





SECTION C: FINANCIAL MANAGEMENT REPORTING

C.1 FINANCIAL MANAGEMENT ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL OVERVIEW

Objectives

The Directorate works in partnership with students, parents and the community to ensure that every child, young person and adult in the ACT will benefit from a high quality, accessible education, childcare and training system. The Directorate works closely with government agencies, education and training providers, business and industry to position the ACT as the *Education Capital: Leading the Nation*.

Services of the Directorate include the provision of public school education, regulation of education and care services, registration of non-government schools and home education.

The Directorate aims to lift student achievement through connected and inclusive learning across all sectors of the education system combined with a focus on quality learning; inspirational teaching and leadership; high expectations, high performance; connecting with families and the community; and business innovation and improvement.

Following changes to Administrative Arrangements, vocational education and training functions transferred to the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) from 22 January 2016.

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 are monitored by the Directorate's executive and senior management.

Key risks, including mitigation strategies, are identified below:

- > **Misalignment between school and organisational effort and expectations of government and community.** The Directorate

provides alignment through key strategic documents including the Directorate's Strategic Plan 2014-17: Education Capital: Leading the Nation and the 2016 Action Plan. Strategic plans are clearly communicated to schools and the community, and schools are supported in ensuring alignment through system wide planning processes.

- > **Lack of organisational capability and capacity to implement complex reform programs.** The Directorate has a strong project management culture; has rigorous project management around complex reform programs (such as project planning for the Schools for All reform program which includes an Independent Oversight Group) and has comprehensive corporate governance processes.
- > **Ageing school infrastructure that is not 'fit for purpose'.** The Directorate conducts strategic asset management planning; provides timely advice to government about risks and associated remediation options and has focused investment on core issues – such as Heating, Ventilation and Air Conditioning (HVAC) and electrical works.
- > **Information management systems unable to support good decision making and compliance obligations.** The Directorate has a comprehensive set of frameworks, toolkits and manuals to support informed decision making and compliance. These include the People, Practice and Performance (a framework for performance and accountability), the School Legal Information Manual, Director-General's Financial Instructions and the School Management Manual.
- > **Workforce incapable to meet needs of modern and progressive education systems.** The Directorate has a comprehensive professional development planning process in place and provides professional learning opportunities to staff. For example, all Directorate staff are required to have a professional development plan in place. Professional learning is provided through external sources and internally through online training modules. Teachers are provided 20 hours (at a minimum) of training accredited through the Teacher Quality Institute.

Accounting Changes

There were no significant accounting changes that impacted the 2015-16 financial statements.

Directorate Financial Performance

The Directorate has managed its operations within the 2015-16 budgeted appropriation. During the financial year, the Directorate achieved savings targets and internally managed cost pressures associated with increased enrolments including increases in numbers of students with a disability.

The table below provides a summary of the financial operations based on the audited financial statements for 2014-15 and 2015-16.

TABLE C1.1: NET COST OF SERVICES

	Actual 2015-16 \$m	Amended Budget ¹ 2015-16 \$m	Actual 2014-15 \$m
Total expenditure	729.2	740.0	698.7
Total own source revenue²	42.4	40.2	41.7
Net cost of services	686.8	699.8	657.0

Notes:

¹The Amended Budget incorporates the transfer of vocational education and training functions to the Chief Minister Treasury and Economic Development Directorate through a Section 16 Financial Instrument under the *Financial Management Act 1996*.

²Relates to Total Revenue excluding Government Payment for Outputs.

Net Cost of Services

The Directorate's net cost of services for 2015-16 of \$686.8 million was \$13.0 million or 1.9 per cent lower than the 2015-16 amended budget of \$699.8 million. The lower than anticipated net cost is primarily due to lower than budgeted maintenance expenditure in 2015-16 due to early completion of some maintenance projects in May and June 2015 (2014-15) which reduced the amount of maintenance programmed in 2015-16, lower than anticipated depreciation, and delays in implementation of work associated with the schools' administration system ICT project.

This was partially offset by increased employee expenses resulting from a higher than budgeted rate used to estimate the present value of future long service leave payments.

In comparison to 2014-15, the net cost of services in 2015-16 increased by \$29.8 million or 4.5 per cent primarily related to additional employee expenses associated with the Teaching Staff Enterprise Agreement and Administrative and Other Staff Enterprise Agreement and an increase in teacher numbers to meet enrolment growth. This increase was partially offset by lower maintenance expenditure in 2015-16 due to early completion of some maintenance projects in May and June 2015 (2014-15) which reduced the amount of maintenance programmed in 2015-16.

Operating Result

In 2015-16, the operating deficit for the Directorate was \$60.2 million and was \$9.5 million or 13.7 per cent lower than the amended budget. The lower than anticipated operating deficit against the amended budget primarily related to lower than anticipated depreciation associated with full depreciation of a number of ICT assets, delays in implementation work associated with the schools' administration system ICT project and lower than budgeted maintenance expenditure due to acceleration of works in 2014-15 which resulted in lower expenditure in 2015-16. The reduced expenditure was partially offset by higher than anticipated employee expenses resulting from a higher than budgeted rate used to estimate the present value of future long service leave payments.

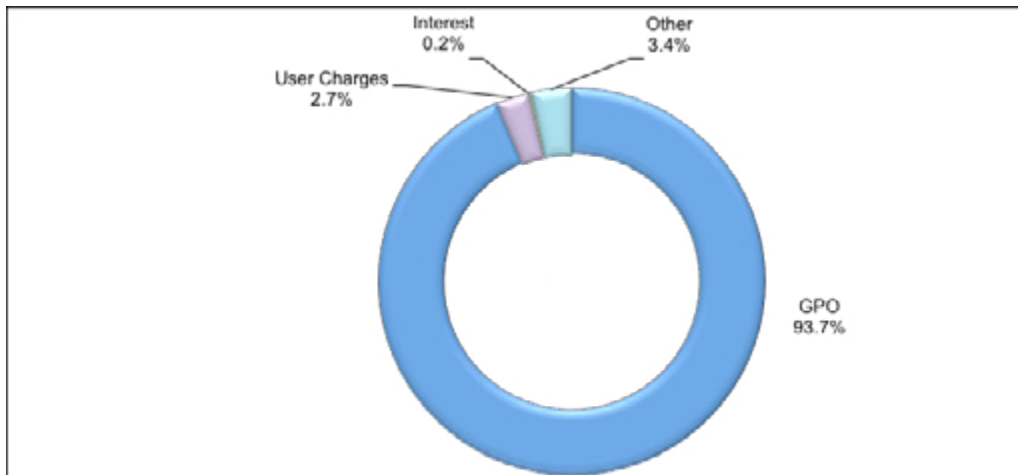
In comparison to 2014-15, the reduced operating deficit in 2015-16 of \$7.2 million or 10.6 per cent, mainly related to lower maintenance expenditure in 2015-16 due to early completion of some maintenance projects in 2014-15.

TOTAL REVENUE

Components of Revenue

The Directorate's revenue for 2015-16 totalled \$669.0 million. The main source of revenue for the Directorate is Government Payment for Outputs which provided 93.7 per cent of the Directorate's Total Revenue.

FIGURE C1.1: COMPONENTS OF REVENUE 2015-16



Source: Education Directorate Financial Statements

The Directorate's revenue for 2015-16 (\$669.0 million) was materially in line with the amended budget (\$670.3 million). In comparison to the previous year, revenue increased by \$36.3 million or 5.7 per cent.

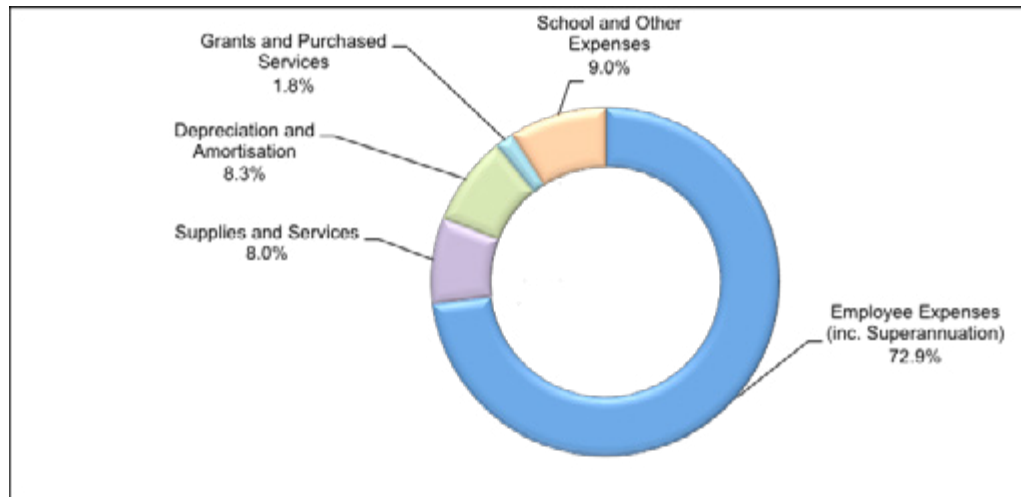
The increased revenue from 2014-15 is primarily due to additional funding received for increased wages associated with the enterprise agreements for teaching and non-teaching staff combined with increased funding for enrolment growth and Commonwealth grants. These increases were partially offset by the transfer of vocational education and training functions to CMTEDD from 22 January 2016.

TOTAL EXPENSES

Components of Expenses

Expenses for the Directorate totalled \$729.2 million for 2015-16. As shown in Figure C1.2, the main component of expenses is employee expenses, including superannuation, comprising 72.9 per cent of total expenses.

FIGURE C1.2: COMPONENTS OF EXPENDITURE 2015-16



Source: Education Directorate Financial Statements

In 2015-16, total expenses were \$10.8 million or 1.5 per cent lower than the amended budget of \$740.0 million primarily due to lower than anticipated depreciation associated with full depreciation of a number of ICT assets, and lower than budgeted maintenance expenditure due to early completion of works in 2014-15 which resulted in lower expenses in 2015-16.

The reduced expenses were partially offset by increased employee expenses resulting from a higher than budgeted rate used to estimate the present value of future long service leave payments.

Total expenses were \$30.4 million or 4.4 per cent higher when compared to the previous year (\$698.7 million). The increase mainly represents additional employee expenses associated with new enterprise agreements for teaching and non-teaching staff, enrolment growth and increased present value of employee benefits (primarily long service leave). The increase was partially offset by reduced grants expenditure associated with the transfer of vocational education and training functions to CMTEDD from 22 January 2016.

TABLE C1.2: LINE ITEM EXPLANATION OF SIGNIFICANT VARIANCES FROM THE AMENDED BUDGET – DIRECTORATE OPERATING STATEMENT

Significant variances from the amended budget	Actual 2015-16 \$m	Amended Budget 2015-16 \$m ¹	Variance \$m
Revenue			
Government payment for outputs ²	626.6	630.1	(3.5)
User charges – ACT Government	0.7	0.6	0.1
User charges – non ACT Government ³	17.5	16.3	1.2
Interest and distributions	1.4	1.4	0.0
Resources received free of charge	0.6	0.5	0.1
Other revenue ⁴	22.2	21.4	0.8
Total own source revenue ²	42.4	40.2	41.7
Total Revenue	669.0	670.3	(1.3)
Significant variances from the amended budget	Actual 2015-16 \$m	Amended Budget 2015-16 \$m	Variance \$m
Expenses			
Employee expenses ⁵	466.6	458.6	8.0
Superannuation expenses ⁶	65.3	69.0	(3.7)
Supplies and services ⁷	58.2	72.5	(14.3)
Depreciation ⁸	60.5	66.2	(5.7)
Grants and purchased services ⁹	13.2	8.6	4.6
Other	65.4	65.1	0.3
Total Expenses	729.2	740.0	(10.8)

Notes:

¹The Amended Budget incorporates the transfer of vocational education and training functions to CMTEDD through a Section 16 Financial Instrument under the Financial Management Act 1996 on 22 January 2016.

²Lower than anticipated Government Payments for Outputs primarily related to lower Commonwealth grants (Students First) and funds provided for superannuation expenses.

³Higher than anticipated revenue primarily related to increased number of international private students.

⁴Higher than anticipated revenue mainly related to schools revenue associated with payments from the French Government for the French Australia School program at Telopea Park School. In 2014-15 these payments were paid to the Directorate and recorded as User Charges – Non ACT Government. In 2015-16, a new operational agreement was entered into with French Government payments now made directly to the Telopea Park School and therefore recorded as Other Revenue.

⁵Higher than anticipated employee expenses primarily related to a higher than budgeted rate used to estimate the present value of future long service leave payments.

⁶Lower than budgeted superannuation expenses mainly related to lower than expected staff numbers in the superannuation schemes with higher contribution rates.

⁷Lower than anticipated supplies and services expenditure mainly related to delays in implementation work associated with the schools administration system ICT project and lower than budgeted maintenance costs in schools due to early completion of works in 2014-15.

⁸Lower than anticipated depreciation is mainly due to full depreciation of a number of significant ICT assets. Forward estimates have been adjusted for this impact.

⁹Higher than anticipated grants and purchased services primarily related to a National Disability Insurance Scheme (NDIS) grant payment of \$2.3 million to the Community Services Directorate which was not originally included in the grants and purchased services budget as well as the rollover of funds from 2014-15 for the VET Skills Reform national partnership which is not included in the amended budget.

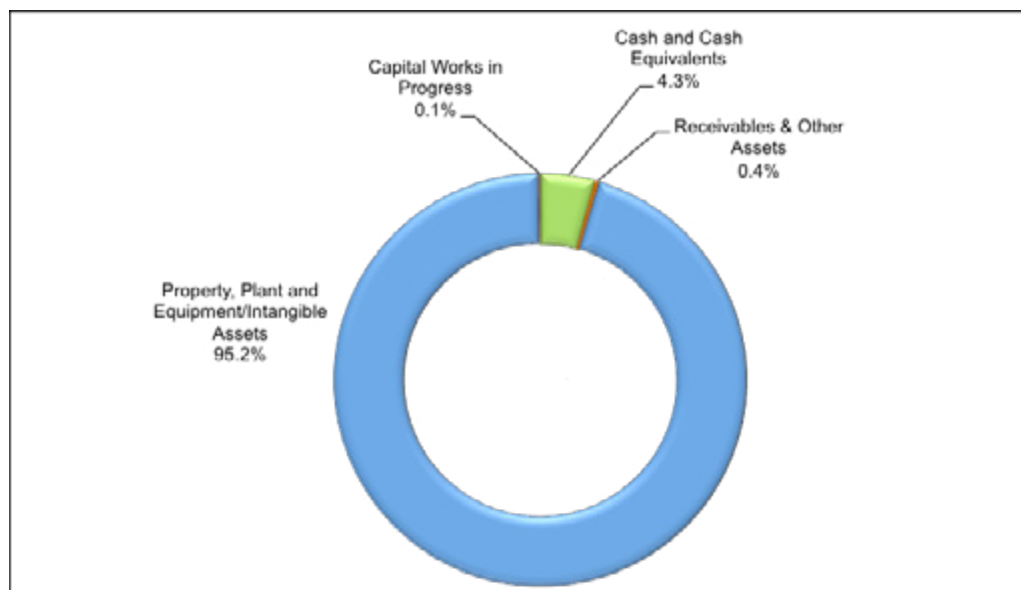
FINANCIAL POSITION

TOTAL ASSETS

Components of Total Assets

The Directorate held 95.2 per cent of its assets in property, plant and equipment including capital works in progress and 4.8 per cent related to cash and cash equivalents, receivables and other current assets.

FIGURE C1.3: TOTAL ASSETS AT 30 JUNE 2016



Source: Education Directorate Financial Statements

Comparison to Budget

At 30 June 2016, the Directorate's assets totalled \$1,895.4 million, which was materially in line with the amended budget.

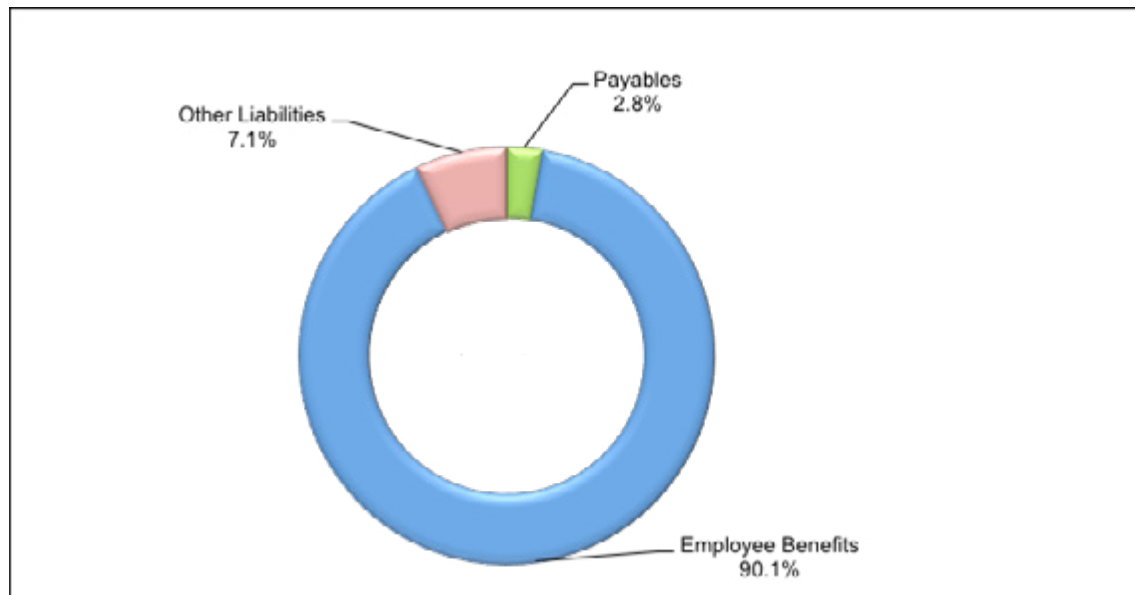
In comparison to 30 June 2015, total assets decreased by \$11.8 million or 0.6 per cent primarily due to the impact of depreciation partially offset by the capitalisation of completed projects.

TOTAL LIABILITIES

Components of Total Liabilities

The Directorate's liabilities comprised employee benefits, payables and other borrowings. The majority of the Directorate's liabilities related to employee benefits (90.1 per cent) and payables and other liabilities (9.9 per cent).

FIGURE C1.4: TOTAL LIABILITIES AT 30 JUNE 2016



Source: Education Directorate Financial Statements

At 30 June 2016, the Directorate's liabilities totalled \$164.3 million. This was \$11.8 million or 7.7 per cent higher than the amended budget of \$152.5 million primarily due to an increase in employee benefits associated with an increase in the rate used to estimate the present value of long service leave payments.

In comparison to 2014-15, total liabilities increased by \$0.8 million or 0.5 per cent primarily due to an increase in employee benefits associated with a higher rate used to estimate the present value of long service leave payments.

CURRENT ASSETS TO CURRENT LIABILITIES

At 30 June 2016, the Directorate's current assets (\$85.8 million) were lower than its current liabilities (\$147.9 million). The Directorate does not consider this as a liquidity risk as cash needs are funded through appropriation from the ACT Government on a cash needs basis.

It is important to note that the Directorate's current liabilities primarily relate to employee benefits, and while the majority are classified under a legal entitlement as current, the estimated amount payable within 12 months is significantly lower and can be met with current assets. In addition, in the event of high termination levels requiring significant payment for leave balances, the Directorate is able to meet its obligations by seeking additional appropriation under Section 16A of the *Financial Management Act 1996*.

TABLE C1.3: LINE ITEM EXPLANATION OF SIGNIFICANT VARIANCES FROM THE AMENDED BUDGET - DIRECTORATE BALANCE SHEET

Significant variances from the amended budget	Actual 30 June 2016 \$m	Amended Budget 30 June 2016 \$m ¹	Variance \$m
Current assets			
Cash and cash equivalents ²	80.8	70.6	10.2
Receivables	3.3	4.3	(1.0)
Investments	0.3	0.3	0.0
Other Assets	1.5	1.0	0.5
Non-current assets			
Investment	1.9	1.8	0.1
Property, plant and equipment and intangible assets (including capital works in progress) ³	1,807.6	1,816.6	(9.0)
Significant variances from the amended budget	Actual 30 June 2016 \$m	Amended Budget 30 June 2016 \$m ¹	Variance \$m
Current liabilities			
Payables	4.5	4.7	(0.2)
Employee benefits ⁴	136.1	126.2	9.9
Other	7.3	5.8	1.5
Non-current liabilities			
Employee benefits	12.1	13.8	(1.7)
Other borrowings ⁵	4.4	2.1	2.3

Notes:

¹The Amended Budget incorporates the transfer of vocational education and training functions to CMTEED through a Section 16 Financial Instrument under the Financial Management Act 1996 on 22 January 2016.

²Primarily related to higher cash held in schools associated with prepayments and increased administrative support and cash held for the schools administration system ICT project.

³Lower than budgeted property, plant and equipment is primarily due to timing of completion of capital works projects and project savings.

⁴Higher than anticipated employee benefits mainly associated with a higher than anticipated rate used to estimate the present value of long service leave and annual leave liabilities.

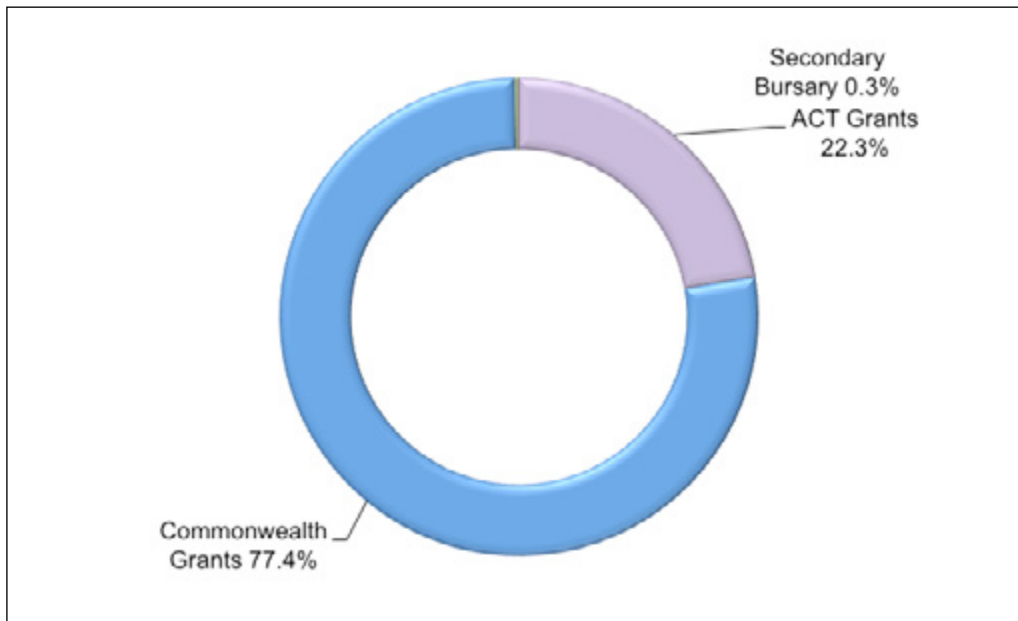
⁵The higher than budgeted result is due to additional loans granted by the Environment and Planning Directorate for sustainability projects.

TERRITORIAL STATEMENT OF REVENUE AND EXPENSES

TERRITORIAL REVENUE

Total income received included revenue for expenses on behalf of the Territory, primarily for the provision of grants to non-government schools.

FIGURE C1.5: SOURCES OF TERRITORIAL REVENUE



Source: Education Directorate Financial Statements

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

Territorial revenue totalled \$260.0 million in 2015-16, which was \$12.7 million or 5.1 per cent higher than budget of \$247.3 million. The higher than anticipated revenue primarily related to the inclusion of goods and services tax on Commonwealth Government grants on passed to non-government schools. Goods and services tax on Commonwealth Government grants was not included in the budget estimates.

When compared to the same period last year, total revenue increased by \$9.9 million or 4.0 per cent primarily due to higher levels of general recurrent grants for non government schools reflecting the impact of increased Commonwealth and ACT Government grants in accordance with the National Education Reform Agreement: Australian Capital Territory Bilateral Agreement's 'Schooling Resource Standard'.

TERRITORIAL EXPENSES

Territorial expenses primarily comprised of grant payments to non-government schools (\$260.0 million). Territorial expenses in 2015-16 were \$12.7 million or 5.1 per cent higher than budget. The higher than anticipated expenditure primarily related to the inclusion of Goods and Services Tax on Commonwealth Government grants on passed to non-government schools. Goods and Services Tax on Commonwealth Government grants was not included in the budget. When compared to the same period last year, total expenses increased by \$9.9 million or 4.0 per cent primarily due to higher levels of general recurrent grants for non government schools reflecting the impact of increased Commonwealth and ACT Government grants in accordance with the National Education Reform Agreement: Australian Capital Territory Bilateral Agreement's 'Schooling Resource Standard'.

For more information contact:
Chief Finance Officer
Strategic Finance
(02) 6205 2685

C.2 FINANCIAL STATEMENTS



AUDITOR-GENERAL AN OFFICER
OF THE ACT LEGISLATIVE ASSEMBLY



Sensitive: Auditor-General

A16/06

Ms Natalie Howson
Director-General
Education Directorate
Level 6, 220 Northbourne Avenue
BRADDON ACT 2612

Dear Ms Howson


**EDUCATION DIRECTORATE - AUDIT REPORT
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

The Audit Office has completed the audit of the financial statements of the Education Directorate for the year ended 30 June 2016.

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, Mr Shane Rattenbury MLA.

Yours sincerely


Dr Maxine Cooper
Auditor-General
9 September 2016

c.c. Mr Mark Whybrow, Chief Finance Officer
Ms Carol Lilley, Chair, Audit Committee
Ms Megan Young, Chief Internal Auditor

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INDEPENDENT AUDIT REPORT

EDUCATION DIRECTORATE

To the Members of the ACT Legislative Assembly

Report on the financial statements

The financial statements of the Education Directorate (the Directorate) for the year ended 30 June 2016 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 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.

The audit is not designed to provide assurance on the appropriateness of budget information included in the financial statements or to evaluate the prudence of decisions made by the Directorate.

Electronic presentation of the audited financial statements

Those viewing an electronic presentation of the 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 the financial statements. If users of the financial statements are concerned with the inherent risks arising from the electronic presentation of information, then 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 2016:

- (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 at 30 June 2016 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

9 September 2016

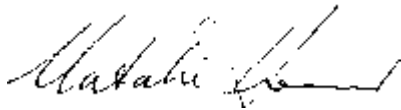
Financial Statements
For the Year Ended
30 June 2016

Education Directorate

**Education Directorate
Financial Statements
For the Year Ended 30 June 2016**

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 2016 and the financial position of the Directorate on that date.



Natalie Howson

Director-General

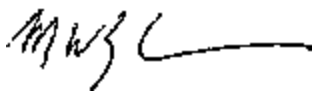
Education Directorate

7 September 2016

**Education Directorate
Financial Statements
For the Year Ended 30 June 2016**

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 2016 and the financial position of the Directorate on that date.



Mark Whybrow
Chief Finance Officer
Education Directorate

7 September 2016

EDUCATION DIRECTORATE

CONTROLLED FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2016

**Education Directorate
Operating Statement
For the Year Ended 30 June 2016**

	Note No.	Actual 2016 \$'000	Original Budget 2016 \$'000	Actual 2015 \$'000
Income				
<i>Revenue</i>				
Government Payment for Outputs	4	626,616	656,165	591,010
User Charges – ACT Government	5	666	570	461
User Charges – Non-ACT Government	5	17,526	16,328	17,600
Interest	6	1,237	1,252	1,409
Distribution from Investments with the Territory Banking Account	7	71	116	82
Resources Received Free of Charge	8	621	485	621
Other Revenue	9	22,203	21,413	21,358
Total Revenue		668,940	696,329	632,541
<i>Gains</i>				
Gains on Investments	10	37	-	29
Other Gains	11	-	-	107
Total Gains		37	-	136
Total Income		668,977	696,329	632,677
Expenses				
Employee Expenses	12	466,615	460,503	426,307
Superannuation Expenses	13	65,277	69,216	62,661
Supplies and Services	14	58,234	73,559	64,423
Depreciation and Amortisation	15	60,505	66,340	60,556
Grants and Purchased Services	16	13,201	31,474	21,093
Borrowing Costs	17	-	12	6
School and Other Expenses	18	65,349	65,065	63,699
Total Expenses		729,181	766,169	698,745
Operating (Deficit)		(60,204)	(69,840)	(66,068)
Other Comprehensive Income				
(Decrease) in the Asset Revaluation Surplus	31	-	-	(1,300)
Total Other Comprehensive (Deficit)		-	-	(1,300)
Total Comprehensive (Deficit)		(60,204)	(69,840)	(67,368)

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

**Education Directorate
Balance Sheet
As at 30 June 2016**

	Note	Actual	Original	Actual
	No.	2016	Budget	2015
		\$'000	\$'000	\$'000
Current Assets				
Cash and Cash Equivalents	21	80,837	70,627	81,577
Receivables	22	3,267	4,301	5,099
Investments	23	260	259	260
Other Assets	27	1,457	1,045	897
Total Current Assets		85,821	76,232	87,833
Non-Current Assets				
Investments	23	1,912	1,846	1,875
Property, Plant and Equipment	24	1,804,207	1,753,926	1,790,347
Intangible Assets	25	977	468	2,618
Capital Works in Progress	26	2,449	63,760	24,524
Total Non-Current Assets		1,809,545	1,820,000	1,819,364
Total Assets		1,895,366	1,896,232	1,907,197
Current Liabilities				
Payables	28	4,540	4,666	6,305
Finance Leases		-	75	-
Employee Benefits	29	136,066	126,957	137,770
Other Liabilities	30	7,282	5,706	4,847
Total Current Liabilities		147,888	137,404	148,922
Non-Current Liabilities				
Finance Leases		-	69	-
Employee Benefits	29	12,053	13,894	12,016
Other Liabilities	30	4,386	2,050	2,589
Total Non-Current Liabilities		16,439	16,013	14,605
Total Liabilities		164,327	153,417	163,527
Net Assets		1,731,039	1,742,815	1,743,670
Equity				
Accumulated Funds		865,704	876,180	878,335
Asset Revaluation Surplus	31	865,335	866,635	865,335
Total Equity		1,731,039	1,742,815	1,743,670

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

**Education Directorate
Statement of Changes in Equity
For the Year Ended 30 June 2016**

		Accumulated	Asset Revaluation	Total	Original
		Funds	Surplus	Equity	Budget
		Actual	Actual	Actual	
Note	2016	2016	2016	2016	2016
No.	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2015		878,335	865,335	1,743,670	1,753,098
Comprehensive Income					
Operating (Deficit)		(60,204)	-	(60,204)	(69,840)
Total Comprehensive (Deficit)		(60,204)	-	(60,204)	(69,840)
Transactions Involving Owners Affecting Accumulated Funds					
Capital Injections		48,315	-	48,315	59,557
Net Assets transferred out as part of an Administrative Restructure	32	(742)	-	(742)	-
Total Transactions Involving Owners Affecting Accumulated Funds		47,573	-	47,573	59,557
Balance at 30 June 2016		865,704	865,335	1,731,039	1,742,815

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

Education Directorate
Statement of Changes in Equity – Continued
For the Year Ended 30 June 2016

		Accumulated	Asset Revaluation	Total
		Funds	Surplus	Equity
		Actual	Actual	Actual
	Note	2015	2015	2015
	No.	\$'000	\$'000	\$'000
Balance at 1 July 2014		900,172	866,635	1,766,807
Comprehensive Income				
Operating (Deficit)		(66,068)	-	(66,068)
(Decrease) in the Asset Revaluation Surplus	31	-	(1,300)	(1,300)
Total Comprehensive (Deficit)		(66,068)	(1,300)	(67,368)
Transactions Involving Owners Affecting Accumulated Funds				
Capital Injections		90,329	-	90,329
Net Assets transferred out as part of an Administrative Restructure	32	(46,098)	-	(46,098)
Total Transactions Involving Owners Affecting Accumulated Funds		44,231	-	44,231
Balance at 30 June 2015		878,335	865,335	1,743,670

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

**Education Directorate
Cash Flow Statement
For the Year Ended 30 June 2016**

	Note No.	Actual 2016 \$'000	Original Budget 2016 \$'000	Actual 2015 \$'000
Cash Flows from Operating Activities				
Receipts				
Government Payment for Outputs		626,616	656,165	591,010
User Charges		19,491	16,898	17,454
Interest Received		1,243	1,252	1,409
Distribution from Investments with the Territory Banking Account		71	116	87
Schools and Other		23,514	20,000	20,396
Goods and Services Tax Received		17,891	21,100	25,015
Total Receipts from Operating Activities		688,826	715,531	655,371
Payments				
Employees		465,001	472,261	421,972
Superannuation		67,806	70,826	62,354
Supplies and Services		57,839	72,727	63,932
Grants and Purchased Services		13,239	31,474	21,457
Borrowing Costs		-	12	6
Schools and Other		66,168	63,850	63,175
Goods and Services Tax Paid		16,324	21,100	24,721
Total Payments from Operating Activities		686,377	732,250	657,617
Net Cash Inflows/(Outflows) from Operating Activities	38	2,449	(16,719)	(2,246)
Cash Flows from Investing Activities				
Receipts				
Proceeds from the Sale of Property, Plant and Equipment		1	-	41
Payments				
Purchase of Property, Plant and Equipment		53,301	60,772	76,731
Net Cash (Outflows) from Investing Activities		(53,300)	(60,772)	(76,690)
Cash Flows from Financing Activities				
Receipts				
Capital Injections		48,315	59,557	90,329
Loan Proceeds		2,591	-	-
Payments				
Repayment of Loan		794	423	-
Repayment of Finance Leases		-	50	39
Net Cash Inflows from Financing Activities		50,112	59,084	90,290
Net (Decrease)/Increase in Cash and Cash Equivalents Held		(739)	(18,407)	11,354
Cash and Cash Equivalents at the Beginning of the Reporting Period		81,576	89,034	70,223
Cash and Cash Equivalents at the End of the Reporting Period	38	80,837	70,627	81,577

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

Education Directorate
Summary of Directorate Output Classes
For the Year Ended 30 June 2016

	Output Class 1 \$'000	Output Class 2 \$'000	Output Class 3 \$'000	Total \$'000
2016				
Total Income	653,114	3,287	12,576	668,977
Total Expenses	(712,922)	(3,341)	(12,918)	(729,181)
Operating (Deficit)	(59,808)	(54)	(342)	(60,204)
2015				
Total Income	600,881	3,088	28,708	632,677
Total Expenses	(668,064)	(3,457)	(27,224)	(698,745)
Operating (Deficit)/Surplus	(67,183)	(369)	1,484	(66,068)

Education Directorate
Operating Statement for Output Class 1 - Public School Education
For the Year Ended 30 June 2016

Description

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

	Actual 2016 \$'000	Original Budget 2016 \$'000	Actual 2015 \$'000
Income			
<i>Revenue</i>			
Government Payment for Outputs	611,265	617,026	559,656
User Charges – ACT Government	664	570	460
User Charges – Non-ACT Government	17,306	16,296	17,573
Interest	1,226	1,250	1,392
Distribution from Investments with the Territory Banking Account	71	115	82
Resources Received Free of Charge	604	479	615
Other Revenue	<u>21,941</u>	<u>21,024</u>	<u>20,967</u>
<i>Total Revenue</i>	653,077	656,760	600,745
<i>Gains</i>			
Gains on Investments	37	-	29
Other Gains	107
<i>Total Gains</i>	<u>37</u>	<u>-</u>	<u>136</u>
Total Income	<u>653,114</u>	<u>656,760</u>	<u>600,881</u>
Expenses			
Employee Expenses	461,050	453,178	418,985
Superannuation Expenses	64,499	68,095	61,584
Supplies and Services	55,921	70,942	61,242
Depreciation and Amortisation	60,267	65,795	60,377
Grants and Purchased Services	5,955	2,981	2,171
Borrowing Costs	-	12	6
School and Other Expenses	65,230	64,952	63,699
Total Expenses	<u>712,922</u>	<u>725,955</u>	<u>668,064</u>
Operating (Deficit)	<u>(59,808)</u>	<u>(69,195)</u>	<u>(67,183)</u>

Education Directorate
Operating Statement for Output Class 2 - Non Government Education
For the Year Ended 30 June 2016

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 2016 \$'000	Original Budget 2016 \$'000	Actual 2015 \$'000
Income			
<i>Revenue</i>			
Government Payment for Outputs	2,787	2,851	2,669
User Charges – ACT Government	2		1
User Charges – Non-ACT Government	220	32	27
Interest	7	-	14
Distribution from Investments with the Territory Banking Account	-	1	-
Resources Received Free of Charge	17	3	5
Other Revenue	254	360	372
<i>Total Revenue</i>	3,287	3,247	3,088
Total Income	<u>3,287</u>	<u>3,247</u>	<u>3,088</u>
Expenses			
Employee Expenses	1,650	1,468	1,658
Superannuation Expenses	236	247	244
Supplies and Services	1,013	1,093	1,054
Depreciation and Amortisation	87	183	174
Grants and Purchased Services	305	450	327
Other Expenses	9	-	-
Total Expenses	<u>3,341</u>	<u>3,441</u>	<u>3,457</u>
Operating (Deficit)	<u>(54)</u>	<u>(194)</u>	<u>(369)</u>

Education Directorate

Operating Statement for Output Class 3 - Vocational Education and Training

For the Year Ended 30 June 2016

Description

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

	Actual 2016 \$'000	Original Budget 2016 \$'000	Actual 2015 \$'000
Income			
<i>Revenue</i>			
Government Payment for Outputs	12,564	36,288	28,685
Interest	4	2	3
Resources Received Free of Charge	-	3	1
Other Revenue	8	29	19
<i>Total Revenue</i>	<u>12,576</u>	<u>36,322</u>	<u>28,708</u>
Total Income	<u>12,576</u>	<u>36,322</u>	<u>28,708</u>
Expenses			
Employee Expenses	3,875	5,857	5,664
Superannuation Expenses	542	874	833
Supplies and Services	1,300	1,524	2,127
Depreciation and Amortisation	151	362	5
Grants and Purchased Services	6,940	28,043	18,595
Other Expenses	110	113	-
Total Expenses	<u>12,918</u>	<u>36,773</u>	<u>27,224</u>
Operating (Deficit) / Surplus	<u>(342)</u>	<u>(451)</u>	<u>1,484</u>

The responsibility for Vocational Education and Training functions associated with this output was transferred to the Chief Minister, Treasury and Economic Development Directorate from 22 January 2016 following changes to Administrative Arrangements.

**Education Directorate
Controlled Statement of Appropriation
For the Year Ended 30 June 2016**

	Note No.	Original Budget 2016 \$'000	Total Appropriated 2016 \$'000	Appropriation Drawn 2016 \$'000	Appropriation Drawn 2015 \$'000
Controlled					
Government Payment for Outputs	4	656,165	639,196	626,616	591,010
Capital Injections		59,557	67,782	48,315	90,329
Total Controlled Appropriation		715,722	706,978	674,931	681,339

The above Controlled Statement of Appropriation should be read in conjunction with the accompanying notes.

Column Heading Explanations

The *Original Budget* column shows the amounts that appear in the Cash Flow Statement in the Budget Papers. This amount also appears in these financial statements, in the Cash Flow Statement.

The *Total Appropriated* column is inclusive of all appropriation variations occurring after the Original Budget.

The *Appropriation Drawn* is the total amount of appropriation received by the Directorate during the year. This amount appears in these financial statements, in the Cash Flow Statement.

Variances between 'Original Budget' and 'Total Appropriated'

Government Payment for Outputs

The difference between the original budget and total appropriated mainly relates to Vocational Education and Training functions. On 22 January 2016, Vocational Education and Training functions were transferred to the Chief Minister, Treasury and Economic Development Directorate (\$26.064m). This was partially offset by funding transferred from 2014-15 into 2015-16 (\$9.095m), primarily relating to the VET Skills Reform national partnership.

Capital Injection

The difference between the original budget and the total appropriated relates to the transfer of funding from 2014-15 into 2015-16 (\$8.225m). The transfer of funding from 2014-15 primarily relates to advance payments of Commonwealth funding for Trade Training Centres and invoices received but not paid at 30 June 2015 for the Sustaining Smarter Schools - Digital Infrastructure for Our Schools initiative which were paid in 2015-16.

Variances between 'Total Appropriated' and 'Appropriation Drawn'

Government Payment for Outputs

The difference between the total appropriated and appropriation drawn relates to funds transferred from 2015-16 to 2016-17 (\$10.162m), lower than budgeted superannuation costs (\$1.238m) due to cessation of staff within the Public Sector Superannuation Scheme and Commonwealth Superannuation Scheme, and lower than budgeted Commonwealth grants (\$1.180m) associated with Students First funding. The transfer of funds from 2015-16 to 2016-17 primarily relates to delays in commencement of the Schools Administration System upgrade.

Capital Injections

The difference between the total appropriated and appropriation drawn mainly relates to the transfer of funds from 2015-16 to 2016-17 (\$11.777m) and savings associated with the Charles Weston P-6 School and the new Canberra College Cares building (\$7.690m). The transfer of funds to 2016-17 primarily relates to the delays in the tender and design process for the Modernising Belconnen High School project and minor delays in the rollout of wireless internet for the Supporting our School System - Sustaining ICT project.

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Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 1. OBJECTIVES OF THE DIRECTORATE

Operations and Principal Activities

The Education Directorate (the Directorate) works in partnership with students, parents and the community to ensure that every child, young person and adult in the ACT will benefit from a high quality, accessible education, childcare and training system. The Directorate works closely with government agencies, education and training providers, business and industry to position the ACT as the *Education Capital: Leading the Nation*.

Services of the Directorate include the provision of public school education, regulation of education and care services, registration of non-government schools and home education, and the planning and coordination of vocational education and training.

The Directorate aims to lift student achievement through connected and inclusive learning across all sectors of the education system combined with a focus on quality learning; inspirational teaching and leadership; high expectations, high performance; connecting with families and the community, and business innovation and improvement.

Vocational Education and Training functions transferred to the Chief Minister, Treasury and Economic Development Directorate on 22 January 2016 following changes to Administrative Arrangements. From this date the Directorate's name changed from the Education and Training Directorate to the Education Directorate.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

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, requires the Directorate's financial statements to include:

1. an Operating Statement for the year;
2. a Balance Sheet at the end of the year;
3. a Statement of Changes in Equity for the year;
4. a Cash Flow Statement for the year;
5. a Statement of Appropriation for the year;
6. an Operating Statement for each class of output for the year;
7. the significant accounting policies adopted for the year; and
8. such other statements as are necessary to fairly reflect the financial operations of the Directorate during the year and its financial position at the end of the year.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(a) Basis of Preparation – Continued

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.

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 such as those included in property, plant and equipment and financial instruments which were valued at fair value in accordance with the revaluation policies applicable to the Directorate during the reporting period.

At 30 June 2016, the Directorate's current assets are insufficient to meet its current liabilities. However, this is not considered a liquidity risk as its cash needs are funded through appropriation from the ACT Government on a cash-needs basis. This is consistent with the whole-of-government cash management regime, which requires excess cash balances to be held centrally rather than within individual Directorate bank accounts.

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, for example on passing of grants to non government schools.

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 preparation described in Note 2(a) above applies to both Controlled and Territorial financial statements except where specified otherwise.

(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 2016 and the financial position of the Directorate at 30 June 2016.

(d) Comparative Figures

Budget Figures

To facilitate a comparison with Budget Papers, as required by the *Financial Management Act 1996*, budget information for 2015-16 has been presented in the financial statements. Budget numbers in the financial statements are the original budget numbers that appear in the Budget Statements.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(d) Comparative Figures – Continued

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 to zero.

(f) Revenue Recognition

Revenue is recognised at the fair value of the consideration received or receivable in the Operating Statement. Revenue is recognised from Active Leisure Centre under User Charges as the Directorate controls the facilities. In addition, the following specific recognition criteria must be met before revenue is recognised:

Government Payment for Outputs

Government Payment for Outputs are recognised as revenues when the Directorate gains control over the funding. Control over appropriated funds is normally obtained upon the receipt of cash.

Payment for Expenses on Behalf of the Territory

The Payment for expenses on behalf of the Territory is recognised on an accrual basis. Due to the nature of territorial accounting, the Statement of Assets and Liabilities on Behalf of the Territory includes (as applicable) liabilities to, and receivables from, the Territory Banking Account.

User charges

Revenue for user charges is recorded when received except for international private students revenue which is recognised when the fee is earned.

Interest

Interest revenue is recognised using the effective interest rate.

Distribution from investment with the Territory Banking Account

Distribution revenue is received from investments with the Territory Banking Account. This is recognised on an accrual basis.

Revenue Received in Advance

Revenue received in advance is recognised as a liability if there is a present obligation to return the funds received, otherwise all are recorded as revenue.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(g) Resources Received and Provided Free of Charge

Resources received free of charge are recorded as a revenue and as an 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, and 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 are expensed in the period in which they are incurred.

(j) Waivers of Debt

Debts that are waived during the year under Section 131 of the *Financial Management Act 1996* are expensed during the year in which the right to payment was waived. Further details of waivers are disclosed at **Note 19 – 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 the 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 when 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 which do not fall within the current classification are classified as non-current.

(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 changes in circumstances indicate that the carrying amount may not be recoverable.

Any resulting impairment losses for land, buildings and improvements are recognised against the relevant class of asset in the Asset Revaluation Surplus with corresponding reduction to the carrying amount 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

Cash includes cash at bank and cash on hand. Directorate money held in the Territory Banking Account Cash Fund is classified as a Cash Equivalent.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(m) Cash and Cash Equivalents – Continued

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 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 being recorded in 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 recognised in the Operating Statement.

(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 fluctuates in value. The net gains or losses do not include interest or dividend income.

The price of units in both these unit trusts fluctuates in value. The net gain or loss on investments consists of the fluctuation in price of the unit trust between the end of the last reporting period and the end of this reporting period as well as any profit on the sale of units in the trust (the profit being the difference between the price at the end of the last reporting period and the sale price).

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 is initially recorded at cost.

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.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(p) Acquisition and Recognition of Property, Plant and Equipment – Continued

Property, plant and equipment with a minimum value of \$5,000 (exclusive of GST) are capitalised. Assets below \$5,000 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, buildings and improvements to land are measured at fair value. Plant and equipment including leasehold improvements are measured at cost. Land and buildings are revalued every three years. However, if at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place. The most recent complete revaluation of the Directorate's land, buildings and land improvements was performed in 2013-14. The next revaluation will be undertaken in 2016-17.

Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is measured using the market approach or the cost approach valuation techniques as appropriate. In estimating the fair value of an asset or liability, the Directorate takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for land and non-specialised buildings is measured using the market approach valuation technique. This approach uses prices and other relevant information generated by market transactions involving identical or similar assets. Fair value for specialised assets is measured using the cost approach that reflects the current cost to construct a comparable asset less accumulated depreciation.

(r) Intangible Assets

The Directorate's intangible assets are comprised of internally generated software and externally acquired software for internal use. Externally acquired software is recognised and capitalised when:

- a) it is probable that the expected future economic benefits attributable to the software will flow to the Directorate;
- b) the cost of the software can be measured reliably; and
- c) the acquisition cost is equal to or exceeds \$50,000.

Internally generated software is recognised when it meets the above general recognition criteria and where it meets the specific recognition criteria relating to intangible assets arising from the development phase of an internal project.

Capitalised software has a finite useful life. Software is amortised on a straight line basis over its useful life, over a period not exceeding five years. Intangible assets are measured at cost.

(s) Depreciation and Amortisation of Non-Current Assets

Amortisation is used in relation to intangible assets and depreciation is applied to physical assets such as buildings. Non-current assets with a limited useful life are systematically depreciated or amortised over their useful lives in a manner that reflects the consumption of their service potential.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(s) Depreciation and Amortisation of Non-Current Assets – Continued

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

Depreciation or amortisation for non-current assets is determined as follows:

Class of Asset	Depreciation/Amortisation	Useful Life (Years)
Buildings and Land Improvements	Straight Line	50
Leasehold Improvements	Straight Line	5
Plant and Equipment	Straight Line	2-20
Intangibles	Straight Line	2-5

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

(t) Payables

Payables are initially recognised at fair value based on the transaction cost and subsequent to initial recognition at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are normally settled within 30 days after the invoice date.

Payables include Trade Payables, Accrued Expenses and Other Payables.

(u) Joint Arrangements

The Directorate is involved in a joint operation with the Catholic Education Office at Gold Creek Primary School and its share of assets, liabilities, income and expenses have been recognised in the Directorate's financial statements under appropriate headings consistent with AASB 11 'Joint Arrangements'. Further details are disclosed in **Note 37 – Interest in a Joint Operation**.

(v) Leases

The Directorate has entered into operating leases.

Operating Leases

Operating leases do not effectively transfer to the Directorate substantially the entire risks and rewards incidental to ownership of the asset under an 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.

Motor Vehicle Leasing Arrangements 2014-15

Changes were made to the whole of government motor vehicle leasing arrangements with SG Fleet as a result of which all such leases were classified as operating leases rather than finance leases from 23 April 2015.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(w) Employee Benefits

Employee benefits include:

- Short-term employee benefits such as wages and salaries, annual leave loading, and applicable on-costs; if expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services;
- Other long-term benefits such as long service leave and annual leave; and
- Termination benefits.

On-costs include annual leave, long service leave, superannuation and other costs that are incurred when employees take annual and long service leave.

Wages & Salaries

Accrued salaries and wages are measured at the amount that remains unpaid to employees at the end of the reporting period.

Annual and Long Service Leave

Annual and long service leave including applicable on-costs that are not expected to be wholly settled within twelve months are measured at the present value of estimated future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to the future wage and salary levels, experience of employee departures and periods of service. At the end of each reporting period end, the present value of annual leave and long service leave payments is estimated using market yields on Commonwealth Government bonds with terms to maturity that match, as closely as possible, the estimated future cash flows.

Annual leave liabilities have been estimated on the assumption that they will be wholly settled within three years. In 2015-16 the rate used to estimate the present value of future annual leave payments is 101.4% (101.0% in 2014-15).

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 seven years of 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 applicable on-costs. In 2015-16, the rate used to estimate the present value of future payments for long service leave is 114.7% (104.2% in 2014-15).

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.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(w) Employee Benefits – Continued

Annual leave and long service leave liabilities are classified as current liabilities in the Balance Sheet where there are no unconditional rights to defer the settlement of the liability for at least 12 months. Conditional long service leave liabilities are classified as non-current because the Directorate has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

(x) 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). This payment covers the CSS/PSS employer contribution, but does not include the productivity component. The productivity component is paid directly to the Commonwealth Superannuation Corporation (CSC) 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.

The total Territory superannuation liability for the CSS and PSS is recognised in the Chief Minister, Treasury and Economic Development Directorate's Superannuation Provision Account and the CSS and the external schemes recognise the superannuation liability for the PSSAP and other schemes respectively. This superannuation liability is not recognised at individual agency level.

The ACT Government is liable for the reimbursement of the emerging costs of benefits paid each year to members of the CSS and PSS in respect of service provided after 1 July 1989. These reimbursement payments are made from the Superannuation Provision Account.

(y) Equity Contributed by the ACT Government

Contributions made by the ACT Government, through its role as owner 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.

(z) 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.

(aa) Taxation

The Directorate's activities are exempt from all forms of taxation except Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). The amount of FBT paid in the year is recorded in the Operating Statement under employee expenses.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(aa) Taxation – Continued

Revenue, expenses and assets are recognised net of GST except to the extent that the amount of GST incurred by the 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.

(ab) 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 36 – Contingent Liabilities and Contingent Assets**. There are no contingent assets.

(ac) Budgetary Reporting

Explanations of Major Variance between the 2015-16 original budget and 30 June 2016 actual results are presented in **Notes 39 and 49 – Budgetary Reporting**. The definition of 'major variances' and the 'original budget' are also provided in **Notes 39 and 49 – Budgetary Reporting**.

(ad) 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 estimate regarding the fair value of its land and buildings. Land and buildings have been recorded at the market value of similar properties less accumulated depreciation as determined by an independent valuer. The fair value of assets is subject to management assessment between formal valuations. **Note 2(q) - Measurement of Property, Plant and Equipment after Initial Recognition.**

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(ad) Significant Accounting Judgements and Estimates – Continued

- b. Employee Benefits:* Significant judgements have been applied in estimating the liability for employee benefits. The estimated liability for annual and long service leave requires a consideration of the future wages and salary levels, experience of employee departures, probability that leave will be taken in service 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(w) - Employee Benefits**.

The significant judgements and assumptions included in the estimation of annual and long service leave liabilities include an assessment by an actuary. The Australian Government Actuary performed this assessment in May 2014. The assessment by an actuary is performed every five years. However it may be performed more frequently if there is a significant contextual change in the parameters underlying the 2014 report. The next actuarial review is expected to be undertaken by May 2019.

- c. Useful Lives of Property, Plant & Equipment:* Property, Plant and Equipment is systematically depreciated over its estimated useful life. The estimated useful life of Property, Plant and Equipment is based on historical experience of similar assets and in some cases has been based on assessment by an independent valuer. 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:* 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. The Directorate has undertaken an 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 impairment is material. There has been no adjustment for impairment in 2015-16 (2014-15 a reduction of \$0.487 million).
- e. Budgetary Reporting:* Judgements have been applied in determining what variances are considered as 'major variances' requiring explanations in **Notes 39 and 49 – Budgetary Reporting**. Variances are considered to be major if both of the following criteria are met:
- The line item is a significant line item: the line item actual accounts for more than 10% of the relevant associated category of the financial statements; and
 - The variances (original budget to actual) are greater than plus (+) or minus (-) 10% of the budget for the financial statement line item.

(ae) After Balance Date Events

There are no known events occurring after 30 June 2016 that will materially affect the financial statements.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(af) Accounting Standards Adopted Early for the 2015-16 Reporting Period

AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 and AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-For-Profit Public Sector Entities have been early adopted for the 2015-16 reporting period, even though the standards are not required to be applied until annual reporting periods beginning on or after 1 July 2016.

AASB 2015-2 amends AASB 101 Presentation of Financial Statements including clarifying that agencies should not be disclosing immaterial information and that the presentation of information in notes can and should be tailored to provide users with the clearest view of an agency's financial performance and financial position.

AASB 2015-7 amends AASB 13 Fair Value Measurement to provide disclosure relief to not-for-profit public sector agencies from certain disclosures about the fair value measurements of property, plant and equipment held for their current service potential rather than to generate net cash inflows. This includes relief from disclosures of quantitative information about the significant unobservable inputs used in fair value measurements and of the sensitivity of certain fair value measurements to changes in unobservable inputs.

(ag) Impact of Accounting Standards Issued but yet to be applied

All other new standards, amendments to standards and interpretations that were issued prior to the sign off date and are applicable to future reporting periods are not expected to have a material financial impact on the Directorate.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 3. CHANGE IN ACCOUNTING ESTIMATES

a) Change in Accounting Estimates

As disclosed in **Note 2(w) – 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 rate used to estimate the present value of employee benefit liabilities is based on an assessment made by the Australian Government Actuary.

Last financial year the rate used to estimate the present value of future long service leave and annual leave payments was 104.2% for long service leave and 101.0% for annual leave. The rate for 2015-16 is 114.7% for long service leave and 101.4% for annual leave. As such the estimate of the long service leave and annual leave liabilities has changed. This change has resulted in an increase in the estimate of the long service leave liability and expense in the current reporting period of approximately \$10.164 million and an increase to the estimate of the annual leave liability and expense in the current reporting period of approximately \$0.138 million.

NOTE 4. GOVERNMENT PAYMENT FOR OUTPUTS

	2016 \$'000	2015 \$'000
Government Payment for Outputs		
Government Payment for Outputs ¹	626,616	591,010
Total	626,616	591,010

1. The increase primarily relates to additional funding for pay increases associated with the teaching staff enterprise agreement and administrative and other staff enterprise agreements and enrolment increases in public schools.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 5. USER CHARGES – ACT AND NON-ACT GOVERNMENT

	2016 \$'000	2015 \$'000
User Charges – ACT Government		
User Charges – ACT Government	666	461
Total	666	461
User Charges – Non-ACT Government		
International Private Students Program ¹	9,002	8,146
Active Leisure Centre, Hire of Facilities and Recreational Activities	3,567	3,656
Commonwealth Agreements ²	3,694	4,678
Commonwealth Own Purpose Payments (COPE) / Specific Projects	1,167	940
Other	96	180
Total	17,526	17,600

1. The increase mainly relates to a higher number of international student enrolments combined with fee increases for international students.
2. In 2014-15 payments from the French Government for the French Australia School program at Telopea Park School were paid to the Directorate and recorded as User Charges – Non-ACT Government. In 2015-16, a new operational agreement was entered into with French Government payments now made directly to the Telopea Park School. This change has resulted in a decrease in this line item. These payments are now recorded as Schools Revenue at Note 9 – Other Revenue.

NOTE 6. INTEREST

Interest		
Interest earned from Schools Bank Accounts and Other Cash Held ¹	1,237	1,409
Total	1,237	1,409

1. The decrease relates to lower interest rates in 2015-16 compared to 2014-15.

NOTE 7. DISTRIBUTION FROM INVESTMENTS WITH THE TERRITORY BANKING ACCOUNT

Revenue from ACT Government Entities		
Distribution from Investments with the Territory Banking Account	71	82
Total	71	82

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 8. RESOURCES RECEIVED FREE OF CHARGE

This relates to legal advice and other legal services provided by the ACT Government Solicitor's Office.

	2016 \$'000	2015 \$'000
Revenue from ACT Government Entities		
Resources Received Free of Charge	621	621
Total	621	621

NOTE 9. OTHER REVENUE

Mainly comprises schools revenue from voluntary contributions, fund raising revenue and excursion funds.

Other Revenue		
School Revenue ¹	20,939	19,861
ACT Teacher Quality Institute	803	793
Other	461	704
Total	22,203	21,358

1. In 2014-15 payments from the French Government for the French Australia School program at Telopea Park School were paid to the Directorate and recorded as User Charges – Non-ACT Government. In 2015-16, a new operational agreement was entered into with French Government payments now made directly to the Telopea Park School. This change has resulted in an increase in this line item. These payments were previously recorded as User Charges at Note 5 – User Charges ACT and Non-ACT Government.

NOTE 10. GAINS ON INVESTMENTS

Gains on Investments		
Unrealised Gains on Investments with the Territory Banking Account	37	29
Total	37	29

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 11. OTHER GAINS

Other gains are transactions that are not part of the Directorate's core activities. Other gains are distinct from other revenue, as other revenue arises from the core activities of the Directorate.

	2016	2015
	\$'000	\$'000
Gain from De-recognition of Finance Lease Liabilities ¹	-	107
Total	<u>-</u>	<u>107</u>

1. There were no other gains in 2015-16.

NOTE 12. EMPLOYEE EXPENSES

Wages and Salaries ¹	436,871	410,080
Movement in Employee Benefits ²	17,524	4,796
Workers' Compensation Insurance Premium	12,220	11,431
Total	<u>466,615</u>	<u>426,307</u>

1. The increase is mainly due to wage increases provided through the teaching staff enterprise agreement and administrative and other staff enterprise agreements.
2. The increase is primarily related to an increase in the rate used to estimate the present value of long service leave liabilities (refer Note 2(w) - Employee Benefits and 3(a) - Change In Accounting Estimate).

NOTE 13. SUPERANNUATION EXPENSES

Superannuation Contributions to the Territory Banking Account	33,964	34,641
Productivity Benefit	4,782	4,373
Superannuation Payment to ComSuper (for the PSSAP)	1,267	1,190
Superannuation to External Providers	25,264	21,857
Total	<u>65,277</u>	<u>62,061</u>

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 14. SUPPLIES AND SERVICES

	2016	2015
	\$'000	\$'000
Property and Maintenance ¹	13,923	20,737
Materials and Services	28,539	27,619
Travel and Transport	6,649	6,711
Administrative	3,336	3,146
Financial	4,407	4,501
Operating Lease Costs	1,199	1,505
Audit Fees	173	137
Write-Off of Assets	8	67
Total	58,234	64,423

1. The decrease in 2015-16 primarily relates to the early delivery of projects in May and June 2015, reducing the 2015-16 repairs and maintenance program.

NOTE 15. DEPRECIATION AND AMORTISATION

Depreciation

Buildings and Land Improvements	49,758	49,450
Plant and Equipment	10,217	10,756
Leasehold Improvements	192	194
Community and Heritage Assets	-	8
Total Depreciation	60,167	60,408

Amortisation

Intangible Assets	338	148
Total Amortisation	338	148

Total Depreciation and Amortisation	60,505	60,556
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NOTE 16. GRANTS AND PURCHASED SERVICES

Grant Payments - educational, apprenticeships, and VET skills reform ¹	13,201	21,093
Total	13,201	21,093

1. The decrease mainly relates to the transfer of Vocational Education and Training functions to Chief Minister, Treasury and Economic Development Directorate on 22 January 2016.

NOTE 17. BORROWING COSTS

Finance Charges on Finance Leases	-	6
Total	-	6

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 18. SCHOOL AND OTHER EXPENSES

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

	2016 \$'000	2015 \$'000
School Expenses	63,996	61,919
Other Expenses	1,353	1,569
Loss on Derecognition of Motor Vehicle Lease	.	211
Total	65,349	63,699

NOTE 19. ACT OF GRACE PAYMENTS, WAIVERS AND WRITE-OFFS

Write-Off of Assets	8	67
Total	8	67

1. The expense associated with the write-off of assets is reported under **Note 14 – Supplies and Services**.

NOTE 20. AUDITOR'S REMUNERATION

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

Audit Services

Audit Fees Paid or Payable to the ACT Audit Office	156	126
Total	156	126

NOTE 21. CASH AND CASH EQUIVALENTS

The Directorate holds a number of bank accounts with the Westpac Bank as part of the whole-of-government banking arrangements.

Central Office Bank Accounts	36,789	40,764
School Management Accounts ¹	43,544	39,787
ACT Teacher Quality Institute Bank Account	457	733
Other Operations Bank Accounts	37	283
Cash on Hand	10	10
Total	80,837	81,577

1. The increase mainly relates to the impact of the new Teachers' Enterprise Agreement which requires the provision of funding to schools to address change in administrative workload. This funding was paid late in the 2015-16 financial year and a significant portion remained unspent at year-end. Further, additional cash was held at year-end due to the impact of the new operational agreement for the French Australia Program at Telopea Park School. Refer **Note 5 – User Charges** and **Note 9 – Other Revenue**.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 22. RECEIVABLES

	2016 \$'000	2015 \$'000
Current Receivables		
Trade Receivables	705	998
Less: Allowance for Impairment Losses	(187)	(143)
	518	855
Other Trade Receivables ¹	265	815
Less: Allowance for Impairment Losses	-	-
	<u>265</u>	<u>815</u>
Accrued Revenue	657	35
Net Goods and Services Tax Receivable	1,827	3,394
	2,484	3,429
Total Current Receivables	<u><u>3,267</u></u>	<u><u>5,099</u></u>

1. Related to school receivables.

Ageing of Receivables

	Not Overdue \$'000	Overdue			Total \$'000
		Less than 30 Days \$'000	30 to 60 Days \$'000	Greater than 60 Days \$'000	
2016					
Not Impaired Receivables	2,762	90	49	366	3,267
Impaired Receivables			-	187	187
2015					
Not Impaired Receivables	3,838	695	30	536	5,099
Impaired Receivables	-	-	-	143	143

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 22. RECEIVABLES – CONTINUED

	2016	2015
	\$'000	\$'000
Reconciliation of the Allowance for Impairment Losses		
Allowance for Impairment Losses at the Beginning of the Reporting Period	143	147
Additional/ (less) Allowance Recognised During the Reporting Period	44	(4)
Allowance for Impairment Losses at the End of the Reporting Period	187	143
 Classification of ACT Government/Non-ACT Government Receivables		
Receivables from ACT Government Entities		
Trade Receivables	116	52
Other Trade Receivables	23	220
Accrued Revenue	16	21
Total Receivables from ACT Government Entities	155	293
 Receivables from Non-ACT Government Entities		
Trade Receivables	589	946
Other Trade Receivables	242	595
Accrued Revenue	641	14
Net Goods and Services Tax Receivable	1,827	3,394
Less: Allowance for Impairment Losses	(187)	(143)
Total Receivables from Non-ACT Government Entities	3,112	4,806
 Total Receivables	3,267	5,099

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 23. INVESTMENTS

Short-term investments were held with the Territory Banking Account in the Cash Enhanced Portfolio throughout the year. These funds are able to be withdrawn upon request.

The purpose of the investment in the Fixed Interest Portfolio is to hold it for a period of longer than 12 months. The total carrying amount of the Fixed Interest Portfolio investment below has been measured at fair value.

	2016	2015
	\$'000	\$'000
Current Investments		
Investments with the Territory Banking Account - Cash Enhanced Portfolio	260	260
Total Current Investments	260	260
Non-Current Investments		
Investments with the Territory Banking Account - Fixed Interest Portfolio	1,912	1,875
Total Non-Current Investments	1,912	1,875
Total Investments	<u>2,172</u>	<u>2,135</u>

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 24. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment includes the following classes of assets – land, buildings, improvement to land, leasehold improvements and plant and equipment.

	2016 \$'000	2015 \$'000
Land		
Land at Fair Value	316,745	316,745
Total Land Assets	<u>316,745</u>	<u>316,745</u>
Buildings and Improvements to Land at Fair Value	1,556,490	1,492,913
Less: Accumulated Depreciation	(103,100)	(53,342)
Total Written-Down Value of Buildings and Improvements to Land	<u>1,453,390</u>	<u>1,439,571</u>
Total Land and Written Down Value of Buildings and Improvements to Land	<u>1,770,135</u>	<u>1,756,316</u>
Leasehold Improvements		
Leasehold Improvements at Cost	5,643	5,643
Less: Accumulated Depreciation	(4,700)	(4,508)
Total Written-Down Value of Leasehold Improvements	<u>943</u>	<u>1,135</u>
Plant and Equipment		
Plant and Equipment at Cost	115,046	105,650
Less: Accumulated Depreciation	(81,917)	(72,754)
Total Written-Down Value of Property, Plant and Equipment	<u>33,129</u>	<u>32,896</u>
Total	<u><u>1,804,207</u></u>	<u><u>1,790,347</u></u>

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 24. PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Reconciliation of Property, Plant and Equipment

The following table shows the movement of Property, Plant and Equipment during 2015-16.

	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	316,745	1,439,571	1,135	32,896	1,790,347
Additions	-	63,598	-	10,034	73,632
Depreciation	-	(49,758)	(192)	(30,217)	(60,167)
Assets Transferred Out	-	-	-	(5)	(5)
Write-offs/Impairment/Other	-	(21)	-	421	400
Carrying Amount at the End of the Reporting Period	316,745	1,453,390	943	33,129	1,804,207

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 24. PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Reconciliation of Property, Plant and Equipment

The following table shows the movement of Property, Plant and Equipment during 2014-15.

	Land \$'000	Buildings and Improvements to Land \$'000	Leasehold Improvement \$'000	Plant and Equipment \$'000	Community and Heritage Assets \$'000	Total \$'000
Carrying Amount at the Beginning of the Reporting Period	330,814	1,473,760	1,329	27,151	960	1,834,014
Additions	-	41,682	-	16,730	-	58,412
Assets Transferred Out	(15,429)	(24,739)	-	-	(948)	(41,116)
Revaluation Increment/(Decrement)	1,360	(2,453)	-	-	-	(1,093)
Depreciation	-	(49,446)	(194)	(10,756)	(12)	(60,408)
Derecognition of Leased Vehicles	-	-	-	(171)	-	(171)
Write Offs/Impairment/Other	-	767	-	(58)	-	709
Carrying Amount at the End of the Reporting Period	316,745	1,439,571	1,135	32,896	-	1,790,347

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 24. PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Fair Value Hierarchy

The Directorate is required to classify property, plant and equipment 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 that the Directorate can access at the measurement date;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – inputs that are unobservable for particular assets or liabilities.

Details of the Directorate's property, plant and equipment at fair value and information about the Fair Value Hierarchy at 30 June 2016 are as follows.

2016

	Classification According to Fair Value Hierarchy			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Property, Plant and Equipment at Fair Value				
Land	-	-	316,745	316,745
Buildings and Improvements to Land	-	-	1,453,390	1,453,390
	-	-	1,770,135	1,770,135

2015

	Classification According to Fair Value Hierarchy			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Property, Plant and Equipment at Fair Value				
Land	-	-	316,745	316,745
Buildings and Improvements to Land	-	-	1,439,571	1,439,571
	-	-	1,756,316	1,756,316

Transfers Between Categories

There have been no transfers between Levels 1, 2 and 3 during the current or previous reporting period.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 24. PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Valuation Techniques, inputs and processes

Level 2 Valuation Techniques and Inputs

Valuation Technique: The valuation technique used to value land and buildings is the market approach that reflects recent transaction prices for similar properties and buildings (comparable in location and size).

Inputs: Prices and other relevant information generated by market transactions involving comparable land and buildings were considered. Regard was taken of the Crown Lease terms and tenure, The Australian Capital Territory Plan and the National Capital Plan, where applicable, as well as current zoning.

Level 3 Valuation Techniques and Inputs

Valuation Technique: Land where there is no active market or significant restrictions is valued through the market approach which values a selection of land with similar approximate utility.

Valuation Technique: Buildings, and improvements to land were considered specialised assets by the valuers and measured using the cost approach that reflects the cost to a market participant to construct assets of comparable utility adjusted for obsolescence. For buildings, historical cost per square metre of floor area was also used in measuring fair value.

Inputs: In determining the value of land with similar approximate utility significant adjustment to market based data was required.

Inputs: In determining the value of buildings and improvements to land, regard was given to the age and condition of the assets, their estimated replacement cost and current use. This required the use of data internal to the Education Directorate

There has been no change to the above valuation techniques during the year.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 24. PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Fair Value measurements using significant unobservable inputs (Level 3)

Description and Fair Value at 30 June 2016	Valuation Technique(s)	Significant Unobservable Inputs
\$'000		
Land \$316,745	Market Approach - Direct comparison	Selection of land with similar approximate utility
Buildings and Improvements to Land \$1,453,390	Depreciated Replacement Cost	Consumed economic benefit/ obsolescence of asset

Description and Fair Value at 30 June 2015	Valuation Technique(s)	Significant Unobservable Inputs
\$'000		
Land \$316,745	Market Approach - Direct comparison	Selection of land with similar approximate utility.
Buildings and Improvements to Land \$1,439,571	Depreciated Replacement Cost	Consumed economic benefit/ obsolescence of asset

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 25. INTANGIBLE ASSETS

The Directorate has internally generated software and externally purchased software.

	2016 \$'000	2015 \$'000
Computer Software		
<i>Internally Generated/Externally Purchased Software</i>		
Computer Software at Cost ¹	1,592	3,043
Less: Accumulated Amortisation	(615)	(425)
Total Computer Software	977	2,618

1. The movement primarily relates to the transfer of computer software associated with Vocational Education and Training functions to Chief Minister, Treasury and Economic Development Directorate on 22 January 2016.

NOTE 26. CAPITAL WORKS IN PROGRESS

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

Capital Works in Progress	2,449	24,524
Total	2,449	24,524

Reconciliation of Capital Works In Progress

The following table shows the movement of Capital Works In Progress during the reporting periods.

Balance at the Beginning of the Reporting Period	24,524	16,238
Additions	2,189	21,775
Capital Works in Progress Completed and Transferred to Property, Plant and Equipment ¹	(24,264)	(10,980)
Capital Works in Progress Completed and Transferred to Chief Minister, Treasury and Economic Development Directorate	-	(2,509)
Carrying Amount at the End of the Reporting Period	2,449	24,524

1. Primarily relates to capitalisation of expenditure associated with the construction of the Charles Weston School.

NOTE 27. OTHER ASSETS

Other Current Assets

Prepayments ¹	1,457	897
Total	1,457	897

1. Increase primarily relates to higher prepayments in schools.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 28. PAYABLES

	2016 \$'000	2015 \$'000
Current Payables		
Payables - ACT Government Entities	64	33
Payables - Non-ACT Government Entities	301	277
Accrued Expenses	4,175	5,995
Total Current Payables	4,540	6,305

Payables are aged as followed

Not Overdue	4,514	6,250
Overdue for Less than 30 Days	14	28
Overdue for 30 to 60 Days	6	-
Overdue for More than 60 Days	6	27
Total	4,540	6,305

Classification of ACT Government/Non-ACT Government Payables

Payables with ACT Government Entities

Payables	64	33
Accrued Expenses	2,952	3,693
Total Payables with ACT Government Entities	3,016	3,726

Payables with Non-ACT Government Entities

Payables	301	277
Accrued Expenses	1,223	2,302
Total Payables with Non-ACT Government Entities	1,524	2,579
Total	4,540	6,305

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 29. EMPLOYEE BENEFITS

	2016 \$'000	2015 \$'000
Current Employee Benefits		
Annual Leave	35,128	33,375
Long Service Leave ¹	98,970	83,236
Accrued Salaries ²	1,968	21,159
Total Current Employee Benefits	136,066	137,770
Non-Current Employee Benefits		
Long Service Leave	12,053	12,016
Total Non-Current Employee Benefits	12,053	12,016
Total	148,119	149,786
Estimate of when Leave is Payable		
Estimated Amount Payable within 12 months		
Annual Leave	29,733	26,848
Long Service Leave	6,825	6,821
Accrued Salaries	1,968	21,159
Total Employee Benefits Payable within 12 months	38,526	54,828
Estimated Amount Payable after 12 months		
Annual Leave	5,395	6,527
Long Service Leave	104,198	88,431
Total Employee Benefits Payable after 12 months	109,593	94,958
Total	148,119	149,786

1. The increase primarily relates to an increase in the rate used to estimate the present value of future long service leave payments.

2. The decrease primarily relates to less salary accrual days in 2015-16.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 30. OTHER LIABILITIES

	2016 \$'000	2015 \$'000
Current Other Liabilities		
International Students Revenue Received in Advance ¹	5,042	4,296
Schools Revenue Received in Advance ²	2,240	551
Total	<u>7,282</u>	<u>4,847</u>
Non-Current Other Liabilities		
Other Loans ³	4,386	2,589
Total	<u>4,386</u>	<u>2,589</u>
Total Other	<u><u>11,668</u></u>	<u><u>7,436</u></u>

1. The increase relates to higher international student numbers combined with increased fees.
2. The increase primarily relates to the advance payment from the Embassy of France for the French Australia School at Telopea Park School.
3. Relates to loans from the Environment and Planning Directorate for environmentally sustainable projects in schools.

NOTE 31. EQUITY

Asset Revaluation Surplus

The Asset Revaluation Surplus is used to record the increments and decrements in the value of Property, Plant and Equipment.

Balance at the Beginning of the Reporting Period	865,335	866,635
Increment in Land due to Revaluation	-	1,000
Decrement in Buildings and Improvements due to Revaluation	-	(2,300)
Total (Decrease) in the Asset Revaluation Surplus	<u>-</u>	<u>(1,300)</u>
Balance at the End of the Reporting Period	<u><u>865,335</u></u>	<u><u>865,335</u></u>

1. There were no revaluations of assets in 2015-16.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 32. RESTRUCTURE OF ADMINISTRATIVE ARRANGEMENTS

On 22 January 2016, a restructuring of administrative arrangements occurred between the Education Directorate and Chief Minister, Treasury and Economic Development Directorate involving the transfer of the Education Directorate's responsibility for Vocational Education and Training functions. The income and expenses and assets and liabilities transferred as part of the restructuring of administrative arrangements at the date of transfer were as follows:

	Amounts Relating to Function when held by the Education Directorate 1 July 2015 to 22 January 2016 \$'000	Amounts Transferred to the Chief Minister, Treasury and Economic Development Directorate 22 January 2016 to 30 June 2016 \$'000
Revenue		
Government Payment for Outputs	11,303	26,064
Resources Received Free of Charge	-	3
Other Revenue	23	-
Total Revenue	11,326	26,067
Expenses		
Employee Expenses	2,790	1,948
Superannuation Expenses	324	228
Supplies and Services	1,061	1,057
Depreciation and Amortisation	149	107
Grants and Purchased Services	6,969	22,834
Total Expenses	11,293	26,174

	Transferred Amounts 2015-16 \$'000
Assets	
Intangible Assets	1,628
Plant and Equipment	5
Total Assets Transferred Out	1,633
Liabilities	
Employee Provisions - Current	794
Employee Provisions - Non Current	97
Total Liabilities Transferred Out	891
Total Net Assets Transferred Out	742

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 32. RESTRUCTURE OF ADMINISTRATIVE ARRANGEMENTS – CONTINUED

On 31 January 2015, a restructuring of administrative arrangements occurred between Education Directorate and Chief Minister, Treasury and Economic Development Directorate involving the transfer of Education Directorate's responsibility for the management of child care centres. The income and expenses and assets and liabilities transferred as part of the restructuring of administrative arrangements at the date of transfer were as follows:

	Amounts Relating to Function when held by the Education Directorate 1 July 2014 to 31 January 2015 \$'000	Amounts Transferred to the Chief Minister, Treasury and Economic Development Directorate 31 January 2015 to 30 June 2015 \$'000
Revenue		
Government Payment for Outputs	287	285
Total Revenue	287	285
Expenses		
Employee Expenses	99	71
Superannuation Expenses	11	8
Supplies and Services	177	206
Depreciation and Amortisation	477	360
Total Expenses	764	645
	Transferred Amounts 2014-15 \$'000	
Assets		
Land	15,429	
Buildings and Improvements to Land	24,739	
Community and Heritage Assets	948	
Capital Works in Progress	4,982	
Total Assets Transferred Out	46,098	
Total Net Assets Transferred Out	46,098	

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 33. DISAGGREGATED DISCLOSURE OF ASSETS AND LIABILITIES

At 30 June 2016

	Output Class 1 \$'000	Output Class 2 \$'000	Output Class 3 ² \$'000	Unallocated \$'000	Total \$'000
Current Assets					
Cash and Cash Equivalents	43,585	457	-	36,795 ¹	80,837
Investments	260	-	-	-	260
Receivables	3,230	37	-	-	3,267
Other Assets	1,448	9	-	-	1,457
Total Current Assets	48,523	503	-	36,795	85,821
Non-Current Assets					
Investments	1,350	-	-	562	1,912
Property, Plant and Equipment	1,804,207	-	-	-	1,804,207
Intangible Assets	977	-	-	-	977
Capital Works in Progress	2,449	-	-	-	2,449
Total Non-Current Assets	1,808,983	-	-	562	1,809,545
Total Assets	1,857,506	503	-	37,357	1,895,366
Current Liabilities					
Payables	4,536	4	-	-	4,540
Employee Benefits	135,573	493	-	-	136,066
Other Liabilities	7,282	-	-	-	7,282
Total Current Liabilities	147,391	497	-	-	147,888
Non-Current Liabilities					
Employee Benefits	12,009	44	-	-	12,053
Other Liabilities	4,386	-	-	-	4,386
Total Non-Current Liabilities	16,395	44	-	-	16,439
Total Liabilities	163,786	541	-	-	164,327
Net Assets / (Liabilities)	1,693,720	(38)	-	37,357	1,731,039

1. 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.
2. Vocational Education and Training functions (Output Class 3) were transferred to the Chief Minister, Treasury and Economic Development Directorate on 22 January 2016.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 33. DISAGGREGATED DISCLOSURE OF ASSETS AND LIABILITIES – CONTINUED

At 30 June 2015

	Output Class 1 \$'000	Output Class 2 \$'000	Output Class 3 \$'000	Unallocated \$'000	Total \$'000
Current Assets					
Cash and Cash Equivalents	39,885	733	-	40,959 ¹	81,577
Investments	260	-	-	-	260
Receivables	5,051	2	46	-	5,099
Other Assets	892	-	5	-	897
Total Current Assets	46,088	735	51	40,959	87,833
Non-Current Assets					
Investments	1,324	-	-	551	1,875
Property, Plant and Equipment	1,790,347	-	-	-	1,790,347
Intangible Assets	842	-	1,776	-	2,618
Capital Works in Progress	24,524	-	-	-	24,524
Total Non-Current Assets	1,817,037	-	1,776	551	1,819,364
Total Assets	1,863,125	735	1,827	41,510	1,907,197
Current Liabilities					
Payables	6,261	4	40	-	6,305
Employee Benefits	135,403	536	1,831	-	137,770
Other Liabilities	4,847	-	-	-	4,847
Total Current Liabilities	146,511	540	1,871	-	148,922
Non-Current Liabilities					
Employee Benefits	11,810	46	160	-	12,016
Other Liabilities	2,589	-	-	-	2,589
Total Non-Current Liabilities	14,399	46	160	-	14,605
Total Liabilities	160,910	586	2,031	-	163,527
Net Assets / (Liabilities)	1,702,215	149	(204)	41,510	1,743,670

1. 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 Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 34. 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 - 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 Directorate's financial assets consist of cash and cash equivalents, investments and receivables. Its financial liabilities are comprised of payables. The Directorate's 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, 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.

There have been no changes in risk exposure or processes for managing risk since the last financial reporting period.

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 bank is held with the Westpac Bank and cash not immediately required is invested with the Territory Banking Account. Chief Minister, Treasury and Economic Development 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.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 34. FINANCIAL INSTRUMENTS – CONTINUED

Credit Risk – Continued

The majority of receivables consist of Goods and Services Tax (GST) refund due from the Australian Taxation Office (ATO) and ACl Government Agencies which have 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 the credit risk is considered low.

There have been no changes to credit risk exposure since the last reporting period.

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 exposure to liquidity risk is shown 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.

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 appropriation from the Territory Bank Account can be obtained.

The Directorate's exposure to liquidity risk has not changed since the last reporting period.

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 rating of BBB – or greater.

Cash and cash equivalents do not have a price risk.

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 of 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.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 34. 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:

	Carrying Amount 2016 \$'000	Fair Value 2016 \$'000	Carrying Amount 2015 \$'000	Fair Value 2015 \$'000
Financial Assets				
Cash and Cash Equivalents	80,837	80,837	81,577	81,577
Investments with the Territory Banking Account	2,172	2,172	2,135	2,135
Receivables ¹	1,440	1,440	1,705	1,705
Total	84,449	84,449	85,417	85,417
Financial Liabilities				
Payables	4,540	4,540	6,305	6,305
Other Loans	4,386	4,386	2,589	2,589
Total	8,926	8,926	8,894	8,894

1. Receivables reported under Financial Instruments do not include receivables relating to goods and service tax.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 34. FINANCIAL INSTRUMENTS – CONTINUED

Fair Value Hierarchy

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.

30 June 2016	Classification According to Fair Value Hierarchy			Total \$'000
	Level 1	Level 2	Level 3	
	\$'000	\$'000	\$'000	
Financial Assets				
Investment with the Territory Banking Account - Cash Enhanced Portfolio	-	260	-	260
Investment with the Territory Banking Account - Fixed Interest Portfolio	-	1,912	-	1,912
	-	2,172	-	2,172

30 June 2015	Classification According to Fair Value Hierarchy			Total \$'000
	Level 1	Level 2	Level 3	
	\$'000	\$'000	\$'000	
Financial Assets				
Investment with the Territory Banking Account - Cash Enhanced Portfolio	-	260	-	260
Investment with the Territory Banking Account - Fixed Interest Portfolio	-	1,875	-	1,875
	-	2,135	-	2,135

Transfer between Categories

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

Maturity Analysis and Exposure to Interest Rate

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 at 30 June 2016 and 30 June 2015. Except for non-current payables, 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 Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 34. FINANCIAL INSTRUMENTS – CONTINUED

At 30 June 2016	Note No.	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest Maturing In:	Over 5 Years \$'000	Non-Interest Bearing \$'000	Total \$'000
				1 Year or Less \$'000	Over 1 Year to 5 Years \$'000		
Financial Instruments							
Financial Assets							
Cash and Cash Equivalents	21	1.94%	44,038	-	-	36,799	80,837
Investments with the Territory Banking Account	23	-	-	-	-	2,172	2,172
Receivables	22	-	-	-	-	1,440	1,440
Total Financial Assets			44,038	-	-	40,411	84,449
Financial Liabilities							
Payables	28	-	-	-	-	(4,540)	(4,540)
Other Liabilities	30	-	-	-	-	(4,386)	(4,386)
Total Financial Liabilities			-	-	-	(8,926)	(8,926)
Net Financial Assets			44,038	-	-	31,485	75,523

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 34. FINANCIAL INSTRUMENTS – CONTINUED

At 30 June 2015	Note No.	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest Maturing In:			Non-Interest Bearing	Total
				1 Year or Less \$'000	Over 1 Year to 5 Years \$'000	Over 5 Years \$'000	\$'000	\$'000
Financial Instruments								
Financial Assets								
Cash and Cash Equivalents	21	2.02%	40,794	-	-	-	40,783	81,577
Investments with the Territory Banking Account	23		-	-	-	-	2,135	2,135
Receivables	22		-	-	-	-	1,705	1,705
Total Financial Assets			40,794	-	-	-	44,623	85,417
Financial Liabilities								
Payables	28		-	-	-	-	(6,305)	(6,305)
Other Liabilities	30		-	-	-	-	(2,589)	(2,589)
Total Financial Liabilities			-	-	-	-	(8,894)	(8,894)
Net Financial Assets								
			40,794	-	-	-	35,729	76,523

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 34. FINANCIAL INSTRUMENTS – CONTINUED

	2016 \$'000	2015 \$'000
Carrying Amount of Each Category of Financial Asset and Financial Liability		
Financial Assets		
Financial Assets at Fair Value through the Profit and Loss		
Designated upon Initial Recognition	2,172	2,135
Loans and Receivables at Amortised Cost	1,440	1,705
Financial Liabilities		
Financial Liabilities Measured at Amortised Cost	8,926	8,894

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.

Gains / (Losses) on Each Category of Financial Asset and Financial Liability

Gains / (Losses) on Financial Assets

Financial Assets at Fair Value through the Profit and Loss	37	29
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Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 35. COMMITMENTS

Capital Commitments

Capital commitments contracted at reporting date that have not been recognised as liabilities, are payable as follows:

	2016 \$'000	2015 \$'000
<i>Capital Commitments - Property, Plant and Equipment</i>		
Payable:		
Within one year	1,952	25,570
Later than one year but not later than five years	124	10,574
Later than five years	-	18
Total¹	2,076	36,162

1. The decrease is due to the completion of a number of major projects including the Charles Weston Primary School and the new Tansherra College Careos building.

Other Commitments¹

Other commitments contracted at reporting date that have not been recognised as liabilities are payable as follows:

Within one year	39,748	46,927
Later than one year but not later than five years	8,392	50,989
Later than five years	-	53
Total	48,140	97,969

1. The decrease primarily relates to the transfer of Vocational Education and Training functions to Chief Minister, Treasury and Economic Development Directorate on 22 January 2016.

Operating Lease Commitments

Within one year	4,227	1,764
Later than one year but not later than five years	7,141	1,886
Total¹	11,368	3,650

1. The increase primarily relates to the rollout of a large number of ICT assets in schools in 2015-16.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 36. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent Liabilities

At 30 June 2016 the Directorate had contingent liabilities in relation to known personal injury cases not settled of \$2.52m. At 30 June 2015 the liability was \$5.22m.

	2016 \$'000	2015 \$'000
The estimated liability for known personal injury litigation cases not settled ¹	2,515	5,218
Total	2,515	5,218

1. The liability will be offset by insurance and the amount is unknown as at 30 June 2016.

There were no contingent assets at 30 June 2016 or 30 June 2015.

NOTE 37. INTEREST IN A JOINT OPERATION

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 which was created under a formal agreement in December 1995 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.

	2016 \$'000	2015 \$'000
Share of the Jointly Controlled Operation is as follows:		
Revenue	76	104
Expenses	(129)	(153)
Operating (Deficit)	(53)	(49)
Share of Asset in the Jointly Controlled Operation		
Current Asset	69	104
Non-Current Assets	3,273	3,312
Total Assets	3,342	3,416
Current Liabilities	6	28
Total Liabilities	6	28
Net Assets	3,336	3,388
Share of the Jointly Controlled Operation	53	87

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 38. CASH FLOW RECONCILIATION

	2016 \$'000	2015 \$'000
(a) Reconciliation of Cash and Cash Equivalents at the End of the Reporting in the Cash Flow Statement to the Equivalent Items in the Balance Sheet		
Total Cash and Cash Equivalents Recorded in the Balance Sheet	80,837	81,577
Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Cash Flow Statement	<u>80,837</u>	<u>81,577</u>
(b) Reconciliation of Operating (Deficit) to Net Cash Inflows from Operating Activities		
Operating (Deficit)	(60,204)	(66,068)
Add/(Less) Non-Cash Items		
Depreciation	60,565	60,556
Assets Written Off/Other Asset Adjustments	8	171
(Gain) from Sale of Assets	(1)	(41)
Unrealised (Gain) on Investments	(37)	(29)
Cash Before Changes in Operating Assets and Liabilities	<u>271</u>	<u>(5,411)</u>
Changes in Operating Assets and Liabilities		
Decrease/(Increase) in Receivables	1,832	(791)
(Increase)/Decrease in Other Assets	(560)	148
(Decrease) in Payables	(754)	(129)
(Decrease)/Increase in Employee Benefits	(774)	4,796
Increase/(Decrease) in Revenue Received in Advance	2,434	(859)
Net Changes in Operating Assets and Liabilities	<u>2,178</u>	<u>3,165</u>
Net inflows/(Outflows) from Operating Activities	<u>2,449</u>	<u>(2,246)</u>
(c) Non-Cash Financing and Investing Activities		
The Directorate has entered into finance lease arrangements for plant and equipment.		
Plant and Equipment	-	40

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 39. BUDGETARY REPORTING

The following are brief explanations of major line item variances between budget estimates and actual outcomes. Variances are considered to be major variances if **both** of the following criteria are met:

- (a) The line item is a significant line item: the line item actual amount accounts for more than 10% of the relevant associated category (Income, Expenses and Equity totals) of the financial statements; and
- (b) The variances (original budget to actual) are greater than plus (+) or minus (-) 10% of the budget for the financial statement line item.

Cash Flow Statement Line Items	Actual 2015-16 \$'000	Original Budget ¹ 2015-16 \$'000	Variance \$'000	Variance %	Variance Explanation
Purchase of Property, Plant and Equipment	53,301	60,772	(7,470)	(12)	The variance against budget primarily relates to savings in capital works projects and the re-profiling of works into 2016-17 and 2017-18.

1. Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period (2015-16 Budget Statements). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.
2. Statement of Changes in Equity line items are covered in other financial Statements.

Explanations for variations from budget for Government Payment for Outputs, and Capital Injection are provided in the Statements of Appropriation.

EDUCATION DIRECTORATE

TERRITORIAL FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30 JUNE 2016**

Education Directorate
Statement of Income and Expenses on Behalf of the Territory
For the Year Ended 30 June 2016

		Actual 2016 \$'000	Original Budget 2016 \$'000	Actual 2015 \$'000
	Note No.			
Income				
<i>Revenue</i>				
Payments for Expenses on Behalf of the Territory	40	259,956	247,328	250,085
Fees	41	-	-	3
Total		259,956	247,328	250,088
Expenses				
Grants and Purchased Services	42	259,956	247,328	250,085
Transfer to Government	43	-	-	3
Total		259,956	247,328	250,088
Operating Result		-	-	-

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

Education Directorate
Statement of Assets and Liabilities on Behalf of the Territory
As at 30 June 2016

	Note	Actual	Original	Actual
	No.	2016	Budget	2015
		\$'000	\$'000	\$'000
Current Assets				
Cash and Cash Equivalents	44	208	80	
Receivables	45	2		10
Total Current Assets		210	80	10
Total Assets		210	80	10
Current Liabilities				
Payables	46	210	80	10
Total Current Liabilities		210	80	10
Total Liabilities		210	80	10
Net Assets		-	-	-
Equity				
Accumulated Funds		-	-	-
Total		-	-	-

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 nil, therefore a Statement of Changes in Equity on Behalf of the Territory has not been prepared.

Education Directorate
Cash Flow Statement on Behalf of the Territory
For the Year Ended 30 June 2016

	Note No.	Actual 2016 \$'000	Original Budget 2016 \$'000	Actual 2015 \$'000
Cash Flows from Operating Activities				
Receipts				
Cash from Government for Expenses on Behalf of the Territory		260,174	265,934	250,015
Fees		-	-	3
Goods and Services Tax Received		5,830	6,046	5,665
Total Receipts from Operating Activities		266,004	271,980	255,683
Payments				
Grants and Purchased Services		259,954	265,934	250,112
Transfer of Territory Receipts to the ACT Government		-	-	3
Goods and Services Tax Paid		5,842	6,046	5,648
Total Payments from Operating Activities		265,796	271,980	255,763
Net Cash Inflows/(Outflows) from Operating Activities	48	208	-	(80)
Net Increase/(Decrease) in Cash and Cash Equivalents Held				
		208	-	(80)
Cash and Cash Equivalents at the Beginning of the Reporting Period		-	80	80
Cash and Cash Equivalents at the End of the Reporting Period	48	208	80	-

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

**Education Directorate
Territorial Statement of Appropriation
For the Year Ended 30 June 2016**

	Note No.	Original Budget 2016 \$'000	Total Appropriated 2016 \$'000	Appropriation Drawn 2016 \$'000	Appropriation Drawn 2015 \$'000
Expenses on Behalf of the Territory					
Expenses on Behalf of the Territory	40	265,934	267,583	260,174	250,015
Total Territorial Appropriation		265,934	267,583	260,174	250,015

The above Territorial Statement of Appropriation should be read in conjunction with the accompanying notes.

Column Heading Explanations

The *Original Budget* column shows the amounts that appear in the Cash Flow Statement in the Budget Papers.

This amount also appears in these financial statements, in the Cash Flow Statement.

The *Total Appropriated* column is inclusive of all appropriation variations occurring after the Original Budget.

The *Appropriation Drawn* is the total amount of appropriation received by the Directorate during the year. This amount appears in these financial statements, in the Cash Flow Statement.

Variances between 'Original Budget' and 'Total Appropriated'

Expenses on Behalf of the Territory

The difference between the Original Budget and Total Appropriated relates to the transfer of funds from 2014-15 for the Interest Subsidy Scheme (\$1.594m) and the Supporting Non-Government Preschools initiative (\$0.139m), partially offset by the transfer of funds to the Chief Minister, Treasury and Economic Development Directorate (\$0.084m) associated with the transfer of Vocational Education and Training functions.

Variances between 'Total Appropriated' and 'Appropriation Drawn'

Expenses on Behalf of the Territory

The difference between the Total Appropriated and the Appropriation Drawn mainly relates to lower than budgeted Commonwealth grants for the National Education Reform Agreement (Students First) (\$3.377m), rollovers into 2016-17 for the Interest Subsidy Scheme (\$1.400m) due to lower interest rates and finalisation of loans, the Supporting Non-Government Preschools initiative (\$0.183m) and undrawn appropriation (\$2.449m).

TERRITORIAL NOTE INDEX

Income Notes

Note	40.	Payment for Expenses on behalf of the Territory
Note	41.	Fees

Expenses Notes

Note	42.	Grants and Purchased Services
Note	43.	Transfer to Government

Assets Notes

Note	44.	Cash and Cash Equivalents
Note	45.	Receivables

Liabilities Notes

Note	46.	Payables
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Other Notes

Note	47.	Financial Instruments - Territorial
Note	48.	Cash Flow Reconciliation - Territorial
Note	49.	Budgetary Reporting - Territorial
Note	50.	Restructure of Administrative Arrangements - Territorial

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 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 **Note 42 – Grants and Purchased Services** for the details of the expenses.

	2016 \$'000	2015 \$'000
Funding Received to Meet Expenses Incurred on Behalf of the Territory ¹	259,956	250,085
Total Payment for Expenses on Behalf of the Territory	259,956	250,085

1. The increase from 2014-15 primarily relates to increased Commonwealth and ACT Government grants in accordance with the National Education Reform Agreement: Australian Capital Territory Bilateral Agreement's 'Schooling Resource Standard'.

NOTE 41. FEES

Fees

Fees for Regulatory Services – Training ¹	3
Total	3

1. The decrease from 2014-15 relates to the removal of fees associated with Training Regulatory Services as of 20 November 2014.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 42. GRANTS AND PURCHASED SERVICES

	2016 \$'000	2015 \$'000
Grants and Purchased Services		
Payments for grants and subsidies were as follows:		
Grants - Non-Government Schools ¹	259,268	249,343
Junior Bursary Scheme	681	722
Block Release Grants ²	7	20
Total	259,956	250,085

1. The increase from 2014-15 primarily relates to increased Commonwealth and ACT Government grants in accordance with the National Education Reform Agreement: Australian Capital Territory Bilateral Agreement's '*Schooling Resource Standard*'.
2. The administration of Block Release grants transferred to the Chief Minister, Treasury and Economic Development Directorate from 22 January 2016 following changes to Administrative Arrangements.

NOTE 43. TRANSFER TO GOVERNMENT

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

Transfer to Government ¹	-	3
Total	-	3

NOTE 44. CASH AND CASH EQUIVALENTS

Cash at Bank ¹	208	-
Total	208	-

1. The Territorial accounts are programs administered by the Directorate on behalf of the Territory. Territorial accounts cannot generate an operating result and must hold a nil equity balance. This means cash held at year-end must be taken up as a payable owed to the Territory Banking Account.
2. Under whole-of-government banking arrangements interest is not earned on cash at bank held with the Territorial Bank Account.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 45. RECEIVABLES

	2016 \$'000	2015 \$'000
Current Receivables		
Other Receivables - ACT Government	.	10
Goods and Services Tax Receivable from the Australian Taxation Office	2	
Total	2	10

Ageing of Receivables					
	Not Overdue	Overdue			Total
		Less than 30 Days	30 to 60 Days	Greater than 60 Days	
	\$'000	\$'000	\$'000	\$'000	\$'000
2016					
Not Impaired					
Receivables	2	-	-	-	2
Impaired					
Receivables	-	-	-	-	-
2015					
Not Impaired					
Receivables	10	-	-	-	10
Impaired					
Receivables	-	-	-	-	-

NOTE 46. PAYABLES

All payables at 30 June 2016 are current and not overdue.

Current Payables

Payable to the Territory Bank Account (cash held at year-end)	208	.
Current Payables	2	-
Goods and Services Tax Payable to the Australian Taxation Office	-	10
Total Current Payables	210	10
Total	210	10

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 47. FINANCIAL INSTRUMENTS – TERRITORIAL

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 – 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. 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 the Territory's operating cash flows are not 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. All receivables relate to either Commonwealth, ACT or non-government agencies which have strong credit histories (most receivables consist of Goods and Services Tax refunds due from the Australian Taxation Office). Credit risk is therefore considered to be low.

Financial assets consist of cash and receivables. The Directorate on behalf of the Territory's 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'.

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 Chief Minister, Treasury and Economic Development Directorate.

Price Risk

Price risk is the risk that the fair value of 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 of 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.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 47. FINANCIAL INSTRUMENTS – TERRITORIAL – CONTINUED

Unrecognised Financial Assets and Financial Liabilities

There were no unrecognised financial assets and liabilities.

Fair Value of Financial Assets and Liabilities

	Carrying Amount 2016 \$'000	Fair Value 2016 \$'000	Carrying Amount 2015 \$'000	Fair Value 2015 \$'000
Financial Assets				
Cash and Cash Equivalents	208	208	-	-
Receivables	-	-	10	10
Total	208	208	10	10
Financial Liabilities				
Payables	210	210	-	-
Total	210	210	-	-

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 47. FINANCIAL INSTRUMENTS – TERRITORIAL – CONTINUED

The following tables set out the maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period. All financial assets and liabilities which 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.

As at 30 June 2016							
	Note No.	Floating Interest Rate \$'000	Fixed Interest Maturing In:			Non-Bearing \$'000	Total \$'000
			1 Year or Less \$'000	Over 1 Year to 5 Years \$'000	Over 5 Years \$'000		
Financial Instruments							
Financial Assets							
Cash and Cash Equivalents	44	-	-	-	-	208	208
Receivables	45	-	-	-	-	-	-
Total Financial Assets		-	-	-	-	208	208
Financial Liabilities							
Payables	46	-	-	-	-	210	210
Total Financial Liabilities		-	-	-	-	210	210
Net Financial Assets / (Liabilities)		-	-	-	-	-	-

As at 30 June 2015							
	Note No.	Floating Interest Rate \$'000	Fixed Interest Maturing In:			Non-Interest Bearing \$'000	Total \$'000
			1 Year or Less \$'000	Over 1 Year to 5 Years \$'000	Over 5 Years \$'000		
Financial Instruments							
Financial Assets							
Cash and Cash Equivalents	44	-	-	-	-	-	-
Receivables	45	-	-	-	-	10	10
Total Financial Assets		-	-	-	-	10	10
Financial Liabilities							
Payables	46	-	-	-	-	-	-
Total Financial Liabilities		-	-	-	-	-	-
Net Financial Assets/(Liabilities)		-	-	-	-	10	10

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.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 48. CASH FLOW RECONCILIATION

(a) Reconciliation of Cash and Cash Equivalents at the end of the Reporting Period in the Cash Flow Statement on Behalf of the Territory to the Related Items in the Statement of Assets and Liabilities on Behalf of the Territory.

	2016 \$'000	2015 \$'000
Total Cash Disclosed on the Statement of Assets and Liabilities on Behalf of the Territory	208	–
Cash at the end of the Reporting Period as Recorded in the Cash Flow Statement on Behalf of the Territory	<u>208</u>	<u>–</u>

(b) Reconciliation of Net Cash Inflows from Operating Activities to the Operating Surplus/(Deficit)

Operating Result	–	–
Cash Before Changes in Operating Assets and Liabilities	–	–
Changes in Operating Assets and Liabilities		
Decrease/(Increase) in Receivables	8	(3)
Increase/(Decrease) in Payables	200	(77)
Net Changes in Operating Assets and Liabilities	<u>208</u>	<u>(80)</u>
Net Cash Inflows/(Outflows) from Operating Activities	<u>208</u>	<u>(80)</u>

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 49. BUDGETARY REPORTING

The following are brief explanations of major line item variances between budget estimates and actual outcomes. Variances are considered to be major variances if **both** of the following criteria are met:

- (a) The line item is a significant line item: the line item actual amount accounts for more than 10% of the relevant associated category (Income, Expenses and Equity totals) of the financial statements; and
- (b) The variances (original budget to actual) are greater than plus (+) or minus (-) 10% of the budget for the financial statement line item.

Statement of Assets and Liabilities on Behalf of The Territory Line Items	Actual 2015-16 \$'000	Original Budget ¹ 2015-16 \$'000	Variance \$'000	Variance %	Variance Explanation
Cash and Cash Equivalents	208	80	128	160	The Territorial accounts are programs administered on behalf of the Territory. Territorial accounts cannot generate an operating result and must hold a nil equity balance. This means cash held at year-end must be taken up as a payable owed to the Territory Banking Account.
Payables	(210)	(80)	(130)	163	The Territorial accounts are programs administered on behalf of the Territory. Territorial accounts cannot generate an operating result and must hold a nil equity balance. This means cash held at year-end must be taken up as a payable owed to the Territory Banking Account.

1. Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period (2015-16 Budget Statements).
2. There were no variations against budget in the Statement of Income and Expenses on Behalf of the Territory or the Cash Flow Statement on Behalf of the Territory in accordance with the criteria (a) and (b) above.

Education Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2016

NOTE 50. RESTRUCTURE OF ADMINISTRATIVE ARRANGEMENTS

On 22 January 2016, a restructuring of administrative arrangements occurred between the Education Directorate and Chief Minister, Treasury and Economic Development Directorate involving the transfer of the Block Release Program as part of the Education Directorate's responsibility for Vocational Education and Training functions. The income and expenses transferred as part of the restructuring of administrative arrangements at the date of transfer were as follows:

	Amounts Relating to Function when held by the Education Directorate 1 July 2015 to 22 January 2016 \$'000	Amounts Transferred to the Chief Minister, Treasury and Economic Development Directorate 22 January 2016 to 30 June 2016 \$'000
Revenue		
Payments for Expenses on Behalf of the Territory	5	84
Total Revenue	<u>5</u>	<u>84</u>
Expenses		
Grants and Purchased Services	5	84
Total Expenses	<u>5</u>	<u>84</u>

C.3 CAPITAL WORKS

OVERVIEW

In 2015-16, the Directorate delivered a significant capital works program, totalling \$41.0 million, following on from the \$55.8 million program in 2014-15 and \$64.3 million program delivered in 2013-14.

The highlight of the year was the opening of the new Charles Weston School – Coombs for the start of the 2016 school year. Other significant achievements include the commencement of the procurement involving a Request for Expression of Interest (REOI) for the new North Gungahlin Preschool to Year 6 (P-6) School in the suburb of Taylor, the Caroline Chisholm School Centre for Innovation and Learning and the next stage of modernisation works for Belconnen High School. Stage one modernisation works at Belconnen High School were completed during the reporting period with the opening of the new external learning and play areas and works at eight schools in the Belconnen network were completed under the Trade Skills Centres project.

All major projects were either completed or were on target to be delivered by the scheduled completion date.

NEW SCHOOLS

Charles Weston School - Coombs

Construction work on the new primary school in Coombs was completed in December 2015 and opened for the start of the 2016 school year. The school provides the first community facilities in the Molonglo Valley including community meeting rooms, a school hall with a multi-sport court and community storage areas, facilities for before and after school care and a community playing field.

The school provides modern educational facilities including designated learning spaces for preschool to year 6 students, music curriculum enrichment spaces, a multi-purpose resource centre, a canteen and outdoor learning and play areas. The school opened with strong enrolments of 146 students, including 36 preschool students at the start of the 2016 school year and continues to grow with the development of the Coombs and Wright suburbs.

North Gungahlin Primary School

A two stage procurement process for the North Gungahlin P-6 School in the suburb of Taylor commenced in December 2015. Stage 1 of the procurement involving a REOI process was completed

in May 2016 with two respondents selected to progress to Stage 2 – a Request for Tender (RFT) process. Commencement of design of the school through an interactive tender process commenced during the reporting period.

The school is to be delivered under a Design Construct Maintain (DCM) construction methodology building on the successful DCM delivery of the recent Charles Weston School – Coombs which achieved considerable innovation in design and construction and delivered a value for money outcome for the Territory.

SCHOOL IMPROVEMENTS

Caroline Chisholm School Centre for Innovation and Learning

The project is to provide for the establishment of a focal point for student learning, teacher professional development and community use to deliver the Science, Technology, Engineering and Mathematics (STEM) curriculum. The new centre will support students attending Caroline Chisholm School and public schools in the Tuggeranong Network, teachers from across the ACT public education system and members of the local community.

Milestones achieved during the reporting period include the development of the functional design brief, the commencement of the design and procurement activities for the engagement of consultants and the builder.

Belconnen High School Modernisation

Construction of the outdoor learning and play space was completed during the reporting period.

Procurement, design and consultation phases for the Stage 2 modernisation works commenced with the appointment of the design team and the request for expressions of interest for the builder. The project includes major refurbishments to the student learning and teaching spaces, further outdoor works and the creation of a new school administration and main entry area.

Trade Skills Centre – Belconnen Network

The Australian Government approved a grant in January 2013 to establish the Belconnen Trade Skills Centre in the Belconnen school network. At the end of the reporting period, new facilities were completed at the University of Canberra Secondary College Lake Ginninderra, Hawker College, Kingsford Smith School, Canberra High School, Belconnen High School, the University of Canberra High School Kaleen and Melba Copland Secondary School (Melba and Copland sites). The facilities provided across the eight sites include hospitality, construction and horticulture.

CAPITAL UPGRADES PROGRAM

School Upgrades and New School Facilities

Works completed in the 2015-16 year included:

- > Stage 1 of a two stage master plan refurbishment at the Woden School. Works during this reporting period included upgraded classrooms, assembly hall, student and staff courtyards, and commencement of construction of the new senior school building;
- > the relocation, extension and upgrade of classrooms at Curtin Primary School to provide contemporary teaching spaces and improved canteen and toilet facilities;
- > Stage 1 of a two stage project to replace the roof at Melrose High School. Works completed this reporting period included the main school building, hall and library;
- > upgrade and expansion of preschool facilities at Mawson Primary School;
- > toilet upgrades at Monash and Mount Rogers Primary Schools;
- > car park expansions at Duffy and Macgregor Primary Schools and the Woden School. Design works for additional spaces at Mount Rogers and Ngunnawal Primary Schools;
- > creation of a Virtual Learning Environment at Calwell High school;
- > the installation of a perimeter security fence at Chapman Primary school; and
- > the installation of a child safety fence to a portion of Turner School.

Building Compliance Upgrades

Building compliance upgrades and modifications completed during the report period included:

- > lift control upgrades at Lake Tuggeranong College and Alfred Deakin High school
- > general access works at Melrose High School, Caroline Chisholm School (senior), Fraser and Richardson Primary Schools and Isabella Plains Early Childhood School.

Environmental Sustainability

As capital works are undertaken at public schools, including new facilities, building upgrades and refurbishments, opportunities are taken to improve the energy efficiency and water conservation of these spaces. A total of \$0.525 million was allocated from the schools capital upgrades program during the reporting period to support the Directorate's strategic priorities for environmental sustainability initiatives.

Refer to Section B9 for an overview of the projects and policies implemented during the 2015-16 reporting period.

CAPITAL WORKS SCHEDULES

The Directorate's capital works management program for 2015-16, detailing the completed projects and works still in progress at the year end is shown in Table C3.1.

TABLE C3.1: CAPITAL WORKS MANAGEMENT 2015-16

Project	Original Project Value	Revised Project Value	Prior Year Expenditure	Actual Finance 2015-16	Actual Expenditure 2015-16	Total Expenditure to Date	Estimated completion date	Actual completion date	Project Approval Year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000			
NEW CAPITAL WORKS									
Schools for the Future – Caroline Chisholm School - Centre for Innovation and learning	5,896	5,896	0	231	239	239	Dec-17		2015-16
Schools for the Future – Modernising Belconnen High	17,627	17,627	0	1,085	1,128	1,128	Feb-18		2015-16
Schools for the Future - North Gungahlin and Molonglo	28,609	28,609	0	461	484	484	Feb-19		2015-16
CAPITAL UPGRADES									
Older School Upgrades	2,680	2,567	0	2,346	2,655	2,655	Jun-16	Jun-16	2015-16
External Learning and Playground Upgrades	1,190	1,190	0	391	387	387	Jun-16	Jun-16	2015-16
School Administration and Support Area Improvement	2,020	1,600	0	1,589	1,422	1,422	Jun-16	Jun-16	2015-16
School Learning Area Improvements	2,590	1,418	0	2,519	1,593	1,593	Jun-16	Jun-16	2015-16
Disability Access Compliance	950	857	0	915	919	919	Jun-16	Jun-16	2015-16
School Security Improvements	240	240	0	241	240	240	Jun-16	Jun-16	2015-16
School Safety Improvements	890	890	0	897	887	887	Jun-16	Jun-16	2015-16
Environmentally Sustainable Design Initiatives	425	347	0	410	391	391	Jun-16	Jun-16	2015-16
School Joint Funded Projects	740	628	0	623	532	532	Jun-16	Jun-16	2015-16
School Revitalisation – Roof Replacement Program	1,800	1,711	0	1,785	1,898	1,898	Jun-16	Jun-16	2015-16
School Revitalisation –Infrastructure Master Plans	690	690	0	309	315	315	Jun-16	Jun-16	2015-16
Total New Works	66,347	64,270	0	13,802	13,090	13,090			

Project	Original Project Value	Revised Project Value	Prior Year Expenditure	Actual Finance 2015-16	Actual Expenditure 2015-16	Total Expenditure to Date	Estimated completion date	Actual completion date	Project Approval Year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000			
WORK IN PROGRESS									
Hazardous Material Removal Program – Stage 3	3,000	3,000	728	1,287	1,288	2,016	Jun-17		2014-15
Carbon Neutral Schools – Stage 1	3,500	3,500	2,463	818	824	3,287	Jun-16		2012-13
Coombs P-6 School Construction Funding	0	36,620	17,773	16,830	16,954	34,727	Jan-16	Dec-15	2013-14
Belconnen Trade Skill Centres	8,120	8,120	2,341	5,244	5,265	7,606	Jun-16	Dec-15	2013-14
Sustainable Learning Trade Training Centres – Tuggeranong	10,207	8,301	8,225	23	23	8,248	Apr-14	Dec-14	2011-12
Total Work In Progress	24,827	59,541	31,530	24,202	24,354	55,884			
PROJECTS COMPLETED									
Belconnen High School Modernisation – Stage 1	2,000	2,000	1,397	372	603	2,000	Jun-15	Dec-15	2013-14
Canberra College Cares – New Building at Phillip Campus	14,000	13,100	12,870	218	214	13,084	Feb-15	Feb-15	2013-14
Installation and artificial grass surfaces – Stage 1	2,300	2,670	2,590	80	80	2,670	Apr-13	Apr-13	2011-12
Gungahlin College	60,700	76,707	74,396	2,267	2,297	76,693	Mar-11	Mar-11	2007-08
Neville Bonner Primary School	60,270	41,270	41,240	48	13	41,264	Dec-13	Jan-14	2011-12
West Macgregor Development – Macgregor Primary School Expansion	5,650	5,899	5,899	25	0	5,899	Oct-13	Sep-13	2011-12
Total Projects Completed	144,920	141,646	138,392	3,010	3,207	141,610			
TOTAL CAPITAL WORKS PROGRAM 2015-16	236,094	265,457	169,922	41,014	40,651	210,584			

TABLE C3.2: END OF FINANCIAL YEAR RECONCILIATION SCHEDULE 2015-16

Reconciliation of total current year financing	2015-16 \$'000
Total current year capital works financing	35,770
Add: Financing of other capital initiatives	12,545
Capital Injection from Government per Cash flow statement	48,315
Reconciliation of Total Current Year Actual Expenditure - against financing	
Total current year capital works expenditure	35,255
Total current year capital initiatives expenditure	17,034
Add Net Impact of accruals between financial years	1,011
Less: Capital purchases funded outside of Capital Injections	-4,985
Capital Injection from Government per Cash flow statement	48,315
Reconciliation of Total Current Year Actual Expenditure	
Total current year capital works expenditure	35,255
Total current year capital initiatives expenditure	12,764
Add: Other asset purchases outside of capital works program	4,271
Add: Net Impact of accruals between financial years	1,011
Purchase of Property, Plant and Equipment as per Cash Flow Statement	53,301

Source: Education Directorate

For more information contact:
Director
Infrastructure and Capital Works
(02) 6207 6541

C.4 ASSET MANAGEMENT

The Directorate's asset management strategy is based on the following key principles:

- > asset management activities are undertaken within an integrated and coordinated framework;
- > asset management practices and decisions are guided by service delivery needs;
- > asset planning and management are integrated with corporate and business plans, as well as budgetary and reporting processes; and
- > capital expenditure decisions are based on evaluations of alternatives that take into account estimated costs, benefits and risks, in particular workplace, health and safety risks.

In 2015-16, the Directorate progressed the following tasks in relation to the asset management strategy:

- > commencement of the Strategic Asset Management Plan project;
- > the development of regional education and training studies;
- > the development of principles that will guide future planning of public schools; and
- > a process for post occupancy evaluations of new and refurbished assets.

The Directorate is responsible for 91 school sites and 28 offsite preschools. In addition, the Directorate manages three facilities for central office staff. In total, there are 122 sites under direct management by the Directorate.

The Directorate has an ongoing program to provide high quality learning environments for students

through facility upgrades and expansions. To ensure Directorate facilities are maintained at a standard suitable for delivering sustainable quality educational and care programs, the Directorate has a maintenance program for urgent and minor repairs, planned maintenance and the repair of vandalised and damaged facilities. The Directorate also has an ongoing capital works program for the upgrade of schools and preschools.

Issues managed by the Directorate included:

- > ageing asset stock;
- > provision of new schools and educational facilities to meet demographic change;
- > utilisation of existing facilities;
- > refurbishment to support changing curriculum activities and service delivery needs;
- > installation of information and communication technology infrastructure;
- > building compliance upgrades to improve accessibility and learning environments for students with special needs;
- > school safety improvements including car parking and traffic management;
- > installation of security related infrastructure;
- > hazardous materials management, removal and disposal;
- > environmental efficiency and sustainable landscapes; and
- > energy efficiency and greenhouse gas reductions.

ASSETS MANAGED

As at 30 June 2016, the Directorate managed school infrastructure assets with a total net book value of \$1,805.1 million (Table C4.1).

TABLE C4.1: ASSETS AND THEIR VALUES AT 30 JUNE 2016

Asset class	Value (\$ million)
Land and buildings (including improvements) for schools and preschools	1,770.1
Leasehold improvements	0.9
Property, plant and equipment	33.1
Intangible assets	1.0
Total	1,805.1

Source: Education Directorate

The significant assets added to the Directorate's asset register during 2015-16 are given in Table C4.2.

TABLE C4.2: ASSETS ADDED TO THE ASSET REGISTER DURING 2015-16

Asset	Value (\$ million)
Capital works (schools):	39.6
> New schools – Charles Weston School - Coombs;	
> Trade Training Centres – Belconnen Region; and	
> Belconnen High School – Modernisation Program – Stage 1	
Capital works – various schools, preschools and childcare centre sites	23.4
Capital initiatives – various ICT and other projects	8.2
Total	71.2

Source: Education Directorate

SURPLUS ASSETS

As at 30 June 2016, the Directorate did not have any properties which were not being utilised by the agency or that had been identified as potentially surplus.

ASSETS MAINTENANCE AND UPGRADE

The Directorate undertakes maintenance and upgrades in consultation with schools and their communities. The Directorate prepared annual repairs and maintenance plans for each school on the basis of information from building condition assessments, requests from schools and information gained from other sources such as consultant reports and site visits.

Works were subsequently undertaken at a local level by schools and through the Directorate's Infrastructure and Capital Works Branch, with larger and more significant works included in the Directorate's capital works program in priority order.

Maintenance and major refurbishment are a priority for the Directorate given the increasing average age of school facilities.

ASSET MAINTENANCE

In 2015-16, the Directorate spent \$12.4 million on school repairs and maintenance. The repairs and maintenance program included:

- > a program of works for all primary and secondary schools, based on the annual rolling program;
- > an allocation for unforeseen maintenance such as vandalism, fire and flood damage;
- > high priority works arising from school building condition assessment reports; and
- > a schedule of maintenance for preschools.

Building condition assessments of all schools (including preschools) are conducted on a three-year rolling program and cover buildings, services and grounds. The results of these reports are taken into account in preparing the Directorate's annual repairs and maintenance programs.

In line with the *Dangerous Substances Act 2004*, the Directorate completed the program of inspections to prepare Hazardous Materials Survey Management Plans (HMSMP) for each school (including preschool). These plans are comprehensive and include all potentially hazardous materials (asbestos containing materials, lead-based paint, synthetic mineral fibres, polychlorinated biphenyls and ozone depleting substances). The Directorate updates the asbestos register and asbestos management plan for each school once in every 5 years.

Copies of the HMSMP and the Asbestos Register are accessible at each school and preschool site for inspection by staff, parents, carers and tradespeople. Plans showing areas of known asbestos containing materials are mounted in entry areas of all schools and preschools.

Tree assessment audits are conducted at each school on an annual basis with 152 audits (88 school audits and 64 preschool sites) conducted in 2015-16. The outcomes are included in the schools' tree maintenance program.

During the reporting period, all ACT Public Schools updated their Emergency Management Plans that include preparation and response to bushfire threats. The Directorate also conducted its annual bushfire prevention audit. These audits were conducted across all ACT Public Schools to ensure mandatory preventative maintenance was completed prior to the peak bushfire season.

In addition to the planned school asset maintenance and upgrade programs managed and delivered by central office, schools are also funded to undertake repairs and minor works tasks.

ASSET UPGRADES

In the 2015-16 Budget, funding of \$14.215 million was provided for capital upgrades at schools and preschools. Details of specific works are included in Section C3.

OFFICE ACCOMMODATION

The Directorate employs 433 staff occupying a total of 7,278m². Details about the list of sites, staff numbers (head count) and space occupied are provided in Table C4.3.

A further 5,834 full-time equivalent staff are employed in ACT Public Schools. Staff located at these sites include teachers, school leaders, office administrators, general service officers and building service officers.

TABLE C4.3: CENTRAL OFFICE SITES, STAFF NUMBERS (HEAD COUNT) AND SPACE OCCUPIED, AS AT 30 JUNE 2016

Building and location	Staff numbers	Approximate area occupied (m ²)	Average area occupied per employee (m ²)
220 Northbourne Avenue, Braddon	170	2,642 ^a	15.5
Hedley Beare Centre for Teaching and Learning, Stirling	233	3,196	13.7
Maribyrnong Primary School, Kaleen High, Gilmore Primary	19	727 ^b	38.3
Lyons Education Centre	11 ^c	713	64.8
Total	433^d	7,278	16.8

Source: Education Directorate

Notes:

^aIncludes meeting rooms. As part of an Administrative Arrangement Order, the Training and Tertiary Education (TaTE) was moved to the Chief Minister, Treasury and Economic Development Directorate (CMTEDD). 2015-16 resource data for TaTE is included in CMTEDD Annual Report.

^bSpace occupied by Student Services (Vision Support Team and Hearing Support Team).

^cSpace occupied by the Board of Senior Secondary Studies (Lyons Education Centre) includes 202 m² for meeting rooms and secure storage.

^dStaff numbers have been calculated based on occupied workstations at 30 June 2016.

For further information contact:

Director

Infrastructure and Capital Works

(02) 6207 6541

C.5 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 the whole of government procurement arrangements, Procurement and Capital Works continued to provide advice and support in relation to procurement and contract management issues and undertook higher value procurements on behalf of the Directorate.

The Directorate continued to be responsible for the management of contracts. Where obligations were not met the contractor was required to rectify the non-compliance immediately to avoid cancellation of the contract.

Directorate central office expenditure included 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 covered a wide range of acquisitions including cleaning.

The content of Table C5.1 has been derived from the online Contracts Register website from 1 July 2016 in accordance with Government requirements. The Education Procurement team also actively encouraged staff to notify relevant contracts for uploading to the website via school bulletins and central office alerts.

The formatting of Table C5.1 matches that of the online ACT Government Contracts Register in line with the Government's response to the Standing Committee on Public Accounts, to avoid unnecessary duplication of work. An internal Education Directorate process was undertaken to cross-check the information obtained from the online Contracts Register to ensure accuracy and relevance of information.

TABLE C5.1: EDUCATION DIRECTORATE CONTRACTS EXECUTED IN 2015-16 WITH AN ESTIMATED TOTAL VALUE OF \$25,000 OR MORE

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
Chapman Primary School -Installation of New Playground Equipment.	Quotations	No	Works	No	A Space Recreation Pty Ltd	\$25,988	08/05/2016	31/05/2016	Yes
Malkara School – Air Conditioning.	Quotations	No	Works	No	A Space Recreation Pty Ltd	\$25,988	08/05/2016	31/05/2016	Yes
Work Value Assessment - Health Access at School (HAAS) Program.	Single Select	No	Consultancy	Yes	Mercer Consulting	\$26,000	10/03/2016	29/04/2016	No
Charles Weston School - Kingfisher Library Shelving and Accessories.	No	No	Works	No	A Space Recreation Pty Ltd	\$25,988	08/05/2016	31/05/2016	Yes
Red Hill Primary School - Year 5 Camp 2016.	Single Select	No	Services (non-consultancy)	Yes	Away We Go Tours	\$26,771	29/02/2016	02/03/2016	Yes
Latham Primary School - School Painting.	No	Goods	Works	No	A Space Recreation Pty Ltd	\$25,988	08/05/2016	31/05/2016	Yes
Hawker College – Colleges	Quotations	No	Works	No	A Space Recreation Pty Ltd	\$25,988	08/05/2016	31/05/2016	Yes
Belconnen High School Modernisation - Landscaping - Principal Authorised Person.	Panel- Select	No	Consultancy	No	APP Corporation Pty Ltd	\$27,225	11/01/2016	29/01/2017	No

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
Lake Tuggeranong College - Purchase of 75 Chromebooks.	Quotations	No	Goods	No	Good Guys	\$27,600	23/02/2016	11/04/2016	Yes
Provision of Cleaning Services for Narrabundah Early Childhood School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	VNT Services Pty Ltd	\$29,841	24/05/2016	01/07/2017	Yes
University of Canberra Senior Secondary College Lake Ginninderra - Purchase of Chromebooks.	Quotations	No	Works	No	A Space Recreation Pty Ltd	\$25,988	08/05/2016	31/05/2016	Yes
Narrabundah College - International Baccalaureate 2016.		No	Goods	No	A Space Recreation Pty Ltd	\$25,988	08/05/2016	31/05/2016	Yes
Curtin Primary School - Year 3/4 School Camp.	Single Select	No	Works	No	A Space Recreation Pty Ltd	\$25,988	08/05/2016	31/05/2016	Yes
Arawang Primary School - Year 5/6 Camp.	Single Select	Services (non-consultancy)	Works	No	A Space Recreation Pty Ltd	\$25,988	08/05/2016	31/05/2016	Yes
Cost Planning Services for Proposed Education Infrastructure at North Gungahlin & the Molonglo Valley.	Panel - Select	No	Consultancy	No	Donald Cant Watts Corke (VIC) Pty Ltd	\$31,800	19/10/2015	30/06/2016	Yes
Workplace Investigation.	Single Select	No	Consultancy	Yes	CPM Reviews	\$31,880	09/09/2015	14/10/2015	Yes
Chapman Primary School - Carpet Replacement.	Quotations	No	Works	No	Hoods Carpet Court	\$32,637	11/04/2016	18/04/2016	Yes
Performance and Evaluation Framework.	Quotations	No	Consultancy	No	Tempo Strategies Pty Ltd	\$33,000	28/07/2015	18/12/2015	Yes
Gungahlin College - Conquest PB115B Petrol Ride on Hydraulic Vacuum.	Quotations	No	Goods	No	The Clearing Warehouse	\$33,044	04/02/2016	04/03/2016	Yes
Amaroo School - School Camp.	Single Select	No	Services (non-consultancy)	Yes	Away We Go Tours	\$34,250	03/12/2015	23/03/2016	Yes
Lyneham High School - Year 10 Formal 2017.	Quotations	No	Services (non-consultancy)	No	Broadbeam Catering Pty Ltd	\$34,500	12/05/2016	05/12/2017	Yes
Provision of Cleaning Services for The Co Operative School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	VNT Services Pty Ltd	\$35,811	01/06/2016	01/07/2017	Yes
Mawson Primary School - Supply and Install Evolution Wall Mount Units.	Single Select	No	Goods	Yes	Vista Visuals Pty Ltd	\$36,245	05/01/2016	30/01/2016	No
Mount Stromlo High School - Year 8 Camp.	Quotations	No	Services (non-consultancy)	No	Action Learning Initiatives Pty Ltd	\$36,509	08/04/2016	08/04/2016	Yes
Weetangera Primary School - Supply and Installation of Inflector Window Roller Shutters.	Single Select	No	Goods	Yes	Energy Efficiency Done Right Australia Pty Ltd	\$37,081	05/04/2016	30/06/2016	No
Work Value Assessment - School Assistant Classifications Standards Framework.	Single Select	No	Consultancy	Yes	Mercer Consulting	\$37,538	16/09/2015	16/02/2016	No

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
Southern Cross Early Childhood School - Forest Tree House and Bush Camp Stage 1.	30/11/2016	No	Works	No	A Space Recreation Pty Ltd	\$25,988	08/05/2016	31/05/2016	Yes
Dickson College - Year 12 Formal.	Quotations	No	Services (non-consultancy)	No	National Convention Centre	\$37,777	31/10/2015	31/01/2016	Yes
ACT Government Schools and Education Directorate Central Office Heating, Ventilation and Air-Conditioning (HVAC) Asset Stocktake.	Single Select	No	Services (non-consultancy)	Yes	Veolia Energy Technical Services Pty Ltd	\$38,355	15/09/2015	15/11/2015	Yes
Read and Write for Google Chrome Site Licence.	Single Select	No	Services (non-consultancy)	Yes	Texthelp Ltd	\$39,000	01/11/2015	31/10/2016	No
Provision of SCISWebb, SCIS Authority Files and SCIS Subject Headings to ACT Government Schools in 2016.	Single Select	No	Services (non-consultancy)	Yes	Education Services Australia Limited	\$39,981	01/01/2016	31/12/2016	No
Harrison School - Laser Printer for Woodtech.	Quotations	No	Goods	No	Trotec Laser Pty Ltd	\$40,601	23/11/2015	18/12/2015	No
Narrabundah College - Spanish School Excursion.	Single Select	No	Services (non-consultancy)	Yes	International Baccalaureate Organisation	\$30,550	23/05/2016	30/11/2016	No
Garran Primary School – Year 5/6 Camp.		No	Services (non-consultancy)	No	A Space Recreation Pty Ltd	\$42,196	04/04/2016	06/04/2016	Yes
Advisory Services for the North Gungahlin Pre-School to Year 6 Project and Sustainable Delivery of Public School Facilities.	Single Select	No	Consultancy	Yes	MBMPL Pty Ltd	\$42,900	23/02/2016	16/12/2016	Yes
Project Programming Services for Preparation of Feasibility Studies & Business Cases for Proposed Infrastructure at North Gungahlin & the Molonglo Valley.	Panel - Select	No	Consultancy	No	Blue Visions Management Pty Ltd	\$44,000	18/11/2015	18/05/2016	Yes
Lake Tuggeranong College - Year 12 Formal.	Single Select	No	Services (non-consultancy)	Yes	National Convention Centre	\$44,005	17/12/2015	18/01/2016	No
Chapman Primary School - Year 5/6 School Camp.	Quotations	No	Services (non-consultancy)	No	Away We Go Tours	\$45,033	07/03/2016	09/03/2016	Yes
Curtin Primary School - Year 5/6 School Camp.	Single Select	No	Services (non-consultancy)	Yes	Away We Go Tours Pty Ltd	\$45,223	23/02/2016	16/12/2016	Yes
Narrabundah College - Japan School Excursion.	Quotations	No	Services (non-consultancy)	No	JTB Travel Australia Pty Ltd	\$45,240	02/03/2016	31/05/2016	Yes
Gowrie Primary School - Supply and Installation of Evaporative Air Conditioning.	Quotations	No	Works	No	Air Master	\$45,788	14/06/2016	14/09/2016	Yes
Amaroo School - Laser Cutter.	Single Select	No	Goods	Yes	Trotec Laser Pty Ltd	\$46,200	28/03/2016	08/04/2016	No

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
Hedley Beare Centre for Teaching and Learning - Office Fitout.	Quotations	No	Works	No	ACT Building and Maintenance Pty Ltd	\$46,436	30/01/2016	08/02/2016	Yes
Black Mountain School - Fit Out of Cafe.	Quotations	No	Works	No	ACT Building and Maintenance Pty Ltd	\$46,724	05/11/2015	31/05/2016	Yes
Telopea Park School - Science Ceiling Repairs.	Quotations	No	Works	No	Scenic Group Pty Ltd	\$46,830	11/04/2016	22/04/2016	No
Google Chromebook Management Service License for the Education Directorate.	Quotations	No	Goods	No	Dialog Pty Ltd	\$47,300	31/07/2015	31/07/2019	No
Provision of Cleaning Services for Lyons Early Childhood School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	National Cleaning (Australia) Pty Ltd	\$47,748	01/06/2016	01/07/2017	Yes
Chapman Primary School - Construction of Sandpit.	Quotations	No	Works	No	Brindabella Contractors Pty Ltd	\$48,123	12/10/2015	18/03/2016	Yes
Narrabundah College - Italy School Excursion.	Quotations	No	Services (non-consultancy)	No	Passport Travel	\$49,300	08/05/2016	31/05/2016	Yes
Melrose High School - Year 7 School Camp 2016.	Single Select	No	Services (non-consultancy)	Yes	Action Learning Initiatives Pty Ltd	\$51,616	09/03/2016	11/03/2016	Yes
Provision of a Venue for the School Leadership Event.	Quotations	No	Services (non-consultancy)	No	Hotel Realm Pty Ltd	\$51,750	30/09/2015	01/04/2016	Yes
'Learn, Anywhere' for the Education Directorate.	Quotations	No	Goods	No	Three's a Crowd Design Pty Ltd	\$52,492	01/09/2015	27/01/2016	No
Canberra High School - Bike Compound and Shade Shelter.	Quotations	No	Works	No	Vogue Pergolas	\$53,600	01/04/2016	31/03/2017	Yes
Belconnen Regional Trade Skills Centre - Provision of Cafe Furniture.	Quotations	No	Goods	No	FED Hospitality Equipment	\$53,812	22/11/2015	31/01/2016	No
North Gungahlin Preschool to Year 6 School - Education Advisory Services.	Single Select	No	Consultancy	Yes	Julia Atkin Pty Ltd	\$54,352	27/06/2016	27/06/2017	Yes
Assessment of ETD Information Against the ACT Protective Security Policy Framework.	Quotations	No	Services (non-consultancy)	No	Redcore Pty Ltd	\$54,450	08/05/2016	31/05/2016	Yes
Canberra College - Year 12 Formal Catering.	Single Select	No	Services (non-consultancy)	Yes	Ginger Catering	\$54,846	16/11/2015	31/05/2016	Yes
Namadgi School - Japan School Excursion.	Single Select	No	Services (non-consultancy)	Yes	G.E.T. Educational Tours Pty Ltd	\$55,710	15/03/2016	08/10/2016	Yes
Mount Stromlo High School - Year 7 Camp.	Quotations	No	Services (non-consultancy)	No	Action Learning Initiatives Pty Ltd	\$58,173	08/04/2016	08/04/2016	Yes
Turner Primary School - Installation of Steel Fencing.	Quotations	No	Works	No	Olympic Fencing (NSW) Pty Ltd	\$59,180	21/01/2016	31/03/2016	No
Provision of Cleaning Services for Isabella Plains Early Childhood School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	National Cleaning (Australia) Pty Ltd	\$59,685	01/06/2016	01/07/2017	Yes

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
Arawang Primary School - Supply and Installation of Inflector Window Roller Shutters.	Single Select	No	Goods	Yes	Energy Efficiency Done Right Australia Pty Ltd	\$60,500	23/03/2016	30/06/2016	No
Wanniassa School - Refurbishment and Repairs to Lighting.	Quotations	No	Works	No	Elcom	\$63,910	16/06/2016	30/06/2016	No
Campbell High School - Year 7 Camp.	Single Select	No	Services (non-consultancy)	Yes	Sydney Academy of Sport and Recreation	\$63,988	18/03/2016	24/03/2016	No
Provision of Cleaning Services for Giralang Primary School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	S and M Cleaning Services	\$65,653	01/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Southern Cross Early Childhood School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	S and M Rite Way Cleaning Services	\$65,653	26/05/2016	01/07/2017	Yes
Canberra High School - Year 7 Camp.	Quotations	No	Services (non-consultancy)	No	NSW Sport and Recreation	\$66,109	17/02/2016	19/02/2016	No
Southern Cross Early Childhood School - Forest Tree House and Bush Camp Stage 1.	Quotations	No	Works	No	BAL Building Pty Ltd	\$66,347	12/04/2016	01/08/2017	Yes
Monash Primary School - Installation of Solar Tubes.	Single Select	No	Works	Yes	Solatube Australia Pty Ltd	\$68,609	14/04/2016	30/06/2016	No
Google Management Console.	Quotations	No	Goods	No	ASI Solutions	\$70,400	05/04/2016	17/05/2016	No
Education Influenza Vaccination Program 2016.	Whole of Government Contract	No	Services (non-consultancy)	No	Aspen Corporate Medical Options Pty Ltd	\$71,000	10/03/2016	30/06/2016	No
Provision of Cleaning Services for Gilmore Primary School and Preschool Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	ACT Commercial Cleaning	\$71,622	01/06/2016	01/06/2017	Yes
Cleaning Services for Richardson Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Fred's Express Cleaning	\$71,622	02/06/2016	01/07/2017	Yes
Alfred Deakin High School - Year 7 Camp.	Single Select	No	Services (non-consultancy)	Yes	Action Learning Initiatives	\$73,045	04/04/2016	06/04/2016	Yes
Belconnen High School Modernisation - Removal of Broken Concrete and Associated Work.	Quotations	No	Works	No	Capital Hydraulics and Drains	\$73,370	06/07/2015	03/08/2015	Yes
Gowrie Primary School - Carpeting of Whole School.	Quotations	No	Works	No	Carpet Factory	\$74,000	21/12/2015	05/01/2016	Yes
Telopea Park School - Year 7 Outdoor Education Camp.	Single Select	No	Services (non-consultancy)	Yes	Office of Sport and Recreation NSW	\$74,569	24/02/2016	26/02/2016	Yes
Amaroo School - Installation of Automatic/Air Lock Doors Throughout School.	Quotations	No	Works	No	Scenic Group Pty Ltd	\$76,650	28/09/2015	28/10/2015	Yes
ACT Government Schools and Education Directorate Central Office Heating, Ventilation and Air-Conditioning (HVAC) Asset Stocktake.	Single Select	No	Services (non-consultancy)	Yes	AHI - Carrier (Australia) Pty Ltd	\$78,100	29/09/2015	09/12/2015	No

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
ACT National School Chaplaincy Program.	Select	No	Services (non-consultancy)	No	Young Life Australia Incorporated	\$80,000	02/02/2015	30/06/2019	No
Alfred Deakin High School - Supply and Installation of Inflector Window Roller Shutters.	Single Select	No	Goods	Yes	Energy Efficiency Done Right Australia Pty Ltd	\$80,005	23/12/2015	29/01/2016	No
Joint Infrastructure Program - Duffy Primary School - Minor Internal Works.	Quotations	No	Works	No	Quay Building Group	\$80,388	23/03/2016	29/04/2016	Yes
Marlbyrnong Primary School - Senior Playground Equipment Replacement.	Quotations	No	Works	No	The Playground People	\$80,982	29/03/2016	14/06/2016	Yes
Commercial Advisor, Preparation of Business Case for Modernisation of Narrabundah College and Campbell Primary School.	Panel Select	No	Consultancy	No	Deloitte Touche Tohmatsu	\$81,414	16/02/2016	17/02/2016	No
Google Chrome Management Licenses and Devices for the Education Directorate.	Quotations	No	Goods	No	Learning With Technologies Pty Ltd	\$83,282	04/01/2016	03/01/2017	No
Provision of Cleaning Services for Bonython Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	ACT Commercial Cleaning Pty Ltd	\$83,559	01/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Franklin Early Childhood School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	ACT Commercial Cleaning Pty Ltd	\$83,559	02/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Fraser Primary School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	Anderson, Pamela Anne trading as Pamela Anderson	\$83,559	03/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Gowrie Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Fred's Express Cleaning	\$83,559	01/06/2016	01/07/2017	Yes
Aranda Primary School – Nature Path.	Single Select	No	Works	Yes	Paul Barnett Design Group Pty Ltd	\$84,700	01/12/2015	31/12/2016	Yes
University of Canberra Senior Secondary College Lake Ginninderra – New Storeroom.	Quotations	No	Works	No	Quay Building Services	\$85,932	11/05/2016	30/10/2016	Yes
Provision of Cleaning Services for Theodore Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Storm International	\$86,543	08/06/2016	01/07/2017	No
Master Plan Options for Modernisation of Narrabundah College and Campbell Primary School.	Single Select	No	Consultancy	Yes	Collard Clarke Jackson, Canberra Pty Ltd	\$87,824	18/12/2015	17/11/2016	Yes
ACT National School Chaplaincy Program.	Select	No	Services (non-consultancy) consultancy)	No	Association of Independent Schools in the ACT	\$88,000	13/02/2015	30/06/2019	Yes

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
ACT National School Chaplaincy Program.	Select	No	Services (non-consultancy)	No	The Burgmann Anglican School	\$88,000	17/02/2015	30/06/2019	Yes
ACT National School Chaplaincy Program.	Select	No	Services (non-consultancy)	No	Canberra Grammar School	\$88,000	02/02/2015	30/06/2019	Yes
ACT National School Chaplaincy Program.	Select	No	Services (non-consultancy)	No	The Christian Community In Australia Incorporated	\$88,000	13/02/2015	30/06/2019	Yes
ACT National School Chaplaincy Program.	Select	No	Services (non-consultancy)	No	Covenant College Tuggeranong ACT Association Incorporated	\$88,000	19/02/2016	30/06/2019	Yes
ACT National School Chaplaincy Program.	Select	No	Services (non-consultancy)	No	Fusion Australia Ltd	\$88,000	13/02/2015	30/06/2019	Yes
ACT National School Chaplaincy Program.	Select	No	Services (non-consultancy)	No	Radford College Ltd	\$88,000	13/02/2015	30/06/2019	Yes
ACT National School Chaplaincy Program.	Select	No	Services (non-consultancy)	No	The Salvation Army Recovery Services	\$88,000	13/02/2015	30/06/2019	No
ACT National School Chaplaincy Program.	Select	No	Services (non-consultancy)	No	Seventh-Day Adventist Schools (New South Wales) Limited	\$88,000	18/02/2015	30/06/2019	No
Provision of Cleaning Services for Fadden Primary School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	Abdo's Cleaning Services	\$89,527	01/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Taylor Primary School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	Stefan's Sparkes Cleaning	\$89,527	01/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Cranleigh School and Scullin Preschool Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	Menzies International (Aust.) Pty. Ltd.	\$89,527	01/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Calwell Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Stefan's Sparkes Cleaning	\$89,528	01/06/2016	01/07/2017	Yes

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
Provision of Cleaning Services for Mawson Primary School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	Mirrors Cleaning	\$89,528	03/06/2016	01/07/2017	Yes
ATRA - ACT Teacher Recruitment Assessment.	Single Select	No	Services (non-consultancy)	Yes	Australian Council for Educational Research Ltd	\$90,000	30/09/2015	21/12/2015	No
Gold Creek School Joint Facility - Upgrade Canteen Facilities.	Quotations	No	Works	No	Binutti Constructions Pty Ltd	\$91,367	08/04/2016	06/05/2016	No
Weetangera Primary School - Purchase of Chromebooks.	Single Select	No	Goods	Yes	JB Hi Fi Solutions	\$95,370	23/11/2015	07/12/2015	Yes
Provision of Cleaning Services for Macquarie Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Mirrors Cleaning	\$95,495	02/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Wanniasa Hills Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Abdo's Cleaning Services	\$95,495	24/05/2016	01/07/2017	Yes
Provision of Cleaning Services for Yarralumla Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Salloum Cleaning Contractors	\$95,495	25/05/2016	01/07/2017	Yes
Belconnen Regional Trade Skills Centre - Small Electrical Equipment.	Quotations	No	Goods	No	AC & R Commercial Catering Equipment	\$95,755	29/09/2015	29/12/2015	No
Cost Planning Services for Belconnen High School Modernisation and Caroline Chisholm Innovations Centre.	Select	No	Consultancy	No	Donald Cant Watts Corke (VIC) Pty Ltd	\$97,240	22/04/2016	30/11/2018	Yes
Kaleen Primary School - Outdoor Learning Area.	Quotations	No	Works	No	Binutti Constructions	\$98,000	14/12/2015	12/07/2016	Yes
Provision of Cleaning Services for Latham Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	ACT Commercial Cleaning Pty Ltd	\$98,480	06/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Miles Franklin Primary School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	Faraj Cleaning Services	\$101,464	02/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Torrens Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	M and V Cleaning Services	\$101,464	27/05/2016	01/07/2017	Yes

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
Provision of Cleaning Services for Maribyrnong Primary and Preschool Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	S and M Cleaning Services	\$101,464	01/06/2016	01/07/2017	Yes
Charles Weston School (Coombs) - Supply and Installation of Furniture, Fittings and Equipment.	Public	No	Goods	No	Sebel Furniture Pty Ltd	\$101,890	01/12/2015	30/12/2015	Yes
Provision of Cleaning Services for Florey Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Salloum Cleaning Contractors	\$106,236	02/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Macgregor Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	S and M Cleaning Services	\$107,433	02/06/2016	01/07/2017	Yes
Provision of Cleaning Services for North Ainslie Primary School and Hackett Preschool Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	VNT Services Pty Ltd	\$107,433	24/05/2016	01/07/2017	Yes
Provision of Cleaning Services for Weetangera Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Mirrors Cleaning	\$107,433	01/06/2016	01/07/2017	Yes
Office 365 and Identity Assessment and Windows 10 Assessment Including Network Access Protection for the Education Directorate.	Single Select	No	Consultancy	Yes	Microsoft Pty Ltd	\$107,503	18/01/2016	01/03/2016	No
Early Childhood Schools and Koori Preschool Program Evaluation.	Quotations	No	Consultancy	No	Western Sydney University	\$107,823	13/07/2015	29/01/2016	No
Joint Funded Infrastructure Program - Bonython Primary School Canteen Upgrade.	Quotations	No	Works	No	Total Project Construction Pty Ltd	\$108,167	15/09/2015	10/02/2016	Yes
Provision of Cleaning Services for Garran Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	M and V Cleaning Services	\$113,402	01/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Mount Rogers Primary School, Melba Preschool, Flynn Preschool and Spence Preschool Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	ACT Commercial Cleaning Pty Ltd	\$113,402	14/06/2016	01/07/2017	Yes

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
Provision of Chartered Bus Service for Wreck Bay Community/Jervis Bay Village Students.	Select	No	Community-Based Services	Yes	John and Carol A Kennedy	\$119,343	29/04/2016	28/04/2017	Yes
Provision of Cleaning Services for Ainslie School, Baker Gardens Preschool and Reid Preschool Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Fred's Express Cleaning	\$119,370	02/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Chapman Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	GJK Facility Services	\$119,370	06/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Charnwood Dunlop Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	City and Town Civil Cleaning	\$119,370	08/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Curtin Primary School, Curtin North and South Preschools Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	GJK Facility Services	\$119,370	14/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Kaleen Primary School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	Universal Office Cleaning	\$119,370	06/06/2016	01/07/2017	Yes
Provision of Cleaning Services for The University of Canberra High School, Kaleen Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Faraj Cleaning Services	\$119,370	01/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Palmerston Primary School Under a Panel Contract Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	S and M Rite Way Cleaning Services	\$119,380	01/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Hedley Beare Centre for Teaching and Learning Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	Phillips Cleaning Services Pty Ltd	\$121,207	01/06/2016	01/07/2017	Yes
Chair of the Audit Committee.	Single Select	No	Services (non-consultancy)	Yes	Bethomas Consulting Pty Ltd	\$125,000	26/02/2016	12/05/2017	Yes

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
Provision of Cleaning Services for Charles Conder Primary School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	Rose Cleaning Group	\$125,338	01/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Arawang Primary School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	Dynuse Pty Ltd	\$125,339	01/06/2016	01/07/2017	Yes
Dickson College - Canteen Student Hub Refurbishment Stage 1.	Quotations	No	Works	No	Cobul Constructions	\$130,130	27/06/2016	14/12/2016	Yes
Student Resource Allocation English as an Additional Language or Dialect Needs Based Loading.	Quotations	No	Consultancy	No	Deloitte Access Economics Pty Ltd	\$132,941	30/06/2016	09/09/2016	No
Provision of Cleaning Services for Turner School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Menzies International (Aus) Pty Ltd	\$137,276	23/05/2016	01/07/2017	Yes
Education Planner Services.	Single Select	No	Consultancy	Yes	Julia Atkin Pty Ltd	\$141,240	13/08/2015	30/11/2015	Yes
Aranda Primary School - Adventure Playground.	Quotations	No	Goods	No	Contour Constructions (ACT) Pty Ltd	\$142,000	25/09/2015	12/10/2015	Yes
North Gungahlin Preschool to Year 6 School - Independent Technical Advisor.	Single Select	No	Consultancy	Yes	Indec Consulting	\$142,956	06/06/2016	16/12/2017	No
Provision of Cleaning Services for Charles Weston School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Dynuse Pty Ltd	\$143,244	01/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Forrest Primary School and Deakin Preschool Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Dynuse Pty Ltd	\$143,244	31/05/2016	01/07/2017	Yes
Provision of Cleaning Services for Lyneham Primary School, Garling Street Preschool and Downer Preschool Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	ACT Commercial Cleaning Pty Ltd	\$143,244	07/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Neville Bonner Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Phillips Cleaning Services Pty Ltd	\$143,244	01/06/2016	01/07/2017	Yes

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
Revised Principals Career Structure.	Single Select	No	Services (non-consultancy)	Yes	Dynuse Pty Ltd	\$143,244	01/06/2016	01/07/2017	Yes
Chapman Primary School - Supply and Installation of Security Fencing.	Panel-Select	No	Works	No	Olympic Fencing (NSW) Pty Ltd	\$148,225	31/07/2015	15/10/2016	No
Aboriginal and Torres Strait Islander Needs Based Loading.	Quotations	No	Consultancy	No	Deloitte Access Economics Pty Ltd	\$148,640	27/05/2016	31/07/2016	No
Provision of Cleaning Services for Ngunnawal Primary School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Mirrors Cleaning	\$161,149	23/05/2016	01/07/2017	Yes
Hedley Beare Centre for Teaching and Learning - Stage 8.	Quotations	No	Works	No	Brema Group Pty Ltd	\$164,527	16/07/2015	01/09/2016	Yes
Provision of Cleaning Services for Red Hill Primary School and Griffith Preschool Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Alpha Cleaning Services	\$167,118	24/05/2016	01/07/2017	Yes
Provision of Cleaning Services for Calwell High School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	Phillips Cleaning Services	\$173,087	01/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Lanyon High School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	VNT Services Pty Ltd	\$173,087	01/06/2016	01/07/2017	Yes
Sustainable Development of Public School Facilities – Architectural, Engineering and Landscape.	Single Select	No	Consultancy	Yes	Indec Pty Ltd	\$173,228	13/08/2015	30/11/2015	Yes
Belconnen Regional Trade Skills Centre - University of Canberra Senior Secondary College, Lake Ginninderra - Hospitality Training Kitchen Upgrade.	Quotations	No	Works	No	Monarch Building Solution	\$173,753	09/12/2015	31/01/2016	Yes
Conduct of External Reviews in ACT Public Schools.	Quotations	No	Services (non-consultancy)	No	Australian Council for Educational Research	\$175,928	14/04/2016	30/09/2016	No

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
Capital Upgrade Programmed Works 2015/2016, Packages 5A & 5B.	Panel select	No	Services (non-consultancy)	No	Xact Project Consultants Pty Ltd	\$179,772	22/10/2015	30/09/2016	Yes
Belconnen Regional Trade Skills Centre - UC Kaleen High School and Melba Copland Secondary School - Completion of Kitchen Works.	Quotations	No	Works	No	Monarch Building Supplies	\$186,230	09/12/2015	31/01/2016	Yes
Develop, Trial and Evaluate a School Leadership Strategy.	Select	No	Services (non-consultancy)	No	Hay Group Pty Ltd	\$198,000	09/12/2015	31/12/2016	No
Charles Weston School - Purchase of Interactive White Boards Under a Panel Arrangement.	Panel Quotations	No	Goods	No	Ethan Group Pty Ltd	\$199,606	15/09/2015	15/03/2016	No
Malkara School - Playground Upgrade.	Quotations	No	Works	No	Forpark Australia	\$199,916	01/09/2015	05/01/2016	No
Caroline Chisholm High School - STEM Centre for Innovation & Learning.	Panel - Select	No	Consultancy	No	SQC Architecture	\$204,512	31/03/2016	30/11/2018	Yes
Back to Base Electronic Security Monitoring of Public Schools and Central Office Locations of the Education Directorate.	Public	No	Services (non-consultancy)	No	Security 1 Pty Ltd	\$206,892	05/04/2016	01/05/2019	Yes
Turner Primary School - External Learning Environments.	Quotations	No	Works	No	Out and About Landscape Design and Construct	\$214,500	09/06/2016	28/10/2016	Yes
Provision of Repairs and Maintenance to Solar Photovoltaic Systems Installed on ACT Public Schools and Central Office Sites.	Public	No	Services (non-consultancy)	No	Ecwise Services (Australia) Pty Ltd	\$215,077	04/05/2016	30/06/2019	Yes
Provision of Cleaning Services for Alfred Deakin High School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Phillips Cleaning Services Pty Ltd	\$220,835	02/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Mount Stromlo High School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	GJK Facility Services	\$232,772	02/06/2016	01/07/2017	Yes

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
Provision of Cleaning Services for Gungahlin College Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Phillips Cleaning Services Pty Ltd	\$238,740	06/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Melrose High School Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Rose Cleaning Service	\$238,740	01/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Narrabundah College Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Rose Cleaning Service	\$238,740	24/05/2016	01/07/2017	Yes
Belconnen Regional Trade Skills Centre - Tools, Furniture and Equipment.	Public	No	Goods	No	Machinery & General Industrial Supplies Pty Ltd	\$244,248	01/09/2015	31/08/2016	Yes
Telopea Park School - Library Refurbishment	Quotations	No	Goods	No	Binutti Constructions	\$246,575	23/11/2015	28/02/2016	Yes
Provision of Cleaning Services for Belconnen High School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	VNT Services Pty Ltd	\$250,678	06/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Dickson College Under a Panel Arrangement.	Panel Single Select	No	Services (non-consultancy)	Yes	Rose Cleaning Service	\$250,678	01/06/2016	01/07/2017	Yes
Melrose High School - Football Precinct Civil Consultant.	Panel Select	No	Consultancy	No	Cardno (NSW/ACT) Pty Ltd	\$251,159	18/12/2015	03/02/2017	No
Screenrights Remuneration Agreement.	Single Select	No	Services (non-consultancy)	Yes	Audio-Visual Copyright Society Pty Ltd T/A Screenrights	\$253,983	01/07/2015	31/12/2020	No
Provision of Cleaning Services for Lyneham High School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	Phillips Cleaning Services	\$256,646	01/06/2016	01/07/2017	Yes
Belconnen Regional Trade Skills Centre - Tools, Furniture and Equipment.	Public	No	Goods	No	B.S.T. Group Aust Pty Ltd	\$274,139	01/09/2015	31/08/2016	No
Supply and Installation of Net- Feed Solar PV Systems at 6 Schools	Quotations	No	Goods	No	Solar Hub	\$294,776	09/11/2015	10/03/2017	Yes
Charles Weston School (Coombs) - Supply and Installation of Furniture, Fittings and Equipment.	Public	No	Goods	No	Bizfirm Express Pty Ltd	\$298,336	17/12/2015	18/12/2015	No

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
Provision of Cleaning Services for Amaroo School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	VNT Services Pty Ltd	\$316,330	01/06/2016	01/07/2017	Yes
Provision of Cleaning Services for Gold Creek School Under a Panel Arrangement.	Quotations	No	Services (non-consultancy)	No	GJK Facility Services	\$355,840	01/06/2016	01/07/2017	Yes
Provision of Mail and Courier Services to ACT Colleges, Schools and Central Office Locations.	Public	No	Services (non-consultancy)	No	Universal Express	\$400,000	06/05/2016	30/06/2019	Yes
Charles Weston School (Coombs) - Supply and Installation of Furniture, Fittings and Equipment.	Public	No	Goods	No	R.E. Batger Pty Ltd	\$424,990	01/11/2015	31/01/2016	No
Belconnen High School - Modernisation Design.	Public	No	Consultancy	No	Wilson Architects	\$528,836	09/06/2016	02/04/2018	No
Feasibility Studies for Proposed Education Infrastructure at North Gungahlin & the Molonglo Valley.	Select	No	Consultancy	No	Infrastructure Services Group Pty Ltd	\$674,556	09/10/2015	30/06/2016	Yes
ACT National School Chaplaincy Program.	Select	No	Services (non-consultancy)	No	Trustees for Catholic Education Office Archdiocese of Canberra and Goulbourn	\$704,000	20/02/2015	30/06/2019	Yes
School Sports Service Provision to ACT Schools.	Single Select	No	Services (non-consultancy)	Yes	ACT School Sports Council Inc	\$890,000	04/01/2016	04/01/2019	Yes
Belconnen High School Modernisation - Landscaping.	Panel Select	No	Works	No	Cobul Constructions	\$1,171,352	25/09/2015	16/12/2015	Yes
Security Patrol Services for ACT Colleges, Schools and Central Office Locations.	Public	No	Services (non-consultancy)	No	Wilson Security Pty Ltd	\$1,530,000	15/06/2016	30/06/2018	No
Charles Weston School (Coombs) - Maintenance Contract.	Public	No	Services (non-consultancy)	No	Colin Joss & Co. Pty Ltd	\$2,227,906	29/09/2015	31/01/2021	No
Capital Upgrade Programmed Works 2014/16 - Package 5.	Panel Select	No	Works	No	IQON Pty Ltd	\$2,400,687	12/10/2015	23/06/2016	Yes
Development, Provision and Marking of the ACT Scaling Test.	Public	No	Services (non-consultancy)	No	Australian Council for Educational Research	\$3,206,000	16/09/2015	16/09/2019	No

TABLE C5.2: ACTIVITIES EXECUTED IN 2014-15 FINANCIAL YEAR AND NOTIFIED TO THE CONTRACTS REGISTER IN 2015-16 FINANCIAL YEAR

Contract Title	Procurement Methodology	Social Procurement	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount \$	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
Belconnen Regional Trade Skills Centre - Electrical Kitchen Equipment for Hospitality Training.	Quotations	No	Works	No	ACT Stainless Steel Pty Ltd	\$25,503	15/12/2014	31/12/2015	Yes
Kingsford Smith School -Fence.	Single Select	No	Works	Yes	Perimetech Pty Ltd	\$25,546	03/03/2015	12/03/2015	Yes
Installation of Projectors at Mount Stromlo High School Hall.	Quotations	No	Services (non-consultancy)	No	Miranda Hi Fi	\$26,116	06/08/2014	06/11/2014	No
Fraser Primary School - Year 5 and 6 Camp.	Select	No	Services (non-consultancy)	No	Away We Go Tours	\$30,274	30/03/2015	01/04/2015	Yes
North Ainslie Primary School - Year 5/6 School Camp.	Select	No	Services (non-consultancy)	No	Away We Go Tours	\$31,135	04/02/2015	06/02/2015	Yes
Belconnen Regional Trade Skills Centre - Spray Booth.	Quotations	No	Goods	No	Truflow Spraybooths (Australia) Pty Ltd	\$55,970	26/11/2014	31/01/2016	No
Mt Stromlo High School Music Room Upgrade.	Quotations	No	Works	No	Martin K Renner and Maarit H Renner trading as Cityscape Interiors	\$59,973	07/07/2014	18/08/2015	Yes
Lyneham High School - Year 7 Camp.	Quotations	No	Services (non-consultancy)	No	Jindabyne Sport and Recreation Centre, NSW Government Office of Sport and Recreation	\$111,169	02/03/2015	04/03/2015	Yes
ACT Chief Ministers Anzac Spirit Prize.	Quotations	No	Services (non-consultancy)	No	Malura Pty Limited T/A Boronia Travel Centre	\$116,000	09/11/2014	09/08/2018	No
Supply, Install, Monitor and Maintain Grid Connected 70kW Photovoltaic System at Franklin Early Childhood School.	Quotations	No	Goods	No	Solgen Energy Pty Ltd	\$119,670	07/05/2015	30/05/2015	No
Supply, Install, Monitor and Maintain Grid Connected 70kW Photovoltaic System at Neville Bonner Primary School.	Quotations	No	Goods	No	Solgen Energy Pty Ltd	\$119,670	07/05/2015	30/05/2015	No
Reading Matters Program.	Quotations	No	Services (non-consultancy)	No	University of South Australia TA Institute for Choice	\$149,447	14/10/2014	31/12/2018	No

For further information contact:
Director
Infrastructure and Capital Works
(02) 6207 6541

C.6 STATEMENT OF PERFORMANCE



AUDITOR-GENERAL AN OFFICER
OF THE ACT LEGISLATIVE ASSEMBLY 

Sensitive: Auditor-General

A16/06

Ms Natalie Howson
Director-General
Education Directorate
Level 6, 220 Northbourne Avenue
BRADDON ACT 2612

Dear Ms Howson

**EDUCATION DIRECTORATE - REPORT OF FACTUAL FINDINGS
STATEMENT OF PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2016**

The Audit Office has completed the review of the statement of performance of the Education Directorate for the year ended 30 June 2016.

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, Mr Shane Rattenbury MLA.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'M. Cooper'.

Dr Maxine Cooper
Auditor-General

14 September 2016

c.c. Ms Carol Lilley, Chair, Audit Committee
Mr Robert Gotts, Director, Planning and Performance
Mr Mark Whybrow, Chief Financial Officer
Ms Megan Young, Chief Internal Auditor

REPORT OF FACTUAL FINDINGS

EDUCATION DIRECTORATE

To the Members of the ACT Legislative Assembly

Report on the statement of performance

The statement of performance of the Education Directorate (the Directorate) for the year ended 30 June 2016 has been reviewed.

Responsibility for the statement of performance

The Director-General is responsible for the preparation and fair presentation of the statement of performance of the Directorate 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 the systems and procedures to measure the results of the accountability indicators reported in the statement of performance.

The auditor's responsibility

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2016*, I am responsible for providing a report of factual findings on the statement of performance.

The 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.

As disclosed in the statement of performance, in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2016*, the Government Payment for Outputs and Total Cost information included in the statement of performance has not been reviewed.

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 of performance. If users of this statement of performance are concerned with the inherent risks arising from the electronic presentation of information, then 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 2016, 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.



Dr Maxine Cooper
Auditor-General

14 September 2016

EDUCATION DIRECTORATE

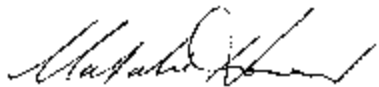
STATEMENT OF PERFORMANCE

For the year ended 30 June 2016

**Education Directorate
Statement of Performance
For the year ended 30 June 2016**

Statement of Responsibility

In my opinion, the Statement of Performance is in agreement with the Directorate's records and fairly reflects the service performance of the Directorate in providing each class of outputs during the financial year ended 30 June 2016.



Natalie Howson
Director-General
14 September 2016

Output Class 1: Public School Education

Description

Public primary school education spans the years from preschool to year 6. It is available, on average, for eight years with a preschool age of four years and a kindergarten starting age of five years. A balanced curriculum allows the 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 ACT public schools for students with a disability. These include special needs schools, special classes or units in mainstream schools and additional support in mainstream classes.

	2015-16 Target	2015-16 Result	Percentage variance from the target	Explanation of material variance (±10% or higher)
Cost (\$'000)				
1.1 Public Primary School Education	354,764	348,700	(1.7%)	
1.2 Public High School Education	178,794	173,887	(2.7%)	
1.3 Public Secondary College Education	118,447	115,534	(2.5%)	
1.4 Disability Education in Public Schools	73,950	74,801	1.2%	
Total Output Class 1	725,955	712,922	(1.8%)	
Government Payment for Output (\$'000)				
1.1 Public Primary School Education	297,223	293,804	(1.2%)	
1.2 Public High School Education	153,667	152,171	(1.0%)	
1.3 Public Secondary College Education	100,296	99,343	(1.0%)	
1.4 Disability Education in Public Schools	65,840	65,957	0.2%	
Total Output Class 1	617,026	611,265	(0.9%)	

Note:

The Total Cost and Government Payment for Output measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2016*.

Output Class 1: Public School Education		2015-16 Target	2015-16 Result	Percentage variance from the target	Explanation of material variance (±10% or higher)
Accountability Indicators					
Early childhood education					
a.	Number of enrolments in preschool in public schools	4,550	4,740	1.9%	Note 1
b.	Number of enrolments of Aboriginal and Torres Strait Islander students in preschool in public schools	221	288	24.7%	
School participation					
a.	Attendance rate of public school students in year 1 to year 10	91.5%	91.9%	0.4%	
Education and care services					
a.	Education and care services satisfaction with assessment and monitoring functions	85%	68%	(20.0%)	Note 2
b.	Investigations and complaints commenced within stated policy timeframes	95%	71%	(25.3%)	Note 3
c.	Assessment and ratings completed within legislated timeframes	100%	97%	(3.0%)	
Disability education					
a.	Individual Learning Plans completed for students in special and mainstream schools who access special education services	100%	99%	(1.0%)	
Senior secondary education					
a.	Percentage of year 10 students who proceed to public secondary college education	85%	93.2%	9.6%	
b.	Percentage of year 10 Aboriginal and Torres Strait Islander students who proceed to public secondary college education	80%	86%	7.5%	
c.	Apparent retention of public school students from year 7 to year 12	100%	100%	-	
d.	Apparent retention of Aboriginal and Torres Strait Islander public school students from year 7 to year 12	75%	89.5%	19.3%	Note 4
e.	Percentage of year 12 students who receive a Tertiary Entrance Statement	50%	46%	(8.0%)	
f.	Percentage of year 12 Aboriginal and Torres Strait Islander students who receive a Tertiary Entrance Statement	20%	17%	(15.0%)	Note 5
g.	Percentage of year 12 students who receive a nationally recognised vocational qualification	60%	55%	(8.3%)	
h.	Percentage of year 12 Aboriginal and Torres Strait Islander students who receive a nationally recognised vocational qualification	50%	63%	26.0%	Note 6
Regulatory and process reform initiative					
a.	Commenced implementation of red tape reduction initiatives	30 June 2016	30 June 2016	-	
Average cost (\$) per student per annum in public:					
a.	Preschools	6,740	6,891	2.2%	
b.	Primary schools	15,012	13,915	(7.3%)	
c.	High schools	14,707	14,111	(5.7%)	
d.	Secondary colleges	14,120	13,584	(2.4%)	
e.	Special schools	66,807	65,061	(1.7%)	
f.	Mainstream Schools' student with a disability	28,596	28,654	0.2%	

Note:

The above Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*.

Notes to variance explanation:

1. In 2015-16 a higher than expected result was due to strong increase in enrolments in both mainstream and Koori preschool programs.
2. Response rates in the 2016 survey show lower than expected positive ratings, however response rates to the survey were too low to allow for a confident assessment of the perceptions of the sector about assessment and monitoring activities. This indicator has been discontinued for 2016-17.
3. The full year result (71%) is based on results over the period from November 2015 to June 2016. A lower than expected result is due to the introduction of changes to the methodology of assessing and tagging complaints. These changes meant it was not possible to establish a consistent measurement over a full year. This indicator has been discontinued for 2016-17 and replaced with an indicator based on the delivery of the annual compliance audit program.
4. A higher than expected result reflects a number of factors, including efforts by colleges, heightened awareness and focused approach by network leaders and senior management. It is not possible to determine the contribution of each factor.
5. Seventeen Aboriginal and Torres Strait Islander students achieved a Tertiary Entrance Statement in 2015 compared to nine in 2014. The increase in Aboriginal and Torres Strait Islander students in the February census 2014 – 83 to February census 2015 – 102 may have contributed to a lower percentage completion rate.
6. A higher than expected number of enrolments of Aboriginal and Torres Strait Islander students from 89 in 2014 to 107 in 2015 in the February census may account for this positive variance, assuming that most of these extra students received at least one vocational qualification.

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 Government grants.

	2015-16 Target	2015-16 Result	Percentage variance from the target	Explanation of material variance (±10% or higher)
Total Cost (\$'000)	3,441	3,301	(4.0%)	
Government Payment for Output (\$'000)	2,851	2,787	(2.2%)	
Accountability Indicators				
a. All non-government schools operating in the ACT during the reporting period are registered	100%	100%		
b. The provisional registration of home educated students is completed within ten school days of the receipt of the application	100%	98%	(2.0%)	
c. Grants paid within the required period of receiving funds from the Commonwealth Government	100%	100%		

Note:

The above Accountability indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*. The Total Cost and Government Payment for Output measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Security) Guidelines 2016*.

Output Class 3: Vocational Education and Training

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

Description

The Directorate was responsible and accountable for the provision of strategic advice and management of vocational education and training (VET) and higher education in the ACT. This included administering, monitoring and auditing territory and national funds for a variety of programs addressing skills development. The VET system in the ACT responds to the demands and requirements of industry and the community. The Directorate gathered advice from industry stakeholders to predict industry trends and identify the future training requirements of the ACT.

	2015-16 Target	2015-16 Result	Percentage variance from the target	Explanation of material variance (±10% or higher)
Total Cost (\$'000)	36,773	12,918	(64.9%)	Note 1
Government Payment for Output (\$'000)	36,288	12,564	(65.4%)	Note 1
Accountability Indicators				
a. Funded training initiative allocation rounds administered within published timeframes	100%	100%	-	
b. Registered training organisation audit reports provided within 30 days of completion of on-site audit	100%	100%	-	
c. Total number of students undertaking vocational qualifications:				
i. all students	30,100	23,224	(22.8%)	Note 2
ii. Aboriginal and Torres Strait Islander students	755	933	23.6%	Note 3
iii. students with a disability	1,940	1,972	1.6%	
d. Participation in vocational education and training:				
i. all students (percentage)	8.2%	5.9%	(28.0%)	Note 4
ii. Aboriginal and Torres Strait Islander students (percentage)	15.5%	13.5%	(12.9%)	Note 5

Note:

The above Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*. The Total Cost and Government Payment for Output measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2016*.

Notes to variance explanation:

- The responsibility for VET functions associated with this output was transferred to Chief Minister, Treasury and Economic Development Directorate (CMTEOD) from 22 January 2016 following changes to Administrative Arrangements. This is not reflected in the original budget.
- The lower than expected result is due to a decrease in student numbers, both in the ACT and nationally, since 2012. The 2014-15 target was set in 2014 based on 2012 data, and has not since been revised.
- The result is higher than expected due to the high degree of variability in the number of Aboriginal and Torres Strait Islander students undertaking vocational qualifications from year to year. The number of students increased by 33.2% (to 933) from 2014-15 to 2015-16 after decreasing by 13.1% (to 824) from 2013-14 to 2014-15.
- The lower than expected result is due to a decrease in student participation rates, both in the ACT and nationally, since 2012. The 2014-15 target was set in 2014 based on 2012 data, and has not since been revised.
- The variance is due to a change in the data series used by the ABS to estimate the number of Aboriginal and Torres Strait Islander students. The new data series produces significantly higher estimates for the population of Aboriginal and Torres Strait Islander people (up approximately 30% from the previous report).