807
	North Ainslie Primary ¹	Monthly	39,699
	North Ainslie Primary ²	19-Dec-11	85,365
	Miles Franklin Primary ¹	Monthly	27,495
	Miles Franklin Primary ²	05-Dec-11	34,993
	Giralang Primary	30-Sep-09	46,262
	Canberra High	31-Aug-09	158,535
	Majura Primary	01-Feb-10	88,992
	O'Connor Cooperative	Monthly	19,385
	Narrabundah Early Childhood ¹	Monthly	25,761
	Narrabundah Early Childhood ²	21-Jun-09	1,350
	Amaroo	10-Dec-09	201,972
	Campbell High School	01-Jul-09	125,940
	Belconnen High School ¹	Monthly	59,984
	Belconnen High School ²	14-Nov-11	119,968
	Wanniassa	14-Feb-09	169,116
	Lanyon High ¹	Monthly	51,770
	Lanyon High ²	05-Dec-11	72,478
	Mount Rogers Primary	Monthly	37,703
	Gilmore Primary	01-Sep-11	43,020
	Red Hill Primary	Monthly	36,472
Total			1,517,435
Total Cleaning			8,098,233
HVAC (STANDING OFFER)			
Dalkia Technical Services	Erindale College	01-Jul-11	46,814
Total HVAC			46,814

Contractor	School	Date contract let	Amount (\$)
GROUPS MAINTENANCE (STANDING OFFER)			
Burgess Grounds Horticultural	Narrabundah College ³	01-Jan-10	13,899
Total Grounds Maintenance			13,899
HYGIENE SERVICES (OPEN TENDER)			
ISS Hygiene Services	Black Mountain	01-Jul-10	13,254
	Cranleigh	23-Jun-10	7,752
	Melrose High	01-Jan-12	2,499
	Weetangara Primary	01-Jul-11	359
	Amaroo	Monthly	6,906
	Evatt Primary	Monthly	1,029
	Malkara	Monthly	9,710
	Giralang Primary	01-Jan-12	423
	Macgregor Primary	Monthly	1,584
	Waniassa Hills Primary	13-Mar-12	1,016
	Lake Tuggeranong College	01-Jul-11	2,243
	Melba Copland Secondary ¹	Monthly	5,788
	Melba Copland Secondary ¹	23-Mar-12	2,006
Total Hygiene Services			54,569
HYDRO POOL CONTRACTS (OPEN TENDER)			
In the Swim	Black Mountain	09-Oct-07	21,201
	Cranleigh	22-Oct-07	20,412
	Malkara	01-Jul-11	15,511
	Turner	22-Oct-07	17,948
Total Hydro Pool			75,072

Source: Finance and Corporate Support Branch

Notes:

1. Contract operating on a monthly basis.
2. New contract commencement date with same contractor.
3. This is the only contract awarded by the Directorate under \$25,000.

Table C15.3: Smaller works by suppliers in public schools exceeding \$25,000 in total (GST exclusive) in 2011-12

Contractor	School	Purpose	Amount (\$)
A and K Electrics	Lyneham High	Electrical Services	31,945
	Alfred Deakin High		42,338
	Wanniassa		23,330
School Electrical Services	Canberra High		51,158
	Belconnen High		23,540
Everloch Electrical	Narrabundah College		32,205
A-Line Electrical	Aranda Primary		21,274
Total Electrical Services			225,790
Summers Glass	Stromlo High	Glass	19,267
	Belconnen High		23,497
Total Glass			42,764
Matthew Meyboom	Lyneham High	Grounds Maintenance	26,336
PJ Nott	Amaroo		39,405
Programmed Maintenance	Melrose High		34,440
Turf Management	Alfred Deakin High		26,270
	Canberra High		22,836
Dan and Dan Landscaping	Hawker Primary		20,000
Essential Landscapes	Southern Cross Early Childhood		36,188
Total Grounds Maintenance			205,475
First Class Painting	Mawson Primary	Painting Services	21,474
Fit Out Factory	Melrose High		39,402
Total Painting Services			60,876
Chesters Plumbing	Fraser Primary	Plumbing Services	29,410
Help Plumbing	Lyneham High		18,789
	Narrabundah College		24,112
	Canberra College		39,346
Total Plumbing			111,657
Sita	Lake Tuggeranong College	Waste Disposal	20,436
	Amaroo		20,788
Total Waste Disposal			41,224

Contractor	School	Purpose	Amount (\$)
Cityscape Interiors	Calwell Primary	Building Works	20,120
PG Callahan	Canberra High	Carpentry Services	39,028
Aris	Narrabundah College	Building Works	20,709
Q Commercial Carpets	Canberra High	Carpeting	49,783
Rock Technology	Melrose High	Climbing Wall	48,532
SG Fleet	Dickson College	Fleet Services	22,656
Forpark Australia	Torrens Primary	Playground Installation	41,730
Total Other			242,557
Frederick J Watt	Weetangara Primary	IT (Contracting)	20,000
Mary Farrell-Jones	Namadgi	Glasser PD (Contracting)	13,990
	Gordon Primary		6,673
Total Contractors			40,663
Grand Total			971,006

Source: Finance and Corporate Support Branch

For more information contact:
Director
Finance and Corporate Support
(02) 6205 9108

Appendix 6: List of tables

A1.1:	Enrolments in ACT public schools, 2009 to 2012	3
A5.1:	Net cost of services	251
A5.2:	Line item explanation of significant variances from the amended budget - Directorate operating statement	255
A5.3:	Line item explanation of significant variances from the amended budget - Directorate balance sheet	257
A10.1:	Triple bottom line performance in 2010-11 and 2011-12	330
B1.1:	Consultation on schools capital works	57
B2.1:	External audits conducted by the Audit Office, 2011-12	66
C1.1:	Audit Committee membership and meetings in 2011-12	77
C4.1:	Freedom of information decisions, 2011-12	82
C5.1:	Senior Executive Team at 30 June 2012	86
C5.2:	Corporate Executive at 30 June 2012	87
C5.3:	School Network Reference Group at 30 June 2012	88
C5.4:	Information and Communication Technology Committee at 30 June 2012	88
C5.5:	School Planning Committee at 30 June 2012	89
C5.6:	Security and Emergency Management Committee at 30 June 2012	89
C5.7:	Establishment Committee at 30 June 2012	90
C5.8:	Audit Committee at 30 June 2012	90
C7.1:	Headcount and FTE by gender	97
C7.2:	Headcount by classification and gender	97
C7.3:	Employment category by gender	98
C7.4:	Length of service by age-group and gender	98
C7.5:	Average length of service by gender	98
C7.6:	Age profile of the workforce (headcount) by gender	99
C7.7:	Employment by administrative units of the Directorate by FTE and headcount	99
C7.8:	Employment by administrative units of the Directorate by categories (headcount)	99
C7.9:	Employee profile by equity and diversity groups (headcount)	100
C8.1:	Participants in whole of government professional learning initiatives, 2011-12	101
C8.2:	Participants and cost for ACTPS training and study assistance program, 2011-12	101
C8.3:	School support and administration staff attendance at traineeships with CIT, 2011-12	102
C8.4:	Attendance at New Educator Support Program sessions, 2011-12	104
C9.1:	The number of new claims reaching five days incapacity and rate per 1,000 employees, 2001-02 to 2011-12	108
C9.2:	The number of weeks of incapacity and rate per 1,000 employees, 2001-02 to 2011-12	109
C10.1:	The number of Special Employment Arrangements	112
C10.2:	Classification and remuneration for officers on Special Employment Arrangements and Australian Workplace Agreements	112
C13.1:	Assets and their values at 30 June 2012	117

C13.2:	Assets added to the asset register during 2011-12	118
C13.3:	Central Office sites, staff numbers (headcount) and space occupied, as at 30 June 2012	122
C14.1:	Capital works management, 2011-12	132
C14.2:	End-of-year reconciliation schedule, 2011-12	135
C15.1:	Central office contracts greater than \$25,000 or smaller contracts held by one contractor that totalled more than \$25,000 (GST exclusive) in 2011-12	333
C15.2:	Contracts held in individual public schools exceeding \$25,000 or smaller contracts held by one contractor that totalled more than \$25,000 (GST exclusive) in 2011-12	337
C15.3:	Smaller works by suppliers in public schools exceeding \$25,000 in total (GST exclusive) in 2011-12	343
C16.1:	ACE courses, providers, expected outcomes and grants, 2012	136
C17.1:	Records disposal schedules used by the Directorate	140
C19.1:	Information on office-based sustainability indicators, 2010-11 and 2011-12	145
C19.2:	Information on school-based sustainability indicators, 2010-11 and 2011-12	147
C21.1:	Enrolment and participation of Aboriginal and Torres Strait Islander students in the Koori Preschool program	154
C21.2:	Year 12 results of Aboriginal and Torres Strait Islander students, 2011	157
C21.3:	Enrolment of Aboriginal and Torres Strait Islander students in public schools, 2008 to 2012	159
C21.4:	Attendance rate of Aboriginal and Torres Strait Islander students in public schools, 2007 to 2011	159
ARC 1:	Council membership and meetings held for the reporting period	180
ARC 2:	Membership of the HEC	181
ARC 3:	Non-applicable sections	183
BSSS 1:	Selected courses on Year 12 Certificates and Tertiary Entrance Statement, 2010 and 2011	192
BSSS 2:	Board membership as at 1 July 2011	195
BSSS 3:	Board membership as at 30 June 2012	198
BSSS 4:	Board standing committees and their roles	200
BSSS 5:	Progress against the focus areas of the strategy, 2011-12	201
GSEC 1:	Membership of the Council for 2011-12	219
NGSEC 1:	Role of council members and the number of meetings attended/number of eligible meetings	229
TQI 1:	Board members and meeting attendance during reporting period	234

Appendix 7: List of figures

A2.1:	Planning framework	8
A3.1:	Learning achievement gap in reading, 2008 to 2011	27
A3.2:	Learning achievement gap in numeracy, 2008 to 2011	28
A5.1:	Operating result	252
A5.2:	Revenue	253
A5.3:	Expenses	254
A5.4:	Total assets	256
A5.5:	Total liabilities	257
A5.6:	Territorial revenue	259
A8.1:	Proportion of young people aged 20-24 who have attained a Year 12 Certificate or equivalent or Certificate II or above	35
A8.2:	Percentage of year 12 public school students who received a Year 12 Certificate	36
A8.3:	Student attendance in public schools, years 1 to 10	37
A8.4:	Overall student satisfaction with the education at public schools	38
A8.5:	Percentage of public school year 12 graduates studying or employed six months after completing year 12	39
A8.6:	Overall satisfaction of parents and carers with the education provided at public schools	40
A8.7:	Staff retention rate	41
A9.1:	Mean scale scores in reading for years 3, 5, 7 and 9 by jurisdiction, NAPLAN 2011	43
A9.2:	Mean scale scores in numeracy for years 3, 5, 7 and 9 by jurisdiction, NAPLAN 2011	43
A9.3:	Mean scale scores of Aboriginal and Torres Strait Islander students in reading, writing and numeracy for years 3, 5, 7 and 9 in the ACT and Australia, NAPLAN 2011	44
A9.4:	Preschool enrolments in public schools, 2009 to 2012	45
A9.5:	Percentage of year 6 students attaining the proficient standard by jurisdiction in 2005, 2008 and 2011	47
A9.6:	Percentage of year 10 students attaining the proficient standard by jurisdiction in 2005, 2008 and 2011	47
A9.7:	Student attendance rates, 2009 to 2011	48
A9.8:	Apparent retention rate of ACT and Australian students, 2007 to 2011	49
C5.1:	The Directorate structure at 30 June 2012	84
C19.1:	Water consumption in public schools, 2009-10 to 2011-12	143
C19.2:	Energy consumption in public schools, 2009-10 to 2011-12	144
C21.1:	Apparent retention rate of Aboriginal and Torres Strait Islander students, 2007 to 2011	160
BSSS 1:	Year 12 Certificate receivers with a Tertiary Entrance Statement, 1999 to 2011	191
BSSS 2:	Australian Tertiary Admissions Rank by college, 2011	191
BSSS 3:	Number of students receiving vocational certificates by college and year level, 2009 to 2011	193

Appendix 8: List of boxes

1.1:	The Queen meets ACT school children	xii
A1.1:	World Education Games 2012	2
A1.2:	Farewell to former Director-General Dr Jim Watterston	5
A2.1:	Giralang Primary School and the Rats of Tobruk	10
A2.2:	Launch of the AEDI 2012 at Mount Rogers Primary School	11
A4.1:	Franklin Early Childhood School	31
A4.2:	Gungahlin College named Microsoft Innovative Pilot School 2012	32
A8.1:	Year 12 attainment	34
A8.2:	Year 12 completion	35
A8.3:	Student attendance	36
A8.4:	Student satisfaction	37
A8.5:	Student destination post-school	38
A8.6:	Parent and carer satisfaction	40
A8.7:	Staff retention	41
B1.1:	Paperchain Year 10 Excellent Awards	62
C9.1:	Melrose High School – a MindMatters school	107
C11.1:	Diversity united	114
C21.1:	Proud ambassadors	162
C22.1:	Refugee Bridging Program	165
C24.1:	Aboriginal and Torres Strait Islander Student Scholarships	171

Appendix 9: Abbreviations and acronyms

ABS	Australian Bureau of Statistics
ACARA	Australian Curriculum, Assessment and Reporting Authority
AC	Companion of the Order of Australia
ACE	Adult and Community Education
ACT	Australian Capital Territory
ACT ESA	ACT Emergency Services Agency
ACT RFS	ACT Rural Fire Service
ACTPS	Australian Capital Territory Public Service
AEDI	Australian Early Development Index
AEU	Australian Education Union
AITSL	Australian Institute of Teaching and School Leadership
ANU	Australian National University
ANZAC	Australian New Zealand Army Corps
AQTF	Australian Quality Training Framework
ARC	Accreditation and Registration Council
ASBA	Australian School-based Apprenticeship
AS/NZS	Australian Standard/New Zealand Standard
ASO4	Administrative Service Officer Class 4
ASQA	Australian Skills Quality Authority
AST	ACT Scaling Test
ATAR	Australian Tertiary Admissions Rank
ATSIOs	Aboriginal and Torres Strait Islander Education Officers
AuSSI	Australian Sustainable Schools Initiative
AWA	Australian Workplace Agreement
AWD	Athletes with a Disability
BER	Building the Education Revolution
BSO	Building Service Officer
BSSS	Board of Senior Secondary Studies
CCCares	Canberra College Cares
CIT	Canberra Institute of Technology
CO ₂	Carbon dioxide
COAG	Council of Australian Governments
CSD	Community Services Directorate
CVO	Commander of the Royal Victorian Order
DEECD	Department for Education and Early Childhood Development
DERG	Disability Education Reference Group
DWG	Design Working Group
DUG	Design User Group
eACT	empowering ACT schools
EALD	English as an Additional Language or Dialect
ESDD	Environment and Sustainable Development Directorate
FACE	Fellow of the Australian College of Educators
FACEL	Fellow of the Australian Council of Educational Leaders
FAPS	French Australian Preschool
FMA	Financial Management Act
FOI	Freedom of information
FTE	Full-time equivalent

GPO	Government Payments for Outputs
GSEC	Government Schools Education Council
HEC	Higher Education Committee
HMSMP	Hazardous Materials Survey Management Plans
ICT	Information and communication technology
IECs	Introductory English Centres
IELTS	International English Language Testing System
LCC	Learning Capital Council
MLA	Member of the Legislative Assembly
NAPLAN	National Assessment Program - Literacy and Numeracy
NGSEC	Non-government Schools Education Council
NSSP	National Solar Schools Program
NP	National Partnership
NSW	New South Wales
PPB	Planning and Performance Branch
PPLF	Principal Professional Learning Fund
PID	Public Interest Disclosure
PPP	Productivity Places Program
PSP	Priorities Support Program
RAP	Reconciliation Action Plan
RCCC	Rotary Club of Canberra City
RED	Respect, Equity and Diversity
REDCOs	Respect, Equity and Diversity Contact Officers
RTO	Registered training organisation
SA4	School Assistant 4
SEA	Special Employment Arrangement
SEW	Survey of Education and Work
SMART	Science, Mathematics and Related Technologies
SSAS	School Support and Administration Staff
TaTE	Training and Tertiary Education
TEQSA	Tertiary Education Quality and Standards Agency
TES	Tertiary Entrance Statement
TESOL	Teachers of English to Speakers of Other Languages
TPLF	Teacher Professional Learning Fund
TQI	Teacher Quality Institute
UC	University of Canberra
VET	Vocational education and training
VLA	Virtual Learning Academy
WESP	Work Experience and Support Program
YAT NP	Youth Attainment and Transitions National Partnership

Appendix 10: Index

A

Aboriginal and Torres Strait Islanders v, vi, ix, xi, 3-4, 6-7, 16, 21, 23, 26-28, 30-31, 42, 44-45, 51, 54, 56, 67, 85, 87, 91, 95, 100, 102, 110, 125, 139-140, 153-162, 171, 200, 212, 242, 331

Aboriginal and Torres Strait Islanders Education Consultative Group 6, 54, 56, 155

Aboriginal and Torres Strait Islanders Traineeship Program 95

ACT Accreditation and Registration Council iii, vii, x, 10, 179-181, 196

ACT Tertiary Taskforce 180, 213

ACT Youth Commitment x, 23, 56

Adult and Community Education program 136, 166, 168

Asset management vi, 117, 202

Australian Apprenticeship 57, 168-169, 329

Australian Curriculum x, 9, 13, 27-28, 30, 42-44, 47, 54, 167, 188-189, 213-215, 224-225

Australian Curriculum, Assessment and Reporting Authority 9, 27, 28, 30, 47, 188-189, 215, 224

Australian School based Apprenticeship 22-23, 51, 157, 169, 192-193

Australian Sustainable Schools Initiative 143

Australian Workplace Agreements 111-112

B

Board of Senior Secondary Studies iii, vii, 10, 12, 30, 35, 38, 73, 84, 122, 157, 187, 190-195, 198, 200-201, 243, 328, 333

Building the Education Revolution 57, 129, 131, 133, 144, 224, 259

Bushfire Management Plan 115, 202

C

Canberra Careers Market 62

Canberra Plan 8-9, 136

Capital works vi, 5, 57, 117-118, 123, 128, 132, 135, 144, 152, 202, 256-258, 333

Community engagement vi, 2, 6, 54, 183, 194, 215, 225

Complaints resolution 64

Completion rates 156

Compliance index vi

Curriculum framework 167

D

Digital curriculum content 32

Digital Education Revolution 256, 258

Digital learning 253

Disability education program v, 7

Disability education Reference Group 6, 55

Disability education strategic plan 46

E

Employee Assistance Program 107, 335
Enterprise Agreement x, 3, 29, 71, 93-94, 110-111, 253
Environmental sustainability 5, 30, 47
Energy Audit 144
Energy consumption/use v, 143-147, 331
Energy efficiency 117, 129-130, 149
Everyone matters (see Strategic Plan) ii, viii, 2, 8, 13, 28, 30, 34, 49, 91, 93, 158
Excellence and Enterprise 20, 31, 35, 49, 56, 70, 133, 189, 212-214

F

Fraud Prevention iii, vi, 78, 202
Freedom of information vi, 80, 82, 202

G

Gifted and talented students 20
Greenhouse (gas) emission 144-147, 331
Gonski Review 237
Government Schools Education Council iii, vii, 6, 9, 54, 170, 211, 219-220, 223-225, 242

H

Home education iv, 2, 250, 328
Human resources vi, 5, 84-85, 87, 89-90, 93, 95-96, 100, 102, 108-109, 112, 174, 197, 201-202, 331, 335
Human rights vi, 55, 64-65, 113, 202

I

Individual learning plans 46, 327
Induction 78, 95-96, 101-102, 139
Injury prevention and management 105-106, 108
Internal audit vi, 8, 64, 76, 78, 202, 215, 226, 336
International/overseas students 38, 179, 182
Introductory English Centres 63, 164, 201

L

Literacy and Numeracy iv, xi, 4, 14, 28, 30, 33, 42-44, 47, 93, 104, 153-154, 188, 212, 252-255, 326-328, 334

M

Ministerial Council for Education, Early Childhood Development and Youth Affairs 158
Multicultural strategy vi, 163, 200

N

National Assessment Program - Information Communication Technology Literacy 46, 48
National Assessment Program - Literacy and Numeracy (NAPLAN) iv, v, ix, 7, 9, 14, 27-28, 30, 42-44, 153, 155, 212, 326-327, 334
Non-government education 6, 328
Non-government Schools Education Council iii, viii, 6, 9, 54, 170, 212-213, 223, 229, 241-242

O

Occupational health and safety 94, 117, 141, 331
Office accommodation 121
Organisational structure 84

P

Parent and carer satisfaction 39, 40, 46
Priority Support Program 166
Productivity Places Program 21, 166, 168, 169, 252-256, 329
Professional development x, 13, 28, 30, 54, 63, 101, 102, 114, 143, 156, 255
Public interest disclosure vi, 79, 202

Q

Quality Teaching iv, viii, 4, 9, 34, 42, 104

R

Reconciliation Action Plan 26, 56, 158
Records management 4, 102-103, 139-140, 240
Recruitment 15, 24, 95
Respect, Equity and Diversity 26, 33, 51-52, 94-95, 101, 113
Risk management vi, 8, 52, 64, 67, 76, 77, 89, 90, 94, 182, 194, 202, 215, 224, 226, 250, 334

S

Safe schools 55
School Based Management 93
School boards 8, 10, 58-60, 80, 93, 170, 211, 216-219
Schools First Impact Award 63
School Improvement 8, 85, 91, 102, 126, 131, 334-335
School Leadership 9, 25, 31, 93, 104, 155, 227, 236
School safety 55, 133
School upgrades/refurbishments 120, 133
Social media 32, 63, 137, 189
Solar Schools program 149
Staff retention 40-41
Staffing profile vi, xi, 76, 97, 202, 215, 226
Standing Committee on Education, Training and Young Affairs 68, 211, 223
Statement of Performance vi, vii, 65-66, 183, 202, 214, 225, 233, 321-324
Strategic indicators vi, 34, 69, 181, 202, 214, 225, 327
Strategic Plan 2010-2013: Everyone matters ii, viii, 8, 13, 28, 30, 34, 49, 91, 93
Structured Workplace Learning 23, 51
Student satisfaction 37-38
Sustainable Schools Initiative 143

T

Teacher Quality Institute iii, vii, 9, 70, 73, 104, 224, 226, 233-234, 239, 240, 246
Tertiary Entrance Statement 51, 187, 190-192, 326
Training and Tertiary Education x, 4, 6, 12, 73, 84, 87, 138, 168, 179, 183, 333

V

Vocational education and training iv, 2, 5, 21-22, 51, 57, 157, 168, 180, 195, 198, 200, 204-205, 250, 329

W

Water efficiency 143, 152

Workplace Health and Safety vi, 94-95, 102, 105-108, 113, 202

Workplace relations vi, 110, 202

Y

Year 12 attainment or completion 34-35, 156, 158

Youth Attainment and Transitions 23, 51, 252-255

Youth Health Nurse program 11, 18, 171