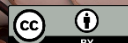




Department of
Education

Shaping the future

Department of Education Annual Report 2020–21



Acknowledgement of Country

We acknowledge and respect the traditional custodians of the lands and waters on which our students live and are educated throughout Western Australia.

We acknowledge and understand that Elders, parents, families and communities are the first educators of their children and we recognise and value the cultures and strengths that Aboriginal children bring to the classroom.

Aboriginal people have a long tradition of teaching and learning through sharing their connections with Country, community, language and culture, and through their oral histories, stories and lived experiences that are passed from generation to generation.

We recognise and value the learning that Aboriginal children bring with them from their homes and communities into the classroom.

This report uses the term 'Aboriginal' to respectfully and inclusively refer to Aboriginal and Torres Strait Islander people.

Front cover photo

West Northam Primary School Pre-primary students watering their vegetable garden, as part of their science project. The students are learning about how plants grow differently in each season. Students taste test raw and cooked vegetables from the garden, learning about the science of cooking.

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For assistance, telephone our general enquiries number on 9264 4111.

Department of Education Annual Report 2020–21
ISSN: 1449–0315 (Print)
ISSN: 1843–2396 (Web)
SCIS No: 1155879
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Overview

This report details our achievements and successes as well as the challenges we face and the opportunities ahead. It also outlines our contribution to broader Government-desired outcomes and compliance with legislation and policy.

The report addresses reporting requirements in the Western Australian Public Sector Commission's annual report guidelines and Treasurer's instructions including 903 (Agency Annual Reports) and 104C (Annual Reporting 2020–21 Exemption).

Activities and performance for the 2020–21 financial year are in the context of our [strategic outline](#), [strategic directions for public schools](#), State Government budget papers and other strategy documents.

This report includes the [annual report](#) of the Teacher Registration Board of Western Australia.

Information relating to each public school is available at [Schools Online](#).

Reference to parents is inclusive of carers, families and extended families with responsibility for the care of their children.

Statement of compliance

Hon Sue Ellery MLC
Minister for Education and Training

In accordance with section 63 of the *Financial Management Act 2006* (WA), I hereby submit for your information and presentation to the Western Australian Parliament the annual report of the Department of Education for the financial year ended 30 June 2021.

The report has been prepared in accordance with the provisions of the *Financial Management Act 2006* (WA).

In accordance with section 114 of the *Teacher Registration Act 2012* (WA), the annual report of the Teacher Registration Board of Western Australia for the financial year ended 30 June 2021 is included in this report.



Lisa Rodgers
Director General
(Accountable Authority)

9 September 2021

Director General's foreword

We have achieved a lot this year. In 2020, more students remained in education and more Year 12 students finished school with a qualification than in previous years. We recorded the highest number of students who received a Western Australian Certificate of Education and we continued to have high rates of early childhood participation.



We have widened the scope of our approach to student learning, with a focus on Aboriginal students' wellbeing, engagement and achievement. To assist our principals in leading school improvement and enhancing connectedness across our system, we have introduced the new Directors of Education and collegiate principals, and strengthened our public school review process.

We delivered a very significant maintenance, minor and capital works program with every school in the State benefiting. We opened five new primary schools: Brabham, North Harrisdale, Pine View, Yanchep Rise and Yarralinka, and delivered the second stages of Yanchep Secondary College and Aveley Secondary College. A further 67 schools continue to benefit from the WA Recovery Plan which includes stage two of Bob Hawke College, the redevelopment of Roebourne District High School and the first phase of Piara Waters Secondary College.

The Department continued to work closely with the non-government school sector to further strengthen the regulatory framework with a key focus on student safety and learning.

More than any other time, we worked across the public sector to provide for families, carers and communities.

Integrity, truth-telling and trust are at the centre of our new Code of Conduct. Together, we worked to create a culturally responsive agency that strengthened relationships and further built the reputation on which our schools' and students' success depends.

We enhanced our incident management response to mobilise support for schools and we increased our digital capacity and supported teachers to improve their capability to deliver online teaching and learning as required.

In a year that presented many challenges – COVID-19, devastating bushfires, floods and Cyclone Seroja, which significantly impacted many of our school communities, this preparedness ensured continuity of learning and continued student achievement.

Over the last 12 months I have had the pleasure of visiting many schools throughout Western Australia. I see first-hand the incredible work our staff do to support student achievement and wellbeing.

Our priority is for all our students to be supported to learn and progress at school and to leave school with the capabilities demanded by further education, training or modern workplaces.

I am extremely proud of the staff in the Department of Education and in our schools, and their dedication to the teaching and learning of Western Australian children and young people.

This coming year, we remain committed to providing a safe and secure environment for students to enjoy high quality learning. We will continue to support parents, carers and the community in the education of their children, delivering teaching excellence and successful outcomes for all students.

A handwritten signature in black ink, appearing to read 'L. Rodgers', written in a cursive style.

Lisa Rodgers
Director General

About us

We influence the education of all Western Australian students through relevant legislation – directly through a system of public schools, and indirectly through regulation and funding of Catholic and Independent schools.

Regardless of these differences, the aim is the same: to deliver a high quality education to every student in all learning environments. We are committed to all students achieving their best and being lifelong learners who contribute actively to their communities and to society.

We recognise and respect the independence of Catholic and Independent schools; and undertake our responsibilities to all schools, systems and sectors with diligence and integrity. We are impartial in our role as a regulator and funder.

Our vision

All students in Western Australia, regardless of background and across all schools and learning environments, reach their learning and achievement potential.

Our values

Integrity

We believe a good education is the bedrock upon which everything else stands. We do not take this responsibility lightly and feel very privileged to be part of it. We act in the best interest of students and the community at all times. We are accountable and honest and have strong ethical and moral principles.

Equity

We recognise the different circumstances, needs and aspirations of students and staff. We strive for learning and work environments that are free from racism, discrimination, bullying, abuse or exploitation. We believe in more than one path to success and our purpose is to help every child find theirs.

Truth-telling

We commit to learning about the diverse histories, experiences and worldviews of Aboriginal people. We create culturally safe learning and work environments, and culturally responsive services, free from racism and discrimination.

Teamwork

We support, encourage and inspire each other and value the contribution of all. We champion trust and inclusivity. We recognise the importance of collaboration to help students achieve their best.

Voice

We attentively listen to each other and our students, families, communities and stakeholders. We encourage honest and respectful expression of ideas and diversity of thought. We empower the voice of children and young people to be partners in their education.

Learning

We have a positive approach to learning and encourage it in others. We advance student learning based on our belief that all students have the capacity to learn.

Care

We practise mutual respect and accept our responsibility to develop and maintain appropriate relationships. We are attentive and considerate. We strive to keep ourselves, others and our resources safe.

Operational structure

Our Minister is Hon Sue Ellery MLC, Minister for Education and Training.

Our accountable authority in 2020–21 is Ms Lisa Rodgers, Director General, Department of Education.

Our enabling legislation is the *Public Sector Management Act 1994* (WA) in which the Department of Education is established under section 35.

We provided staff, facilities and resources to a number of entities created under legislation enacted by the Western Australian Parliament or by ministerial administrative action:

- Non-Government Schools Planning Advisory Panel
- Non-Government School Registration Advisory Panel
- Rural and Remote Education Advisory Council
- School Curriculum and Standards Authority
- Teacher Registration Board of Western Australia
- Western Australian Higher Education Council.

Performance management framework

Broad State Government goals are supported at agency level by specific desired outcomes. We continued to deliver our four services to achieve our desired outcome.

Government goal

Strong Communities: Safe communities and supported families

Desired outcome

School students across Western Australia have access to high quality education

Services

1. Public primary education
2. Public secondary education
3. Regulation and non-government sector assistance
4. Support to the School Curriculum and Standards Authority

These services are as per our approved Outcomes-Based Management (OBM) reporting structure.

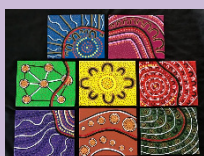
Our strategic directions

Our [strategic outline](#) reflects how we deliver public education and support the education of all school students in Western Australia.

Our strategic directions for public school education from 2020 to 2024, [Every student, every classroom, every day](#), set clear aspirations for every student enrolled in a public school and focus on improvement drivers across six pillars to strengthen support for teaching and learning.

[Building on strength: Future directions for the Western Australian public school system](#) is our long term vision for education over the coming decade. This statement explains the thinking and rationale behind the commitments made in our strategic directions for public schools and acknowledges the need for students and teachers to be at the centre of our efforts.

To provide specific directions for public education each school year, we published [Focus 2020](#) and [Focus 2021](#), aligned to our strategic directions.



Explore the story behind the artwork in our strategic directions for public education in Western Australia.

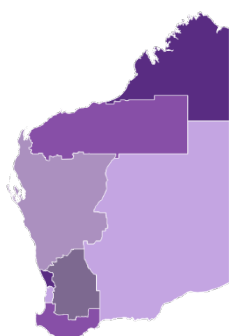
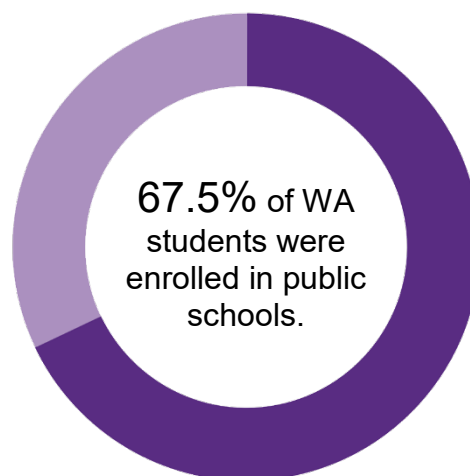
Executive summary

Our students and schools in 2021

473,728 students were enrolled in Western Australian schools.

This included

- 319,574 students in public schools
- 154,154 students in non-government schools.



We had 1,134 schools across eight education regions.

We were responsible for 822 public schools, including five new schools.

There were 312 non-government schools.



- 76.8% of public school students were in metropolitan schools.
- 16.0% were in regional schools.
- 7.2% were in remote or very remote schools.



27,330 (83.1%) of WA's 32,906 Aboriginal students were enrolled in public schools.



40,082 full-time equivalent staff were employed in public schools; 96.4% of all our staff.

For further enrolment data, refer to [Appendix 1](#). For further workforce data, refer to [Staff](#).

Year scorecard

We supported our State Government goal – Strong Communities: Safe communities and supported families – through our desired outcome ‘School students across Western Australia have access to high quality education’.

Key performance indicators helped us assess and monitor the extent to which we achieved this outcome and enhanced our ability to account to the community for our performance. Our results in 2020–21 against agreed targets are in [Table 1](#).

Table 1: Key performance indicators, summary of performance against the targets in the 2020–21 Budget Papers

Effectiveness indicators ^(a)	Target ^(b)	Result
Rate of participation in education (proportion of persons aged 15 to 17 years in some form of education)	99%	99.4%
Retention in public schooling (proportion of Year 7 public school cohort studying in Year 12)	82%	81.5%
Western Australian Certificate of Education (WACE) achievement rate by Year 12 public school students	81%	81.7%
Year 3 public school students achieving proficiency in:		
– Reading	n/a	n/a
– Numeracy	n/a	n/a
Year 5 public school students achieving proficiency in:		
– Reading	n/a	n/a
– Numeracy	n/a	n/a
Year 7 public school students achieving proficiency in:		
– Reading	n/a	n/a
– Numeracy	n/a	n/a
Year 9 public school students achieving proficiency in:		
– Reading	n/a	n/a
– Numeracy	n/a	n/a
Efficiency indicators	Target ^(b)	Result
Service 1: Public primary education		
– Cost per student full-time equivalents	\$16,278	\$16,816
Service 2: Public secondary education		
– Cost per student full-time equivalents	\$19,103	\$19,500
Service 3: Regulation and non-government sector assistance		
– Cost of non-government school regulatory services per non-government school	\$8,041	\$6,330
– Cost of teacher regulatory services per teacher	\$121	\$109
Service 4: Support to the School Curriculum and Standards Authority		
– Cost per student of support to the School Curriculum and Standards Authority	\$76	\$81

(a) 2020–21 targets and results for the NAPLAN-related key effectiveness indicators are not applicable because they are for performance on the 2020 NAPLAN assessments which were cancelled nationally due to COVID-19.

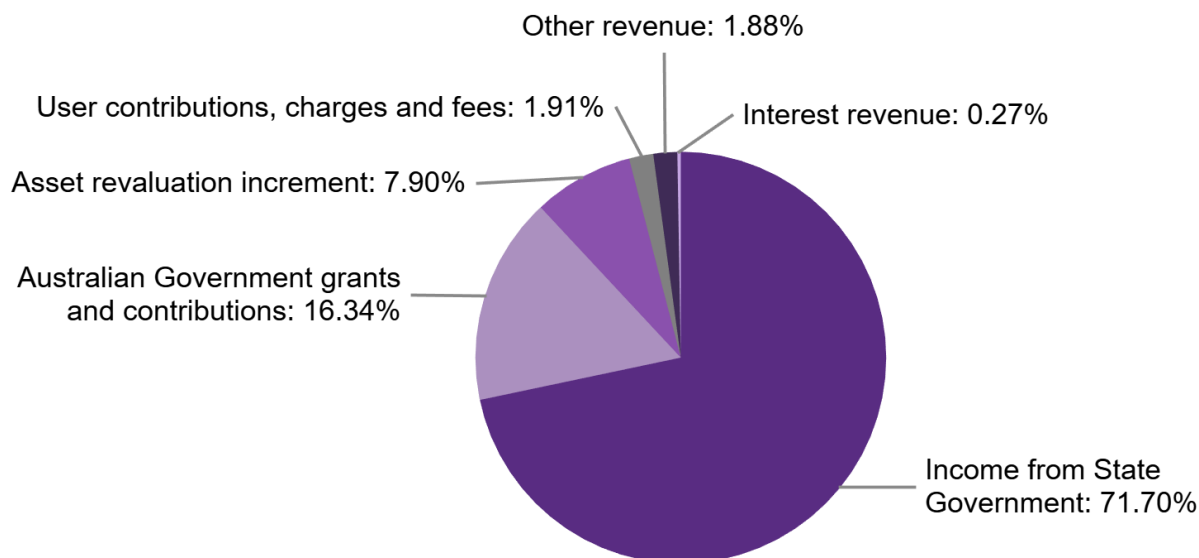
(b) Targets for 2020–21 are as reported in the 2020–21 Budget Papers.

Further information is in [Key performance indicators](#).

Year in dollars

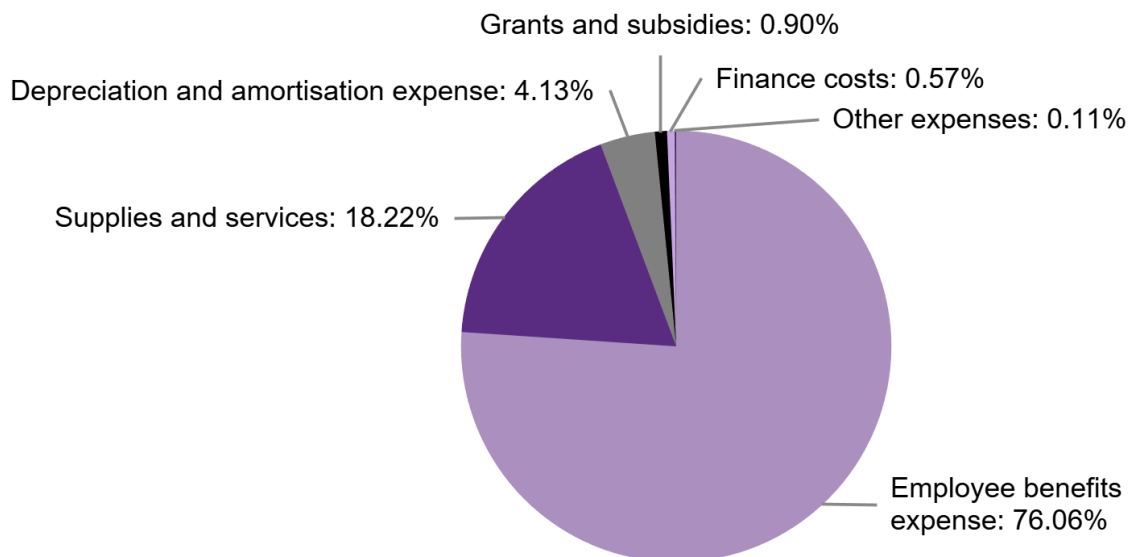
The total cost of providing our services in 2020–21 was \$5.6 billion. [Figures 1 and 2](#) summarise sources of revenue and cost of services. Full details of financial performance during 2020–21 are in the [Financial statements](#).

Figure 1: Revenue sources 2020–21



Source: Education Business Services

Figure 2: Costs 2020–21



Source: Education Business Services

Our results in 2020–21 against agreed financial targets (based on Budget Statements and the Resource Agreement) are in [Table 2](#).

Table 2: Budget targets compared to actual results 2020–21 ^(a)

	2020–21 budget (\$'000)	2020–21 actual (\$'000)	Actual vs budget (\$'000)
Total cost of services	5,466,867	5,603,321	136,454
Net cost of services	4,205,281	3,878,325	(326,956)
Total equity	14,366,072	15,040,722	674,650
Net increase/(decrease) in cash held	(9,500)	62,952	72,452

	2020–21 budget (FTE) ^(b)	2020–21 actual (FTE)	Actual vs budget (FTE)
Staff	40,917	41,588	671

Source: *Education Business Services*

(a) Results in brackets indicate a negative value.

(b) Full-time equivalent.

Total cost of services was \$136.4 million (2.5%) higher than the original budget due primarily to approved adjustments during 2020–21. This included:

- additional funding allocated for extra cleaning staff and supplies to provide enhanced cleaning regimes across all public schools, community kindergartens and residential colleges in accordance with the State Government's COVID-19 safety plans and guidelines
- actuarial movement in leave liability
- extension of the National Partnership Agreement on Universal Access to Early Childhood Education in 2021
- additional funding allocated for the 2021 election commitments
- additional funding following revisions to student enrolment and cost growth forecasts, including extra funding to support the growth in the number of students with a disability.

Taking into consideration the approved adjustments during the year, the total cost of services was \$2.9 million over the Department's 2020–21 final budget.

The net cost of services of \$3.878 billion was lower than budget by \$327.0 million (7.8%). This was mainly due to the one-off recognition of realised gains following changes to the Department's valuation methodology on buildings' project and professional fees at 30 June 2020, in line with AASB 13 - Fair Value Measurement (AASB 13) and Treasurer's Instruction 954 - Revaluation of Non-Current Physical Assets (TI 954).

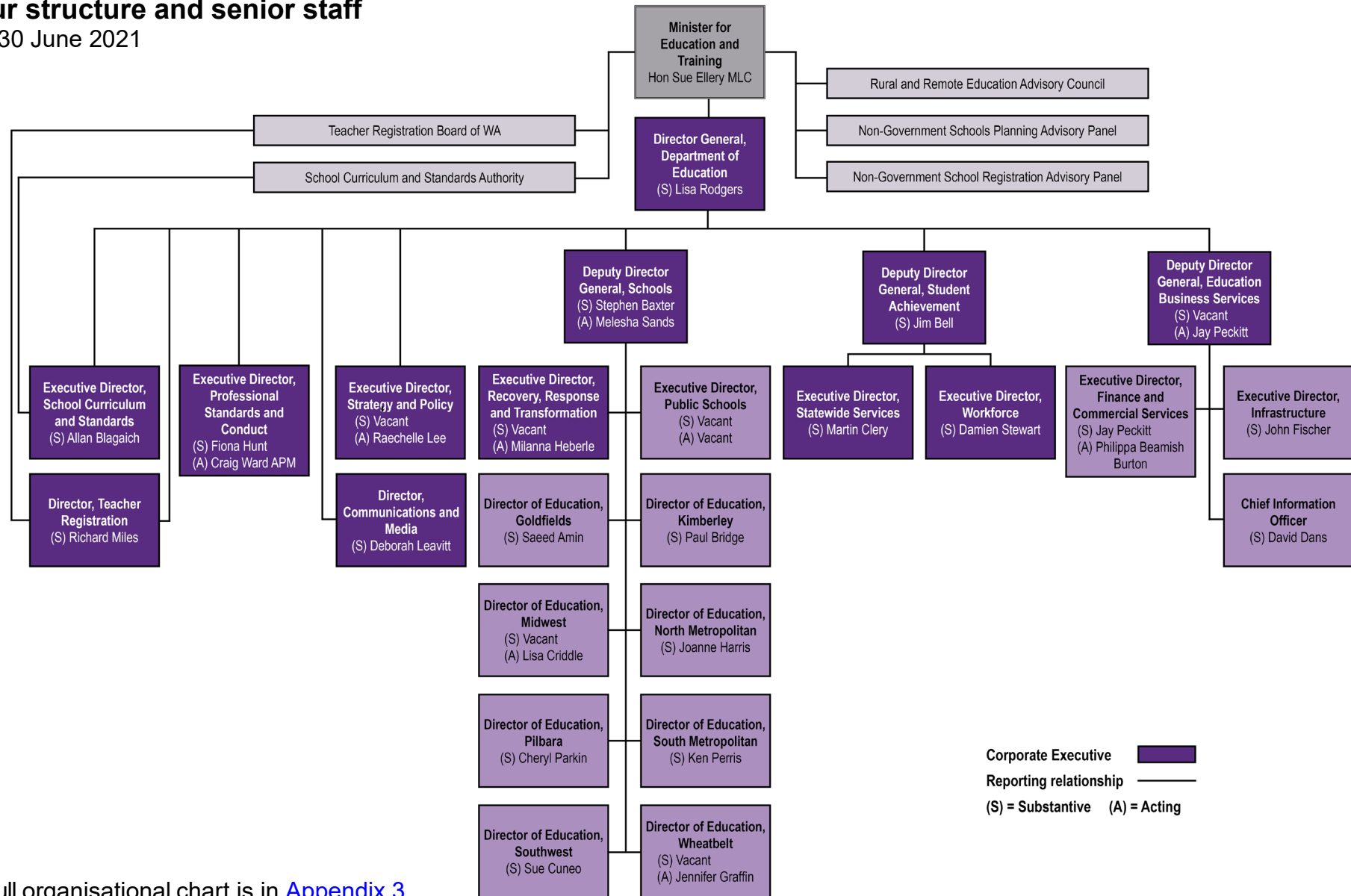
The \$674.6 million variance in total equity was mainly due to the increase in asset value associated with the change in the Department's valuation methodology on buildings' project and professional fees and the increase in leave liability provisions.

The 2020–21 average paid FTE of 41,588 was 671 FTE (1.6%) higher than the estimate of 40,917 FTE. The increase was attributed to:

- additional school-based staff required to meet demand from student enrolment growth and the opening of new schools in 2020 and 2021
- more cleaners employed to maintain enhanced cleaning regimes in public schools throughout the COVID-19 pandemic
- extra special needs education assistants in mainstream schools due to increases in disability funding.

Our structure and senior staff

At 30 June 2021



A full organisational chart is in [Appendix 3](#).

Our performance

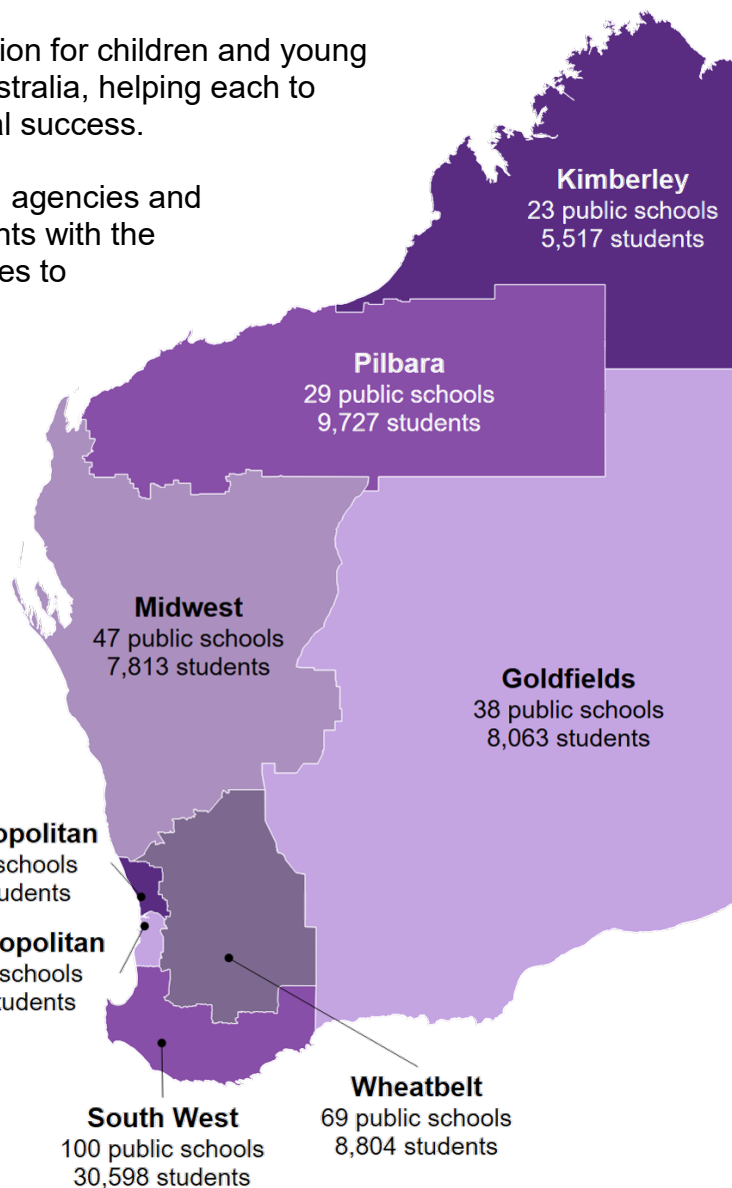
Providing public education

We provide high quality education for children and young people throughout Western Australia, helping each to achieve academic and personal success.

We work with parents, families, agencies and organisations to prepare students with the skills, understandings and values to achieve their best and make a positive contribution to society.

In Semester 1, 2021, there were 319,574 students in Kindergarten to Year 12 across 822 public schools Statewide. This was 2,206 more students than in Semester 1, 2020. Public schools' market share decreased, from 67.9% in 2020 to 67.5% in 2021. Enrolment and school information is in [Appendix 1](#).

In 2020–21, we were the largest public sector employer in the State, with 41,588 full-time equivalent staff. Most of our staff (96.4%) were employed in public schools.



Responding to COVID-19

Our COVID-19 incident management team, established in early 2020 in response to the State Government's declaration of a State of Emergency, continued to support schools to implement measures in accordance with health advice to ensure they were safe and clean for students and staff.

The Department's strategic intents during the Response phase were to:

- reduce COVID-19 transmission risk at school sites
- support the continuity of teaching and learning
- assist in maintaining approved Department of Education critical functions
- ensure the provision of consistent, timely and appropriate advice relating to COVID-19.

The team provided schools with leadership, advice, updates and resources. This supported school-based leadership to adapt to physical distancing and health and hygiene routines in the context of their individual settings.

Medically vulnerable students were supported to learn at home by their school, the School of Special Educational Needs: Medical and Mental Health and the School of Isolated and Distance Education through the COVID-19 Medical Referral Project. During 2020, the project received 678 student referrals from across the State.

Since the pandemic began, we have boosted our secure teaching and learning platform, Connect, to support a shift to remote learning. More resources have been developed for public school teachers to access on the Connected Learning Hub, including teaching and learning materials for primary and secondary students, and students with special educational needs. This was in addition to the [Learning at home website](#), which provided resources, activities and information to support schools and parents with children and young people learning at home. The website also provided resources to support mental health and wellbeing.

In 2020–21, the State Government committed \$81.1 million to support schools to meet enhanced cleaning requirements to ensure the safety of staff and students.

On the advice of the Australian Health Protection Principal Committee (AHPPC), schools remain vigilant and undertake strategies designed to prevent the possibility of transmission. We developed operating guidelines and frequently asked questions (FAQs) for staff in accordance with advice from the AHPPC and Western Australia's Chief Health Officer to prioritise the safety of staff and students. This included information for school activities, school closures, financial management, resourcing, wellbeing, health, hygiene, residential colleges and our workforce.

We remain committed to providing a safe environment for all staff and students, and continue to act on health advice to take necessary precautions.

Providing every student with a pathway to a successful future

During the year, we supported schools to achieve positive learning outcomes for students. We set expectations that all students:

- be provided with high quality development and learning experiences
- have opportunities and support to create the building blocks for their future success
- are supported in ways that have a positive impact on their mental health and emotional wellbeing.

Student achievement and attendance

Public school Year 12 student performance and achievement

The student attainment rate improved from 90.9% in 2019 to 92.1% in 2020. The attainment rate for Aboriginal students also improved from 69.8% in 2019 to 70.8% in 2020. These attainment rates are based on all Year 12 students in the Semester 2 student census.

The Western Australian Certificate of Education (WACE) achievement rate of full-time Year 12 students (one of our [key performance indicators](#)) increased in 2020 to 81.7%, from 80.7% in 2019. The WACE achievement rate of Aboriginal full-time Year 12 students declined slightly to 46.2% in 2020, from 46.7% in 2019.

In order to achieve a WACE, students must demonstrate a minimum standard of literacy (reading and writing) and numeracy. These standards were achieved by 85.7% of Year 12 full-time students (85.5% in 2019). For Year 12 Aboriginal full-time students, 53.8% demonstrated the literacy and numeracy standard (55.1% in 2019).

Details of Year 12 student achievement and responses to the Year 12 student intentions and satisfaction survey are in [Appendix 2](#).

In 2020, public school students received 1,649 School Curriculum and Standards Authority awards (1,647 in 2019).

The 2020 Rob Riley Memorial Prizes for the top Year 12 Aboriginal students from public schools were won by Taylor MacKinnon from Mount Lawley Senior High School (Australian Tertiary Admission Rank, ATAR) and Violet Johns from Wanneroo Secondary College (Vocational Education and Training, VET).

Public school student literacy and numeracy performance

In 2021, we assessed almost 26,000 Pre-primary students in the On-entry Assessment Program, giving teachers important information about the foundation literacy and numeracy knowledge and skills of their students in the first year of full-time school.

Just over 89,000 Western Australian public school students in Years 3, 5, 7 and 9 were assessed in aspects of literacy and numeracy as part of the 2021 National Assessment Program – Literacy and Numeracy (NAPLAN). Approximately 99% of our students who sat the tests completed them online, with the exception of Year 3 Writing.

The 2020 NAPLAN assessments were cancelled nationally due to COVID-19. Previous years' NAPLAN results are reported in our [annual reports](#). The 2021 NAPLAN results will be reported in the 2021–22 annual report.

Student attendance

COVID-19 had an impact on student attendance at public schools in 2020 and 2021.

In 2021, the State Government postponed the start of Term 1 by one week (with schools closed from 1 to 5 February) in the Perth, Peel and South-West regions.

In 2020, attendance was most severely disrupted from Week 7 to Week 10 of Term 1, following the declaration of a State of Emergency. Following State Government advice during this period, most students accumulated 'reasonable cause' absences and were unable to achieve the level required for regular attendance across the semester. Excluding these weeks, the attendance (adjusted) rate in 2020 was 90.1%.

Attendance has remained stable since 2013 at close to 91% with a slight decline in 2019 (89.8%), mostly due to the early onset of the influenza season.

The adjusted attendance rate was 73.1% in 2020 for Aboriginal students, down from 74.3% in 2019. Details of attendance rates are in [Appendix 2](#).

We have completed the review of our approach to attendance, which was initiated by the Minister for Education and Training in response to the Public Accounts Committee's 2018 report, *Setting the stage for improvement: Department of Education's management of student attendance*. Based on this, we have:

- established a project team to support implementation of our new 10-point plan for improving attendance
- revised the Student Attendance in Public Schools policy and procedures which, following a six-month familiarisation phase, is due to become effective from 19 July 2021.

In 2021, we established the roles of Directors of Education. This has seen a subtle but significant shift in the focus and responsibilities of the senior regional leaders. Directors of Education influence student attendance, achievement and progress through their work with principals. They are expected to know and understand the challenges in their regions and channel system support resources to where they are most needed.

We continued to work with other agencies and organisations to locate students whose whereabouts were unknown and reduce the number not participating in education or approved options. As at 30 June 2021, the whereabouts of 801 students of compulsory school age were unknown (1,012 in June 2020).

Providing support and pathways that meet students' needs

Creating culturally responsive schools that build on the strength of Aboriginal students

The [Aboriginal Cultural Standards Framework](#) continued to drive our work to strengthen the wellbeing, engagement and achievement of Aboriginal students and to build strong partnerships between families and schools. In 2020–21, we delivered 63 professional learning workshops to 2,521 principals, teachers, Aboriginal and Islander education officers, and graduate school psychologists, to support the creation of culturally responsive schools. We also delivered workshops to external stakeholders.

We are working in partnership with senior Aboriginal community members to build cultural responsiveness at all levels of the organisation. In 2020, we began developing a reconciliation action plan (RAP) to support and advance our contribution to reconciliation.

In 2021, in partnership with Danjoo Koorliny (Walking Together) Elders and community leaders, and the Centre for Social Impact, we began designing a culturally responsive school leadership program.

In 2021, there were 55 KindiLink programs operating in our schools. The play-and-learn sessions were designed for Aboriginal children and their parents, and were also available to non-Aboriginal children at some sites. KindiLink supports children's learning before starting school, forges positive home-school partnerships, and builds the confidence and capability of parents as their children's first educators.

In 2020, the Follow the Dream program, in partnership with the Polly Farmer Foundation, was delivered to 1,605 Aboriginal secondary students (1,210 in 2019) across 84 public schools throughout Western Australia. One hundred and eighty (82%) of the 219 Year 12 students in the program in 2020 achieved a WACE.

The Clontarf Foundation academies operated in 31 schools in Semester 1, 2021, supporting male Aboriginal students through school and into post-school destinations.

We provided funding in 2020 to Glass Jar Australia, Role Models and Leaders Australia, SHINE Inspire Achieve Belong, Stars Foundation and the Wirrpanda Foundation to deliver programs to strengthen the engagement of female Aboriginal students in education, and their transitions through school and into further study and work.

Emeritus Professor Colleen Hayward AM and Mr Ian Trust AO, our Elders in Residence since 2017, provided strategic advice to the Minister for Education and Training and our staff on whole-of-government priorities and strengthening the cultural responsiveness of our agency.

Kevin O’Keefe, Principal Advisor, Student Support and Aboriginal Education Services, continued as a member of Corporate Executive, to provide advice and guidance drawn from his extensive experience in the education sector.



Building on strength in uncertain times: In this together
A message for Aboriginal families and all school communities.

High quality learning environments that meet the needs of students

In 2021, 1,818 students (1,793 in 2020) in Years 5 and 6 were eligible to participate in courses through the [Primary Extension and Challenge](#) (PEAC) program.

[Gifted and Talented Secondary Selective Entrance Programs](#) were delivered by 22 secondary schools in 2021 with 1,096 Year 7 offers of placement accepted in selective academic, languages and arts programs. The academic program was also available online for select students in Western Australia’s rural and remote regions.

We received 4,847 applications in 2021 for Year 7 secondary places commencing in 2022, an increase of 4.3% from 2020. We also received a further 1,679 applications (1,629 in 2020) from students applying for entry to Years 9, 10 and 11 in 2022.

We supported students in Years 11 and 12 to access work placements in state and local government agencies through the Government Agency Work Placement Initiative. Students can use these placements to contribute to their Western Australian Certificate of Education and vocational education and training qualifications.

Our School of Isolated and Distance Education (SIDE) provided education to more than 2,800 Kindergarten to Year 12 students across WA in 2020 unable to access regular schools or specific subjects. It delivered more than 4,100 virtual lessons each month and provided nearly 250 web-based courses.

We continued to provide assistance to students and teachers in regional and rural schools. SIDE-enrolled students at 10 regional schools were supported by independent learning coordinators. These coordinators also worked closely with a team of eight regional learning specialist teachers who supported Year 11 and 12 students across country WA enrolled in 26 ATAR courses. In 2020, the team visited 40 schools, providing face-to-face tuition along with online revision resources.

As at the Semester 1, 2021 student census, we were providing boarding facilities to 479 students through eight country-based residential colleges and one metropolitan-based residential college. Seventy-five of these students were attending non-government schools. Refer to [Appendix 1](#) for student numbers at each residential college.

We supported WA families with the Boarding Away from Home Allowance (BAHA). In 2020, we supported:

- 1,281 public and non-government school students through the BAHA for Isolated Children at a cost of over \$2.0 million (1,356 at a cost of just over \$2.4 million in 2019)
- 287 students through the BAHA Agricultural College Special Subsidy at a cost of \$439,043 (283 at a cost of \$491,630 in 2019). This allowance supports boarders at Western Australian Colleges of Agriculture and Edmund Rice College.

We supported low income families with children at public and non-government schools through the Secondary Assistance Scheme. In 2020:

- we extended the closing date for applying, to support families affected by COVID-19
- 32,774 students in Years 7 to 12 received support through the scheme (30,494 in 2019):
 - \$7.6 million under the Education Program Allowance (\$7.0 million in 2019)
 - \$3.7 million under the Clothing Allowance (\$3.4 million in 2019).

Support for students with specific educational and engagement needs

Intensive English Centres at 14 metropolitan public schools in 2021 provided targeted programs to 785 primary and secondary students for whom English is an additional language or dialect. Funding is provided for students to attend a centre for 12 months, with an additional year of funding available for humanitarian entrant students with a limited schooling background. In 2021, 748 students received this funding. This is a reduction from last year (1,098 students) due to border closures as a result of COVID-19.

Mainstream schools in 2021 had 34,153 English as an additional language or dialect (EALD) students. Of these, 13,623 were eligible for the EALD funding allocation including 1,810 Aboriginal students.

As at 30 June 2021, 2,904 (95%) of the 3,056 children in the care of the Chief Executive Officer of the Department of Communities, and enrolled in our schools, had documented plans.

Our Schools of Special Educational Needs (Behaviour and Engagement, Disability, Medical and Mental Health, and Sensory) continued to provide a range of services, some of which were available to staff and students from non-government schools.

In 2020, the School of Special Educational Needs: Behaviour and Engagement managed 786 cases of intensive support for students with extreme, complex and challenging behaviours. This included 27 students enrolled at the Midland Learning Academy which supports severely disengaged students, and students at our 14 engagement centres.

The School of Special Educational Needs: Disability provided services and support to 5,338 students in 2020. This support was provided through a consulting teacher service to schools across four specialist areas: autism, assistive technology, disability and specific learning disorders.

The School of Special Educational Needs: Medical and Mental Health provided education support across more than 40 health settings for students whose medical or mental health prevented them from participating in their enrolled school program. Teaching and liaison support was provided to 5,513 public and non-government school students and their enrolled schools in 2020. Professional learning was also provided to 427 school staff to build their capacity to support students with health needs across 47 public and non-government schools.

Our School of Special Educational Needs: Sensory provided teaching and consultative support in 2020 to 2,544 public and non-government school students, and early intervention for 144 children aged zero to four years old with hearing loss and/or vision impairment.

Our five metropolitan language development centres provided intensive language intervention programs in 2021 for 1,366 students in the early years of schooling with a diagnosed language disorder. The centres, through our Statewide Speech and Language Outreach Service, also delivered support to teachers of young students across the State who have speech and language difficulties and do not attend a centre.

As at 30 June 2021, we were supporting 14,074 students through the student-centred funding model individual disability allocation to public schools.

In 2020, we provided teaching and learning adjustments to 19.9% of public school Pre-primary to Year 12 students with disability, as reported through the Nationally Consistent Collection of Data on School Students with Disability. The adjustments are intended to enable these students to participate in education on the same basis as their peers.

Student wellbeing

Supporting student wellbeing

An average 363.0 full-time equivalent (FTE) school psychologists in 2020 (355.7 FTE in 2019) supported school staff with:

- student behaviour
- learning and disability
- mental health and wellbeing
- emergency and critical incident management.

Mental health and wellbeing was a priority area for school psychologists who provided consultation, assessment, intervention and planning support.

Gatekeeper Suicide Prevention Training was delivered by the Mental Health Commission to 559 public school staff in 2020, and the national teen Mental Health First Aid program was delivered to 2,150 secondary students. Both programs were available to public and non-government schools. Youth Mental Health First Aid training was provided to 556 public school staff and other community members who work with young people.

As part of our pastoral care for students in 2020, 654 schools accessed chaplaincy services through in-school chaplaincy programs, school chaplaincy support and pastoral critical incident response services.

In Term 4 2020, a further 12 schools joined the 18 schools already piloting the Western Australian Respectful Relationships Teaching Support Program. The program, a previous election commitment of the State Government to address our state's high rates of family and domestic violence, is coordinated by the Department of Communities and delivered by Starick Services Inc. It provides teachers with evidence based skills and knowledge to implement a whole-school approach to deliver respectful relationships educational content.

For the 2020 school year, 100% of schools indicated that protective behaviours education was being fully implemented. Schools will continue to be supported to ensure full implementation during 2021 and beyond.

Addressing concerning student behaviour

Since the launch in late 2018 of [Let's take a stand together](#), the State Government's plan to address violence in schools, the numbers of students suspended and excluded have increased.

In 2020, 15,943 students (4.9% of total enrolments throughout the year) were suspended compared to 16,149 in 2019 (5.0% of total enrolments throughout the year). The reduction in the number and percentage of students suspended in 2020, despite a larger overall student population, is likely due to COVID-19 disruption to the school year. The majority of public school students (95.1%) received no suspensions.

There were 72 students excluded in 2020 and 65 in 2019 compared to 24 in 2018 and eight in each of 2017 and 2016.

In 2020, more than 2,700 school staff completed training in de-escalation and positive handling. This included 861 graduates who received mandatory training on how to de-escalate and manage aggressive behaviour as part of their induction program. As this course requires physical contact between participants, COVID-19 restrictions impacted on course delivery.

In 2020, 5,446 participants attended the Classroom Management Strategies and Positive Behaviour Support training programs. Participant numbers were impacted by COVID-19 restrictions on face-to-face workshops.

Strengthening support for teaching and learning excellence in every classroom

We provided staff with opportunities to grow their professional capabilities to raise the standard of teaching and impact on learning. We promoted careers in public education to build the supply of high quality staff applying for positions in our schools.

Supporting teachers to attain high standards of performance

In 2020, 4,464 teachers completed components of the Graduate Teacher Professional Learning Program and 414 accessed individual support through the in-class coaching component. All support is aligned to the Australian Professional Standards for Teachers.

Exemplary teachers who provide and support high quality teaching in schools are recognised for their exceptional teaching practices through our level 3 classroom teacher and senior teacher programs.

In 2020, 85 teachers achieved level 3 classroom teacher status and 651 teachers became senior teachers – experienced teachers committed to high quality teaching and ongoing professional learning.

The Leap program responds to emerging Department and local school workforce needs by qualifying existing teachers into specialist subjects of need. In 2020–21, Leap trained 447 teachers in secondary mathematics, design and technology, English, science, humanities and social sciences, and primary languages.

Through the annual [WA Education Awards](#), we acknowledge our public school teachers, leaders and support staff for their role in making a difference in the lives of students in Western Australia. Due to COVID-19, the 2020 awards were cancelled.

Attracting and retaining high quality teachers

Through the Professional Practice Program, we supported 223 professional experience placements undertaken by pre-service teaching and school psychology students in a regional area in 2020–21. The support included an induction program, school visits and classroom observations, coaching and funding including access to stipends and travel allowances.

An additional 28 pre-service secondary teachers were supported financially to undertake an internship in a metropolitan public school through the Internships for Pre-Service Teachers project. This project aims to increase capacity and work readiness by delivering practical learning that integrates theory into classroom practice. All interns were completing qualifications in subject areas of need, including science, technology, engineering and mathematics (STEM), English, or humanities and social sciences.

Forty-three Teach For Australia associates commenced teaching in 15 non-metropolitan and five metropolitan secondary schools in 2021, joining the 31 associates in 20 schools in their second year of teaching. Associates are high-calibre graduates willing to work in relatively disadvantaged schools for two years while completing a Master of Teaching.

The pilot On Country Teacher Education Program, developed with and delivered by Curtin University, continued to support Aboriginal allied professionals in our schools to complete a Bachelor of Education (Primary Education). In 2021, 20 staff are studying part-time while continuing to work in their existing roles.

In 2021, we launched two Bob Hawke Aboriginal teacher scholarships to support aspiring Aboriginal secondary teachers to complete their undergraduate or postgraduate teaching qualification. These will be awarded later in the year.

The Remote Connection Program offers experienced teachers and school leaders the opportunity to spend one week living and working in a remote community. The program enables staff to gain an understanding of whether they are suited to a career in a remote school. In 2020–21, 28 staff participated in the program and were hosted in 15 remote community schools.

We continued to arrange and subsidise housing to attract and retain staff in our rural, regional and remote public schools. In 2020–21, \$63.4 million was paid in rent for 2,256 properties occupied by our staff and owned or leased by Government Regional Officers' Housing (\$62.5 million for 2,055 properties in 2019–20). Of this, we subsidised 73% (73% in 2019–20).



Teach in WA – Paul's teaching journey

Find out why Newman Senior High School's science teacher, Paul loves teaching in regional Western Australia.

Building the capability of our principals, our teachers and our allied professionals

We supported our school leaders to lead improvement in schools through the leadership strategy, professional development and public school review.

Leadership strategy

Guided by our [Western Australian Public School Leadership Strategy 2018–2021](#), we continued to support and develop emerging, new and experienced leaders.

For the 2021 school year, the Director General provided all public school leaders with a Statement of Expectations. The statement:

- made clear the expectations and responsibilities of the school and the Department in regards to student achievement and progress
- sets out the expectations of Principals in relation to the delivery of our [strategic directions](#)
- underpins each school's strategic planning and self-assessment, and reflects the expectation on school improvement to ensure every student is successful.

In 2020–21, 77 emerging leaders completed Explore: A Career in School Leadership, an online program for teachers and classroom leaders; and 168 leaders who intend on applying for school principal positions within the next two years attended the Aspirant Principal Preparation Program.

The Newly Appointed Principal Induction Program supported those who have not previously held a substantive principal position with 77 participants attending the two-day induction in 2020–21.

Launch: New Principal Program, designed to fast-track the learning curve for principals in their first three years, had 48 participants in 2020–21.

A second trial of the Western Australian Future Leaders Framework was evaluated and the framework released for implementation to all public schools. It incorporates both a stand-alone or school network approach, ensuring scalability and sustainability for the long term. In 2020–21, 308 people attended workshops exploring new ways to identify, develop and support people with a high potential for leadership.

We continued to develop the Aspirant Aboriginal Leaders Program, with 27 staff participating in Djiral-ak djinda bidi – North Star Path, a program involving current Aboriginal leaders supporting aspirant Aboriginal leaders.

Linking to this work, the Aboriginal Aspirant Level 3 Classroom Teachers Program began in 2020–21, a program to prepare staff to undertake the process to become a level 3 classroom teacher. Through a collaborative planning process between staff facilitating and participating, it aims to ensure a culturally responsive, tailored experience to meet participants' needs. Twenty-eight Aboriginal classroom teachers engaged in the program.

We appointed 16 exemplary principals to the new role of collegiate principal to provide support to principals across the State – upon request – to lead school improvement and enhance connectedness across our system.

Professional development for school leaders

In 2020–21, we provided professional learning for principals and emerging leaders.

The Leading School Improvement suite of programs continued to attract school leadership teams from across the State with 809 participants in 2020–21. Programs are designed to strengthen schools' approach to whole-school improvement and build cohesive, high-functioning leadership teams.

In 2020–21, a fourth cohort completed the Western Australian Public School Principals' Fellowship Program and were conferred as principal fellows bringing the total to 79. The fellows form a pool of experienced leaders to support their colleagues and lead system change initiatives.

In 2020, 15 school psychologists completed our Development Program for Aspiring School Psychology Leaders. Launched in 2019, this Australian Psychological Society [award-winning](#) program has supported the replenishing of our lead school psychologist workforce in regions.

Twenty-eight managers corporate services and school leaders completed a Graduate Certificate of Education Business Leadership from Deakin University in 2020–21.

In 2020–21, 283 staff completed one of the programs in the suite for managers corporate services at every career stage. We significantly subsidised these programs.

Women in the initial stages of their leadership journey were supported by the Rising Leaders Program: Emerging Women in Leadership. Twenty-three participants attended this partially funded program designed to enhance women's leadership capabilities through personal and professional growth.

Science, technology, engineering and mathematics (STEM)

We continued to develop resources and provide professional learning to encourage greater interest and competence in [STEM](#).

We met the State Government's previous election commitment to convert existing classrooms in 200 schools with primary enrolments to science laboratories by the end of 2020–21. All classroom conversions have been completed and are in use. These schools have received resource grants of \$25,000 to purchase science resources.

Through the STEM Enterprise Schools project, an important initiative in the State STEM skills strategy, we continued to support the delivery of STEM professional learning and mentoring to 136 schools. This initiative is supporting 20 mentor schools, 58 pioneer schools and 58 partner schools to implement, refine and scale innovative STEM practices in their schools and across WA.

In June 2021, 79 STEM Enterprise Schools participated in the STEM Enterprise Showcase, where they showcased engaging, student-focused STEM practices and hands-on activities. The event was again co-located with the Resources Technology Showcase, enabling students to understand how their classroom learning links to innovative technology being developed and used in the mining, resources, defence and space industries in WA. Nearly 11,000 visitors to the event were exposed to innovative work being undertaken in public schools to prepare young people for the jobs of the future.

As part of the STEM Enterprise Schools initiative and the State's Asian Engagement Strategy, and in partnership with Asia Education Foundation, we presented the online STEMing from Asia: Digital Youth Summit to over 250 secondary students in 2020. Students engaged with STEM expert consultants and generated STEM related prototypes based on technological advances in China, South Korea, Japan and Australia.

In 2020, 26 of our Teacher Development Schools provided STEM-related professional learning events and support. In 2021, 31 schools, including five DigiTech Schools, provided STEM-related professional learning events and support.

In 2020–21, our 10 teacher trainers continued to deliver an inquiry-based STEM program called Little Scientists. They provided six professional learning workshops in Little Scientist modules to 56 participants.

In August 2020, the STEM Learning Project concluded having successfully achieved the objectives and outcomes. The curriculum resource modules and professional learning modules developed through the project are available [online](#).

Curriculum delivery and support

In 2021, a second round of teachers completed internships through the Western Australian Centre for Excellence in the Explicit Teaching of Literacy and a third round of teachers commenced internships. The internship provides teachers with professional learning, support and mentoring opportunities.

The centre – a previous election commitment aimed at strengthening evidence-based explicit literacy practices in our public schools – is delivering three rounds of the four-term internship program for a total of 60 teachers.

In 2020, 35 Teacher Development Schools and nine Primary Language Support Schools assisted with implementing the Western Australian Curriculum through 267 professional learning events with 7,405 attendances. They also provided targeted professional learning, with 2,410 attendances in response to 323 requests for support. Although the number of professional learning events dropped in 2020 due to COVID-19 restrictions, increased capability to deliver online enabled more teachers to access professional learning.

In addition:

- The School Curriculum and Standards Authority is producing Kindergarten to Year 10 curriculum, planning and moderation support materials across all eight learning areas of the Western Australian Curriculum.
- We are providing teachers with a range of professional learning opportunities to support them to implement these materials in the context of their own classrooms. In 2021, 70 curriculum support teachers were identified and commenced their role to provide professional learning in Semester 2, 2021.

Supporting increased school autonomy within a connected and unified public school system

We supported a unified public school system – providing system-wide governance, accountability and support structures – while empowering principals and their staff to act with greater authority and responsibility for the success of their schools.

Transparent accountability of schools

In 2020–21, 217 public school reviews were conducted following a six-month period of suspension from March 2020 due to COVID-19. Schools reviewed included 134 primary schools, 43 secondary schools, 21 education support schools and centres, 18 district high schools and one Kindergarten to Year 12 school. In September 2020, we provided schools with ‘The Standard’, a document that articulates expectations when reflecting on their performance.

Reviews are required for all Western Australian public schools. Following each review, a return timeframe of one, three or five years is determined based on the review and in the best interests of the school community.

Principals are expected to share the school review reports with their school communities and publish them on their websites or on [Schools Online](#) for a period of 12 months.

The Funding Agreement for Schools continued to articulate accountability mechanisms for principals in managing their school budget to meet the learning and wellbeing needs of students.

Schools with students from Kindergarten to Year 2 must complete an annual internal audit against the National Quality Standard (NQS), and may request verification of their audit to ensure consistent interpretation of the standard. In 2020, we verified the audits of 40 public schools.

We continued to support school council and board members to fulfil their functions through the Linking Schools and Communities Program, which had 177 participants in the one day workshops for principals and chairs.

At the start of the 2021 school year, 615 of our schools were operating as Independent Public Schools. This included the 29 schools that successfully completed the development and selection program in 2020, commencing as Independent Public Schools in Semester 2, 2020, and a further five new schools that opened in 2021.

Central funding and support to public schools

During 2020–21, significantly more content has been made available through Ikon (Information and knowledge online), our customer-focused intranet. Ikon supports the needs of staff by providing a single point of entry for finding the information and services they need to do their jobs.

In 2020, we began to establish – through an open market tender process – a panel to enable staff to access professional learning developed and delivered by external providers. While professional learning through external providers has been a longstanding element of the Department’s approach to professional development, the establishment of the panel, available from late 2021, will provide improved access to quality programs aiming to upskill and expand teacher capabilities.

The 2018 independent [evaluation](#) of our student-centred funding model outlined recommendations for refining the existing methodology. In response, in 2020, changes were made to the model’s methodology for the locality allocation and English as an additional language or dialect allocation. A working group has been formed to consider the evaluation’s remaining recommendations based on stakeholder feedback and current best practice.

In 2021, we increased the per student funding rates for schools with students in Pre-primary to Year 6. This was to enable schools to appoint more teachers to meet the additional duties other than teaching (DOTT) time for primary teachers, which increased from 240 minutes per week to 270 minutes per week.

Our School Budget Review Committee provides a mechanism for public schools to seek additional funding during the school year. In 2020–21, nine requests for additional funding from schools were approved with \$425,308 in additional funding allocated.

We provided 122 workshop and training sessions to 1,253 staff as part of a comprehensive professional learning program on leading, managing and monitoring school budgets. We also provided individual support for schools through online and in-school sessions.

Our Direct to Market program, a previous election commitment of the State Government, allows schools to directly source contractors for maintenance and minor capital works, providing increased flexibility and the ability to use local contractors. In 2020–21, projects worth just over \$612,500 were successfully delivered. Schools were supported through targeted training and an online hub.

Information and communication technologies (ICT) to support public schools

We signed a new agreement with Telstra to increase broadband capacity by an average of 20 times the current capacity for approximately 800 public schools, as well as other Department sites.

Upgrade work commenced in January 2021 and is forecast to be completed by late 2022. As at 30 June 2021, 318 schools had received bandwidth upgrades.

These upgrades will have a significant flow-on benefit to regional communities surrounding the schools. The improved infrastructure by Telstra Wholesale will allow other retail telecommunications providers to offer improved internet services to businesses and consumers, particularly in regional Western Australia.

We provided 3,720 new notebook computers to teachers in 2020–21 through the Notebooks for Teachers Program. We continued to provide technical support services, access to a range of software applications, insurance and warranty cover to 7,800 teachers using a notebook provided by the program.

We addressed more than 198,000 requests by staff for ICT technical support, advice and consultancy in 2020–21, with 68% resolved at first contact.

On average, more than 180,000 teachers, students and parents used Connect, our integrated teaching and learning online environment, each month during 2020–21. In Semester 1, 2021, we provided more than 43,000 online classrooms for students and 251 schools provided parents with access to electronic versions of their children's school reports through Connect.

Investing in our public school infrastructure

Our asset investment program was \$366.7 million in 2020–21.

This included completing construction on:

- stage two of Yanchep Secondary College for the start of the 2021 school year.
- stage two of Aveley Secondary College, delivered through the WA Schools Public Private Partnership (PPP) Project.

Construction commenced for:

- the new Piara Waters Secondary College (planning name), and stage two of Ridge View Secondary College and Bob Hawke College, all part of the WA Recovery Plan, to be ready to open for the commencement of the 2023 school year
- stage two of Coastal Lakes College, delivered through the WA Schools PPP Project
- major upgrades at Kiara College and Hedland Senior High School
- new primary schools in Alkimos (Shorehaven), Burns Beach, Riva (Forrestdale South East) and Treeby (Banjup West), all to open for the start of the 2022 school year
- the new administration building and fire remediation work at Broome Primary School, Gingin District High School and East Kimberley College, as well as administration upgrades at Falls Road Primary School and Hollywood Primary School.

Planning commenced for:

- new schools in West Swan (Dayton), Landsdale South and Madora Bay, and stage two of Yarralinka Primary School, all to open for 2023
- stage two of Hammond Park Secondary College, delivered through the WA Schools PPP Project
- the rebuild of Hillarys Primary School
- major additions at Derby District High School.

Construction was completed on:

- the redevelopment of Balcatta Senior High School, specialist facilities at Mount Lawley Senior High School and an auditorium at Perth Modern School
- Brabham Primary School, North Harrisdale Primary School (planning name: Harrisdale North), Pine View Primary School (planning name: Baldivis South), Yanchep Rise Primary School (planning name: Sunningdale) and stage one of Yarralinka Primary School (planning name: Southern River Precinct Three) for the beginning of the 2021 school year
- the replacement Yanchep Lagoon Primary School for the 2021 school year
- a new classroom block at Victoria Park Primary School, as well as administration upgrades at Booragoon Primary School, Brookman Primary School, Hampton Park Primary School, Kalamunda Primary School and Mosman Park Primary School.

Science laboratories in the remaining 50 schools in stage two of the Investing in Science program were completed.

The \$200 million Maintenance Blitz program for maintenance and minor works in public schools was substantially completed in 2020–21.

An amount of \$492 million was allocated to implement the WA Recovery Plan to be delivered over the 2020–21 to 2024–25 financial years. The capital works program will deliver projects across 67 schools. The larger projects are included in the information below.

Construction commenced for:

- a new oval at Margaret River Senior High School
- refurbishments at Balga Senior High School, Belmont City College, Como Secondary College, Duncraig Senior High School, Kalgoorlie-Boulder Community High School, Leeming Senior High School, Belmont Primary School and Maida Vale Primary School
- redevelopment at Westminster Primary School
- classroom additions at East Wanneroo Primary School, High Wycombe Primary School, Kingston Primary School, Malvern Springs Primary School, Mount Helena Primary School, Nollamara Primary School, Spring Hill Primary School, Wattle Grove Primary School, West Byford Primary School, Wickham Primary School and Yale Primary School
- early intervention centre at Hawker Park Primary School
- education support hub at Malibu School
- education support facility at Pine View Primary School.

Planning commenced for:

- major additions and upgrades at Australind Senior High School, Carine Senior High School, Joseph Banks Secondary College, Kalamunda Senior High School, Karratha Senior High School, Lynwood Senior High School, Pinjarra Senior High School and Willetton Senior High School
- redevelopment of Roebourne District High School and Lesmurdie Primary School
- performing arts centres at Albany Senior High School, Dianella Secondary College, Lakeland Senior High School and Warwick Senior High School, a sports hall at Ocean Reef Senior High School, visual arts studios at Southern River College and an Aboriginal Learning Centre at Swan View Senior High School
- education support facilities at Canning Vale College and Lakeland Senior High School
- refurbishments at Bunbury Senior High School, Eastern Hills Senior High School, Girrawheen Senior High School, Greenwood College, Harvey Senior High School, John Curtin College of the Arts, Melville Senior High School, North Albany Senior High School, Rockingham Senior High School, Wanneroo Secondary College, Belmay Primary School and Heathridge Primary School
- classroom additions at Kyilla Primary School and Wyndham District High School.

Demolition of the old pool hall at Lakeland Senior High School was completed.

Minor works projects at a further 12 primary and secondary schools commenced.

Under Royalties for Regions, construction:

- was completed for additions at Broome Senior High School and Bunbury Senior High School, and additions and refurbishments at Albany Secondary Education Support Centre and North Albany Senior High School
- commenced for the replacement of Mount Lockyer Primary School.

Construction was completed for additions and alterations at Moora Residential College, funded through the Australian Government's Community Development Grants Programme.

Meeting our national and state commitments

The Department continued to prepare for participating in the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability. We also responded to an initial Notice to Produce on 9 April 2021, working collaboratively with other public agencies to ensure information submitted was accurate and timely.

The Royal Commission into Institutional Responses to Child Sexual Abuse made recommendations in 2017 that are directly or indirectly relevant to, or impact on, the operations of schools and the Department.

We are working collaboratively across sectors in a whole-of-government approach which includes working with the Australian and state and territory governments to ensure a coordinated and effective approach to the recommendations that require national consistency.

Work at a state level includes addressing recommendations for ensuring schools are safe for children. We are a key partner in the development of a work plan led by the Department of Communities to implement these recommendations. We are also contributing to the design of an integrated oversight system across organisations that work with children.

We are – in collaboration with the National Office for Child Safety, the Australian and state and territory governments – developing a National Strategy to Prevent Child Sexual Abuse. The strategy will be trauma-informed, culturally appropriate and reflect the needs of all population cohorts.

We provide ongoing support to schools to assist a seamless interface with the National Disability Insurance Scheme (NDIS) in our schools.

Nationally agreed policy reforms continued to be progressed through the Education Council and its replacement from 2021, the Education Ministers Meeting and subcommittees.

We negotiated one or two year extensions with the Australian Government to the following agreements which support the learning and development of children and young people:

- National Partnership on Universal Access to Early Childhood Education, to the end of 2021
- Schools Pathways Programme (Defence Industry), to 30 June 2022
- Sporting Schools, to the end of 2021.

MoneySmart Teaching was extended to 30 June 2021 and incorporated into a new National Partnership for Streamlined Agreements.

We contributed to the State Government's work in co-designing and developing WA's implementation plan for the new National Agreement on Closing the Gap.

We developed a Multicultural Plan and submitted the plan to the Office of Multicultural Interests, as required. The plan, which will be finalised in 2021–22, outlines key areas of action to assist staff to support all aspects of our cultural and linguistic diversity in the workplace and in our school communities.

In 2020, we started our Undergraduate Allied Professional Program that paid high-performing Aboriginal university students to enrol in traineeships for 10 to 12 weeks. The program provided the trainees with experience in public sector roles and promoted careers with the Department.

We continued to prioritise accuracy and timely turnaround of briefings and responses to ministerial letters, parliamentary questions and Cabinet comments (refer to [Table 3](#)).

Table 3: Ministerial requests processed 2018–19 to 2020–21

Type	2018–19	2019–20	2020–21 ^(a)
Letters	1,595	1,689	1,560
Briefing notes/advice	1,561	1,335 ^(b)	1,406 ^(c)
Answers to parliamentary questions	208	218	130
Cabinet comments	20	44	53
Contentious issues reports (average number of briefings per report)	10 (47)	8 (31)	7 (21)
Total	3,394	3,294	3,156
Percentage processed on time	94	87	89

Source: *Strategy and Policy*

(a) Caretaker period and subsequent time for new Cabinet to be sworn in affected number of requests.

(b) Due to COVID-19, the 2020–21 budget was not tabled in 2019–20. Consequently, the preparation of budget briefings occurred after 30 June 2020.

(c) As budget is not being handed down until September 2021, briefings relating to the 2021–22 Parliamentary Estimates Hearing were not prepared in 2020–21. As a result of 2021 State Election, briefings for incoming Government are included.

Partnering with families, communities and agencies to support the educational engagement of every student

Students come to school with a range of learning, social adjustment and mental health issues. We engaged with families to better understand and support the interests, personalities and needs of their children. We also continued to build partnerships between our schools – across sectors and systems – and other agencies and organisations to provide specialist support services that schools cannot provide.

Best start to learning for young children

In 2020–21, our 22 Child and Parent Centres provided 590 programs and services with approximately 74,000 child attendances and 72,000 adult attendances. The centres continued to support families and communities to provide young children with the best start to learning.



Child and Parent Centres offer programs and services that support families and help children develop and learn during their early years. Find out more about our Child and Parent Centre in Gosnells.

At 30 June 2021, 21 public and two non-government schools were participating in the Kimberley Schools Project (KSP). These schools were supported to intensify and accelerate children's learning through targeted teaching practices in Kindergarten to Year 2. Support beyond the early years was provided on a school-by-school basis in either, or both, literacy and numeracy. Schools could also participate in the project's leadership model and implement the KSP KindiLink program. From Semester 2, 2020, KSP schools could apply for a grant to work with their communities to identify and implement community strategies to strengthen student engagement.

In 2020, the Enhanced Transition to School Project – a partnership between the Department, the Australian Government, Catholic Education Western Australia, the Association of Independent Schools of Western Australia and Playgroup WA – supported 406 playgroups, including six new playgroups. The partnership provides:

- opportunities for wrap-around services and community engagement
- support for the transition of pre-school children to school.

The trial initiative Culturally and Linguistically Diverse Early Years Link Project (CaLDEYLink) will begin in two metropolitan primary schools with high proportions of CaLD families in Semester 2, 2021. The initiative aims to:

- develop the personal/social, language and cognitive capabilities of English as an additional language or dialect (EALD) children prior to school entry
- build on the capacity of CaLD families as their children's first educators
- forge stronger and more collaborative partnerships between home, school and community.

Preparation, including staff appointments, training, planning and community engagement was undertaken in Semester 1, 2021.

Collaboration with families

Schools continued to support parents, caregivers and others in the community to model and reinforce positive behaviour to young people through the Positive Parenting Program (Triple P). In 2020, 414 Triple P sessions were attended by 3,140 parents. The sessions were organised by our staff and offered through schools, Child and Parent Centres, and not-for-profit organisations.

In 2020–21, we managed the School Drug Education and Road Aware Program. Through this program:

- 19 professional learning programs relating to early intervention to address student alcohol and drug use were delivered
- 1,480 public and non-government school staff participated in alcohol and other drugs education professional learning
- more than 19,000 students in public and non-government schools participated in the Keys4Life pre-driver education program.

Collaboration with other agencies and organisations

We were the lead agency for the three-year Full Service Schools pilot, in the Armadale, Byford and Kelmscott areas, which concluded in December 2020. Services commenced in 2019 at the purpose-built Youth and Community Services Hub at Armadale Senior High School. The pilot engaged 41 government and non-government agencies to provide a range of youth and family support services to the two initial target groups: young people who are pregnant or parenting, and young people who are vulnerable to homelessness or family and domestic violence.

Between 2019 and 2020, 230 students participated in the Full Service Schools pilot. The pilot ceased at the end of 2020 and has now become an ongoing program coordinated by Armadale Senior High School.

Through a memorandum of understanding with the Department of Justice, we support the provision of education services to children and young people in detention. This includes funding to the Department of Justice for the salaries and on-costs for three full-time equivalent teaching positions and access to online professional learning for Department of Justice education staff members.

Our School of Special Educational Needs: Behaviour and Engagement continued work with the Department of Justice to support students moving between youth justice services and schools.

We continued to contribute to the Kimberley Juvenile Justice Strategy, a cross-government approach led by the Department of Justice to address youth offending rates and antisocial behaviours in the Kimberley region. In 2020–21, we continued to support the strategy through the:

- work of a youth transition coordinator located in the Kimberley to provide tailored support to young people leaving the care of justice services by collaborating with Banksia Hill Detention Centre staff, the community, and the young person and their family
- delivery of an alternative education program in the Kimberley designed to divert vulnerable students from offending by offering a pathway for them to re-engage with education, and receive life-skills training and possible employment opportunities.

We maintained partnerships with other government agencies, including the Western Australia Police Force and the departments of Communities, Justice and Health, through established memoranda of understanding.

We continued the BHP Pilbara Education Partnership, a collaborative partnership strengthening community based learning approaches for students in the Pilbara. Across a range of agencies and organisations, the partnership:

- coordinated specialist services to deliver targeted support to prepare pre-school children for school
- provided students with learning experiences to expose them to the unique employment opportunities available in the Pilbara, and to assist them to make informed decisions about their future.

As a regulator and funder

The Department influences the education of all students in Western Australia. We enact this indirectly for non-government school education through regulation and funding of Catholic and Independent schools.

Approximately one-third of Western Australian students (154,154) were enrolled in 312 non-government schools in 2021. Refer to [Appendix 1](#) for further enrolment information.

We ensured the School Curriculum and Standards Authority and Teacher Registration Board of Western Australia were provided with secretariat services to support their functions.

Non-government school regulation and funding, and home education

Non-government school regulation

We regulated Independent schools, and audited and reviewed the regulation of Catholic schools against the:

- *School Education Act 1999 (WA)*
- registration standards set by the Minister for Education and Training
- the Minister's system agreement with Catholic Education Western Australia (CEWA)
- policies adopted by the Director General.

We maintained procedural safeguards to ensure our regulatory functions are transparent, and that regulatory and delivery functions are appropriately separated.

The Director General assessed compliance of Independent schools with the registration standards and other requirements. In 2020–21, the Director General approved:

- three new non-government schools
- 40 registration renewals
- 12 extensions of year levels for existing schools
- 20 other registration changes.

We provided secretariat support to the Minister's Non-Government Schools Planning Advisory Panel. The panel provided advice to the Minister on 10 planning proposals seeking advance determination to establish a non-government school or to make a significant registration change.

Non-government school funding

We provided funding to Catholic and Independent schools based on a formula approved by the Minister for Education and Training.

Funding was provided on a per-student basis in accordance with the requirements of the National School Reform Agreement. The annual Non-Government Schools Funding Order and Guidelines were issued by the Minister and set out funding amounts, and accountability and eligibility requirements.

The main sources of funding for non-government schools were Australian Government grants, State Government grants, and tuition fees paid by parents.

In 2020–21, we provided almost \$441 million in recurrent financial assistance for 150,851 students in non-government schools (more than \$441 million for 148,057 students in 2019–20). This amount included \$32.1 million to support students with special educational needs (\$31.2 million in 2019–20).

We provided just over \$4.75 million to CEWA and the Association of Independent Schools of Western Australia (AISWA) to administer the State Government's Non-Government School Psychology Service.

We also provided just over \$1.1 million to CEWA and AISWA to support the re-engagement of students at educational risk, and \$181,000 to the Australian Music Examinations Board (WA).

Through the Low Interest Loan Scheme, there were 327 active loans for non-government schools and The University of Notre Dame Australia with an outstanding balance of \$380.3 million ([Table 4](#)). Of the \$38.8 million advanced in 2020–21, \$32.7 million was for new works and \$6.1 million was for works in progress ([Table 5](#)). In 2020–21, we received recurrent appropriation of \$0.6 million (\$1.2 million in 2019–20) to meet the annual costs of the interest subsidy.

Table 4: Low interest loans summary 2018–19 to 2020–21

	2018–19	2019–20	2020–21
Balance outstanding	\$349.2m	\$363.1m	\$380.3m
Number of active low interest loans	372	348	327

Source: Education Business Services

Table 5: Low interest loans nature of works summary 2018–19 to 2020–21

	2018–19	2019–20	2020–21
New works	\$42.2m	\$44.8m	\$32.7m
Works in progress	\$4.1m	\$6.6m	\$6.1m

Source: Education Business Services

Further information about the provision of per capita grant funding to non-government schools is on our [website](#). This includes financial assistance provided to individual schools in 2020–21 and a list of schools that received loans.

Home education

We are responsible for registering home educators, and evaluating home education programs and children's educational progress. In 2020–21, we provided \$3.3 million for the employment of home education moderators and administrative support to meet this commitment. For the number of students registered to receive home education, refer to [Table A11](#).

Providing secretariat services and support

School curriculum and standards

We provided services and support to the School Curriculum and Standards Authority through a service level agreement to ensure it delivered its functions of:

- developing and maintaining the Kindergarten to Year 12 curriculum and syllabuses
- assessments, examinations, reporting and certification
- monitoring and reporting on standards of student achievement
- internationalisation of the Western Australian Curriculum and Assessment Outline and the Western Australian Certificate of Education (WACE).

We maintained internal systems and processes that ensured the Authority received independent advice and support from our staff, and that the data it collected and managed were protected.

As an independent statutory body with its functions prescribed in the *School Curriculum and Standards Authority Act 1997 (WA)*, the Authority tables its own [annual report](#) in the Western Australian Parliament.

Teacher registration

We provided support services to the Teacher Registration Board of Western Australia, including to register teachers and accredit initial teacher education programs. We maintained internal processes and systems that ensured the Board received independent advice and support from our staff; the data it collected and managed were protected; and investigations remained confidential, with the best interests of children the paramount consideration.

The scheme of teacher registration administered by the Board is designed to ensure that only fit and proper persons are registered as teachers.

As an independent statutory body with its functions prescribed in the *Teacher Registration Act 2012 (WA)*, the Teacher Registration Board of Western Australia produces its own [annual report](#), which is included in this report.

Key performance indicators and budget matters related to the Board are included in the [Department's report](#).

Higher education

We provided secretariat services to the Western Australian Higher Education Council, chaired by the Minister for Education and Training and comprising the vice-chancellors of Western Australia's five universities. The council met three times in 2020–21 on matters of mutual interest between the universities and the State Government.

Priority projects included:

- promoting international education
- supporting the participation of regional WA students in higher education
- encouraging inter-university collaboration in medical education and research
- increasing the number of secondary school teacher graduates
- responding to the impact of COVID-19 on WA's universities.

Rural and remote education

We provided secretariat services to the Rural and Remote Education Advisory Council chaired by Matthew Hughes MLA and including community, consumer and funding provider group representatives. The council promoted cooperation between funding providers to enhance education service delivery in rural and remote regions.

Disclosures and legal compliance

General disclosures

Ministerial directions

No directions were issued by the Minister for Education and Training in 2020–21 relevant to:

- the setting or achievement of desired outcomes or operational objectives
- investment activities
- financing activities.

Good governance and compliance with public sector standards and ethical codes

Our commitment to promoting the highest standards of corporate governance, professional conduct and ethical behaviour continued through ensuring our practices complied with relevant obligations, such as [Public Sector Standards in Human Resource Management](#) and the [Code of conduct requirements in the Western Australian government sector](#).

In 2020–21, we led a number of initiatives to help foster a culture of integrity and provide assurance over the governance of the public school system. These included:

- launching a new [Code of Conduct and Standards](#) for the Department
- continuing work on a Department-wide Integrity Framework, aligned to the [Integrity Strategy for WA Public Authorities 2020–2023](#)
- monitoring and responding to trends in business intelligence through the Corporate Executive, chaired by the Director General, which met 12 times
- re-engaging external members (including the Chair, Mr Colin Murphy PSM) for our independent Audit and Risk Committee, which met four times
- updating the Department’s key enterprise risks to explore proactive identification and treatment of emerging risks
- adopting a new longer-term internal audit plan to provide insight to the effectiveness of risk management, with nine strategic audits commenced
- leading six major reviews of the Department’s policies to better guide practices and achieve outcomes, and an additional 33 minor reviews
- preparing a corporate fraud and corruption control plan based on better practice and lessons learnt in the public sector
- ensuring mandatory Accountable and Ethical Decision Making training was available to all staff
- making enhancements to our Working with Children compliance controls in collaboration with the Department of Communities.

We have met all obligations of the Office of the Auditor General's recommendations for managing compliance with Working with Children Checks, published on 15 July 2020. To complete all four recommendations, we:

- updated our Working with Children Check policy and additional guidance
- upgraded our Working with Children Recording System with improvements to the reporting and data collecting functionality to aid compliance
- now ensure the Working with Children cards of all individuals are cross-referenced with the Department of Communities database prior to commencement, and daily thereafter.

We monitored staff records in compliance with the *Working with Children (Criminal Record Checking) Act 2004 (WA)* and conducted regular compliance reviews of schools and other Department worksites. An audit conducted in June 2021 found a compliance rate of 98.5% across sites.

In 2020–21, 10 interim negative notices and 23 negative notices were issued to current Department of Education employees by the Department of Communities. Employees issued with an interim negative notice or negative notice are dismissed for repudiation of their employment contract.

We issued \$1,351,527 in reimbursements (\$841,431 in 2019–20) to staff and volunteers required to renew Working with Children cards as part of their employment.

In addition to our independent Audit and Risk Committee, there are two governance committees that support our Corporate Executive: the Finance and Investment Committee and the People and Services Committee. These two committees monitor the Department's major projects and programs. At 30 June 2021, 53 major projects and 16 programs were underway. During 2020–21, we closed 101 projects.

In 2020–21, our Screening Unit processed 21,019 criminal history record checks (18,288 in 2019–20) of prospective employees, volunteers, contractors and tertiary students undertaking practicums in the education and training sectors. The Screening Committee refused 26 cases that were referred for consideration, due to the criminal history being in breach of the Department's Criminal Convictions Suitability Criteria, which was the same number as 2019–20.

We conducted selection panel training to ensure all our recruitment processes and employment decisions were conducted in accordance with the Public Sector Commissioner's Instructions: Employment Standard and Filling a Public Sector Vacancy. In 2020–21, 306 staff members attended selection panel training.

We managed breach of Standard claims as required by the *Public Sector Management (Breaches of Public Sector Standards) Regulations 2005 (WA)*. We completed 46 breach of Standard claims. Of these, one was upheld by the Public Sector Commission against the Employment Standard. We supported staff and improved compliance by reviewing breach of Standard claims and identifying practice improvements.

Freedom of information

The *Freedom of Information Act 1992* (WA) creates a general right of access to documents held by all state and local government agencies. We are required to make available details about the types of documents we hold and assist the public to ensure personal information we hold about them is accurate, complete, up to date and not misleading.

Details about the freedom of information process is in our Information Statement, available on [our website](#).

Recordkeeping plans

In 2020–21, 11,911 staff completed the mandatory online recordkeeping awareness training, including 11,211 school staff. The online recordkeeping awareness training is compulsory for all new employees of the Department, and outlines their recordkeeping obligations as government employees, and their requirements in adhering to our recordkeeping plan.

In addition, 293 staff were trained to use our electronic document records management system (TRIM), including 48 staff as advanced users.

In 2020–21, we made 462 visits (including follow-up visits) to schools to provide training, advice and support on their recordkeeping practices, with 2,089 school administrators and teachers receiving face-to-face or online training on recordkeeping practices.

We reviewed and revised our online recordkeeping awareness training, and both our intranet content and face-to-face training on records management.

We also implemented new processes to improve governance over the disposal of school records, including surveying schools about storage and arrangements and moving school records from offsite storage to centralised storage.

Organisations are required to evaluate their recordkeeping systems not less than once every five years. Our recordkeeping plan is due for review with the State Records Office of Western Australia in 2022.

Disability access and inclusion plan outcomes

We continued to implement our [Disability Access and Inclusion Plan 2018–2023](#), which identifies strategies to enhance equitable inclusion of people with disability in our schools, services and employment. It covers outcomes required under the *Disability Services Regulations 2004* (WA) and the additional outcome of improving learning outcomes for students with disability.

In 2020:

- We supported 678 students to learn from home under the [COVID-19 Medical Referral Project](#), which included providing online classes and classrooms, and making home visits as required.
- Over 2,000 school staff completed the new [Fetal Alcohol Spectrum Disorder workshops or online module](#).
- Our Schools of Special Educational Needs provided specialised [support for students with specific educational and engagement needs](#).

Expenditure on advertising and market research

In 2020–21, we incurred expenditure centrally of \$0.71 million (\$1.82 million in 2019–20 and \$0.95 million in 2018–19) with media advertising organisations, advertising agencies and market research organisations (refer to [Table 6](#)). There was no expenditure with polling and direct mail organisations.

Table 6: Central expenditure on advertising and market research 2020–21

Category and providers	Amount (\$)
Media advertising organisations	305,551
Carat Australia Media Initiative Media	
Advertising agencies ^(a)	364,660
Ad Capital Gatecrasher Rare Creativethinking	
Market research organisations	38,483
Metrix Consulting Thinkfield	

Source: *Communications and Media, and Education Business Services*

(a) Provided full range of creative services.

Unauthorised use of credit cards

During 2020–21, staff reported 504 instances of unauthorised use of corporate credit cards with no cases referred for investigation. Thirty-one of these were reported by staff in central services and regional offices, and 473 by school staff. Generally, unauthorised transactions were as a result of cards being used in error. If repayment was not received within five working days, strategies were employed to recover the amount owing including reminder notices and cancellation of cards.

The number of instances reported in 2020–21 decreased by approximately 5% (29 instances) in comparison to the 2019–20 results (533 instances). For further information, refer to [Table 7](#).

Table 7: Unauthorised use of credit cards 2020–21

Category	Amount (\$)
Aggregate amount of personal use expenditure for 2020–21	21,528.26
Aggregate amount of personal use expenditure settled by the due date (payment due within five working days)	16,994.32
Aggregate amount of personal use expenditure settled after the due date (after five working days)	4,534.00
Aggregate amount of personal use expenditure outstanding at 30 June 2021 ^(a)	-0.06

Source: *Education Business Services*

(a) All personal credit card use reported in 2020–21 has been settled. The repayments for personal use included rounding of \$0.06.

Act of grace payments

During 2020–21, the Department made act of grace payments amounting to \$27,025.02. For further information, refer to [Table 8](#).

Table 8: Act of grace payments made in 2020–21

Purpose	Payment date	Amount (\$)
Payment made on compassionate grounds	Sept 2020	10,600.00
Payment of six supplier debts due to an insolvent Parents and Citizens' Association	Oct 2020	16,425.02
Total		27,025.02

Source: *Education Business Services*

Pricing policies of services provided

We charge for goods and services rendered on a full or partial cost-recovery basis. We determined these fees in accordance with the Department of Treasury's [Costing and Pricing Government Services guidelines](#).

The *School Education Act 1999 (WA)* and *School Education Regulations 2000 (WA)* govern the setting of fees, charges and contributions for students in public schools.

The *Education Service Providers (Full Fee Overseas Students) Registration Regulations 1992 (WA)* prescribes fees for registration and re-registration of international education service providers in Western Australia.

Fees and charges associated with teacher registration were governed by the *Teacher Registration (General) Regulations 2012 (WA)* and the *Teacher Registration (Accreditation of Initial Teacher Education Programmes) Regulations 2012 (WA)*. Refer to the Teacher Registration Board of Western Australia's [website](#) for their Schedule of Fees.

The School Curriculum and Standards Authority charged for its regulatory functions relevant to certification, assessment and examinations as prescribed by the *School Curriculum and Standards Authority Regulations 2005 (WA)*.

Fees for residential colleges were prescribed in regulation 14 (7) of the *School Education (Student Residential Colleges) Regulations 2017 (WA)*.

Annual estimates

In the 2021–22 Budget Statements, the estimates for the Department of Education and the School Curriculum and Standards Authority are consolidated within a single Division of the Consolidated Account Expenditure Estimates. The annual estimates representing the budget for the Department of Education excluding the School Curriculum and Standards Authority are in [Appendix 4](#).

Board and committee remuneration

Members of boards and committees, as defined in Premier's Circular 2019/07 – State Government boards and committees, were remunerated as determined by the Minister for Education and Training, on the recommendation of the Public Sector Commissioner. Details of these remunerations are in [tables 9 to 13](#).

Table 9: Teacher Registration Board of Western Australia remuneration 2020–21

Position Member name	Term of appointment	Membership length (2020–21)	Remuneration		
			Type	Base salary/ sitting fee	Actual (2020–21)
Chair					
Margaret Collins	5 years	12 months	Annual	\$23,433	\$23,433
Deputy Chair					
Ron Dullard	5 years	12 months	Meeting	\$505	\$5,555
Member					
Casey Bakunowicz	2 years	7 months	Meeting	\$505	\$2,020
Nicole Brown	3 years	12 months	Meeting	\$505	\$5,050
Jeremy Bruse	2 years	5 months	–	–	–
Peter Collins	2 years	5 months	Meeting	\$505	\$2,525
Emily Donders	2 years	7 months	–	–	–
Kate Offer	3 years	12 months	Meeting	\$505	\$5,050
Julie Woodhouse	3 years	12 months	–	–	–
Total					\$43,633

Source: Teacher Registration

Table 10: Non-Government Schools Planning Advisory Panel remuneration 2020–21

Position Member name	Term of appointment	Membership length (2020–21)	Remuneration		
			Type	Base salary/ sitting fee	Actual (2020–21)
Chair					
Audrey Jackson	3 years	12 months	Half/full day	\$380/580	\$2,480
Member					
Gavin Agacy	1 year and 9 months	12 months	–	–	–
Anne Coffey	3 years	12 months	–	–	–
Natalie Gulberti	3 years	12 months	–	–	–
Giselle Lau	3 years	4 months	–	–	–
Lisa Powell	9 months	8 months	–	–	–
Carmel Quinn	2 years and 4 months	4 months	–	–	–
Llewellyn Woodford	3 years	12 months	Half day	\$250	\$1,250
Total					\$3,730

Source: Strategy and Policy

Table 11: School Curriculum and Standards Authority Board remuneration 2020–21

Position Member name	Term of appointment	Membership length (2020–21)	Remuneration		
			Type	Base salary/ sitting fee	Actual (2020–21)
Chair					
Emeritus Professor Patrick Garnett	5 years	12 months	Annual	\$37,380	\$37,380
Member					
Chapple Professor David Andrich	2 years	12 months	Annual	\$23,475	\$23,475
Associate Professor Lennie Barblett	3 years	12 months	Annual	\$23,475	\$23,475
Ms Pauline Coghlan	4 years	12 months	Annual	\$23,475	\$23,475
Dr Lynette Henderson-Yates	3 years	12 months	Annual	\$23,475	\$23,475
Dr Bruce Matthews	4 years	3 months	Annual	\$23,475	\$6,952
Ms Denise O'Meara	3.5 years	12 months	Annual	\$23,475	\$23,475
Mrs Pauline White	3 years	9 months	Annual	\$23,475	\$9,661
Total					\$171,368

Source: School Curriculum and Standards

Table 12: School Curriculum and Standards Authority – Curriculum and Assessment Committee remuneration 2020–21

Position Member name	Term of appointment	Membership length (2020–21)	Remuneration		
			Type	Base salary/ sitting fee	Actual (2020–21)
Chair					
Ms Denise O'Meara	3.5 years	12 months	Meeting	\$550	\$2,750
Member					
Mr Jeffrey Allan	4 years	9 months	Meeting	\$370	\$740
Associate Professor Caroline Barratt-Pugh	3 years	12 months	Meeting	\$370	\$1,480
Ms Elizabeth Blackwell	4 years	12 months	–	–	–
Mr Martin Clery	4 years	9 months	–	–	–
Ms Amanda Connor	4 years	12 months	Meeting	\$370	\$1,480
Ms Fiona Forbes	2 years	12 months	–	–	–
Mr Armando Giglia	4 years	12 months	–	–	–
Ms Jillian Jamieson	2 years	12 months	Meeting	\$370	\$1,110
Mr Tony Misich	3 years	12 months	Meeting	\$370	\$0
Ms Kristine Stafford	4 years	12 months	Meeting	\$370	\$1,850
Ms Katherine Ward	3 years	12 months	–	–	–
Mr Roderick (Rod) Wood	2 years	12 months	Meeting	\$370	\$1,480
Total					\$10,890

Source: School Curriculum and Standards

Table 13: School Curriculum and Standards Authority – Standards Committee remuneration 2020–21

Position Member name	Term of appointment	Membership length (2020–21)	Remuneration		
			Type	Base salary/ sitting fee	Actual (2020–21)
Chair					
Dr Bruce Matthews	4 years	3 months	Meeting	\$550	\$1,100
Ms Pauline Coghlan	4 years	9 months	Meeting	\$550	\$1,650
Member					
Ms Jocelyn Cook	4 years	9 months	Meeting	\$370	\$1,110
Ms Anne Ford	3 years	12 months	Meeting	\$370	\$1,480
Ms Melissa Gillett	2 years	12 months	–	–	–
Associate Professor Stephen Humphry	3 years	12 months	Meeting	\$370	\$1,110
Ms Pauline White	2 years	3 months	–	–	–
Total					\$6,450

Source: School Curriculum and Standards

Occupational safety, health and injury management

Table 14: Occupational safety and health performance indicators 2018–19 to 2020–21

Indicator	2018–19	2019–20	2020–21	Target ^(a)	Outcome
Number of fatalities	0	1	0	0	Target achieved
Lost time injury/disease incidence rate ^(b)	2.7	2.8	3.2	0 or 10% improvement on 2018–19	Target not achieved
Lost time injury/disease severity rate ^(c)	27.4	30.6	36.1	0 or 10% improvement on 2018–19	Target not achieved
% of injured workers returned to work within 13 weeks	77%	75%	70%	No target	–
% of injured workers returned to work within 26 weeks	84%	85%	80%	Greater than or equal to 80%	Target achieved
% of managers trained in occupational safety, health and injury management responsibilities, including refresher training within 3 years ^(d)	46%	76%	88%	Greater than or equal to 80%	Target achieved

Source: Insurance Commission of Western Australia and Department of Education's Workforce

(a) As defined by Public Sector Commissioner's Circular 2018-03 Code of practice: Occupational safety and health in the Western Australian public sector.

(b) Number of incidents resulting in lost time per 100 full-time equivalent staff.

(c) Number of incidents resulting in lost time classified as severe per 100 incidents resulting in lost time.

(d) The figure is based on current principals who have ever completed the training by 30 June.

Staff

During 2020–21, an average of 41,588 full-time equivalent (FTE) staff were employed. Of these, 57.2% were teachers, 30.0% were support staff, 7.7% were cleaners and gardeners, and 5.1% were administrative and clerical staff. School-based staff represented 96.4% of total FTE.

For further information about our staff, refer to our [workforce demographics, tables 15 to 18](#) and [figures 3 and 4](#).

Our average FTE increased by 1,577 FTE (3.9%) from 2019–20, mainly due to:

- additional school-based staff employed to meet growth in the number of students in existing schools, as well as staffing for new schools in 2020–21
- more education assistants as a result of a previous election commitment to employ a further 300 education assistants by December 2020
- increased number of cleaners to maintain an enhanced level of cleaning at all educational facilities throughout 2020–21.

We achieved the State Government’s previous election commitments to fund 300 FTE education assistants and 50 FTE Aboriginal and Islander education officers to directly support students. As at 30 June 2021, funding had been allocated to 259 schools for the employment of an additional 300 FTE education assistants. Funding was also allocated for the employment of an additional 43 FTE Aboriginal and Islander education officers across 70 regional senior high schools, district high schools and remote community schools; with a further 7.0 FTE allocated to employ Aboriginal Boarding Supervisors at four residential colleges. All staff were employed on a permanent basis.

Since the Public Sector Commissioner’s instruction regarding the conversion and appointment of fixed-term contract and casual employees to permanency was released in August 2018, we have continued to review and oversee the employment arrangements of our fixed-term and casual staff. We are committed to permanency being the preferred form of employment.

Both teacher retirements and resignations remained relatively stable in 2020 (refer to [Appendix 3](#)).

Our workforce demographics in 2021 ^(a)

2.3%

identified as Aboriginal and/or Torres Strait Islander

9.9%

identified as culturally and linguistically diverse

1.2%

identified as having a disability

The age profile of our staff

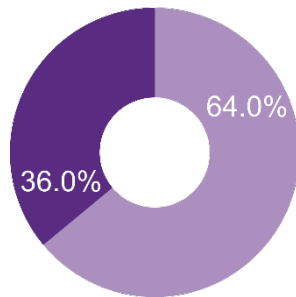
■ **4.2%** were 24 years of age and under

■ **41.3%** were 25 to 44 years of age

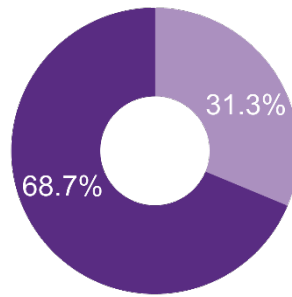
■ **54.5%** were 45 years of age and older

Our leadership by gender – ■ Female ■ Male ■ Indeterminate/Intersex ^(b)

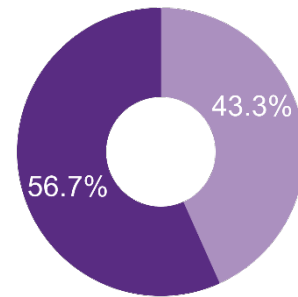
Senior Executive Service ^(c)



Primary school administrators ^(d)



Secondary school administrators ^(d)



Demographics ^(a)

Demographics ^(a)	2020 (%)	2021 (%)	
Aboriginal and/or Torres Strait Islander people	2.3	2.3	
Culturally and linguistically diverse people	9.4	9.9	
People with disability	1.3	1.2	
Age profile			
People 24 years of age and under	4.0	4.2	
People 25 to 44 years of age	41.1	41.3	
People 45 years of age and over	54.9	54.5	
Gender breakdown of Senior Executive Service ^{(b) (c)}			
Female	40.0	36.0	
Male	60.0	64.0	
Gender breakdown of school administrators ^{(b) (d)}			
Primary	Female	67.2	68.7
	Male	32.8	31.3
Secondary	Female	55.4	56.7
	Male	44.6	43.3

Source: Workforce and Education Business Services, using Human Resource Minimum Obligatory Information Requirements (HRMOIR) data

(a) Data as at June of each year.

(b) No employees were recorded against Indeterminate/Intersex in these positions in June 2020 or June 2021.

(c) Employees who are members of the Senior Executive Service (SES) under section 43 of the *Public Sector Management Act 1994* (WA).

(d) Defined as levels 3 to 6 under the School Education Act Employees' (Teachers and Administrators) General Agreement 2019 (WA).

Table 15: Staff ^(a) by category 2016–17 to 2020–21

Category	2016–17	2017–18 ^(b)	2018–19	2019–20	2020–21
Teaching ^(c)	22,889	22,878	23,031	23,303	23,802
Support ^(d)	11,127	11,447	11,674	11,944	12,454
Cleaning and gardening	2,541	2,573	2,593	2,763	3,197
Administrative and clerical ^(e)	1,741	1,938	1,907	2,001	2,135
Total	38,298	38,836	39,205	40,011	41,588

Source: Education Business Services

(a) Average financial year paid full-time equivalent staff rounded to nearest whole number.

(b) From 2017–18, the new Department of Education was formed, which included staff from School Curriculum and Standards Authority and former Department of Education, Department of Education Services, and Country High School Hostels Authority.

(c) Includes principals and deputy principals.

(d) Includes school clerical staff and education assistants.

(e) *Public Sector Management Act 1994* (WA) positions and teaching award staff in administrative roles.

Table 16: Staff ^(a) by operational area and category 2020–21

Operational area	Teaching ^(b)	Support ^(c)	Cleaning and gardening	Administrative and clerical ^(d)	Total
Schools	23,765	12,451	3,192	674	40,082
Central strategic and corporate services	–	–	–	1,363	1,363
Regional offices	37 ^(e)	3	5	98	143
Total	23,802	12,454	3,197	2,135	41,588

Source: Education Business Services

(a) Average financial year paid full-time equivalent staff rounded to nearest whole number.

(b) Includes principals and deputy principals.

(c) Includes school clerical staff and education assistants.

(d) *Public Sector Management Act 1994* (WA) positions and teaching award staff in administrative roles.

(e) Includes Primary Extension and Challenge (PEAC) teachers and home education moderators.

Table 17: School-related staff^(a) by type of school and category 2020–21

Type of school	Teaching ^(b)	Support ^(c)	Cleaning and gardening	Administrative and clerical ^(d)	Total
Community kindergarten	20	18	–	–	38
Primary ^(e)	12,453	6,752	1,726	10	20,941
District high	1,015	552	190	5	1,762
Kindergarten–Year 12 ^(f)	418	166	47	37	668
Secondary	8,195	2,820	1,184	540	12,739
Education support ^(g)	924	1,940	38	45	2,947
Specialist services ^(h)	740	203	7	37	987
Total	23,765	12,451	3,192	674	40,082

Source: Education Business Services

(a) Average financial year paid full-time equivalent staff rounded to nearest whole number.

(b) Includes principals and deputy principals.

(c) Includes school clerical staff and education assistants.

(d) *Public Sector Management Act 1994* (WA) positions and teaching award staff in administrative roles.

(e) Includes schools of the air and remote community schools.

(f) Includes School of Isolated and Distance Education.

(g) Includes language development school and centres.

(h) Includes education services that do not directly enrol students such as camp schools, some schools of special educational needs, vacation swimming and Instrumental Music School Services. Residential colleges are included under Support.

Table 18: School-based teaching staff^(a) by category and education category^(b) 2021

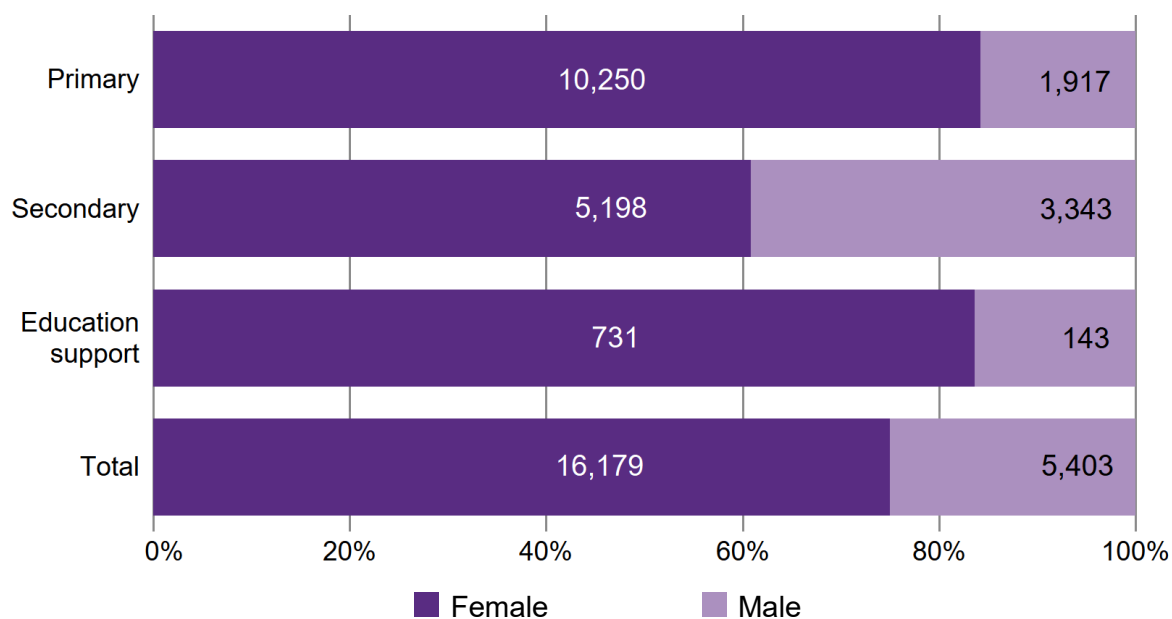
Category	Primary	Secondary	Education support	Total
Principal	567	171	66	804
Deputy principal	819	417	68	1,304
Head of department or program coordinator	19	1,019	9	1,047
Teacher	10,584	6,801	700	18,085
Guidance/counselling	178	133	31	342
Total	12,167	8,541	874	21,582

Source: System and School Performance

(a) Full-time equivalents at Semester 1 student census including teachers at community kindergartens. Based on counting method used for National Schools Statistics Collection that does not include staff on extended leave.

(b) Staff apportioned to education category based on proportion of students in each education category.

Figure 3: School-based teaching staff^(a) by education category^(b) and gender 2021^(c)



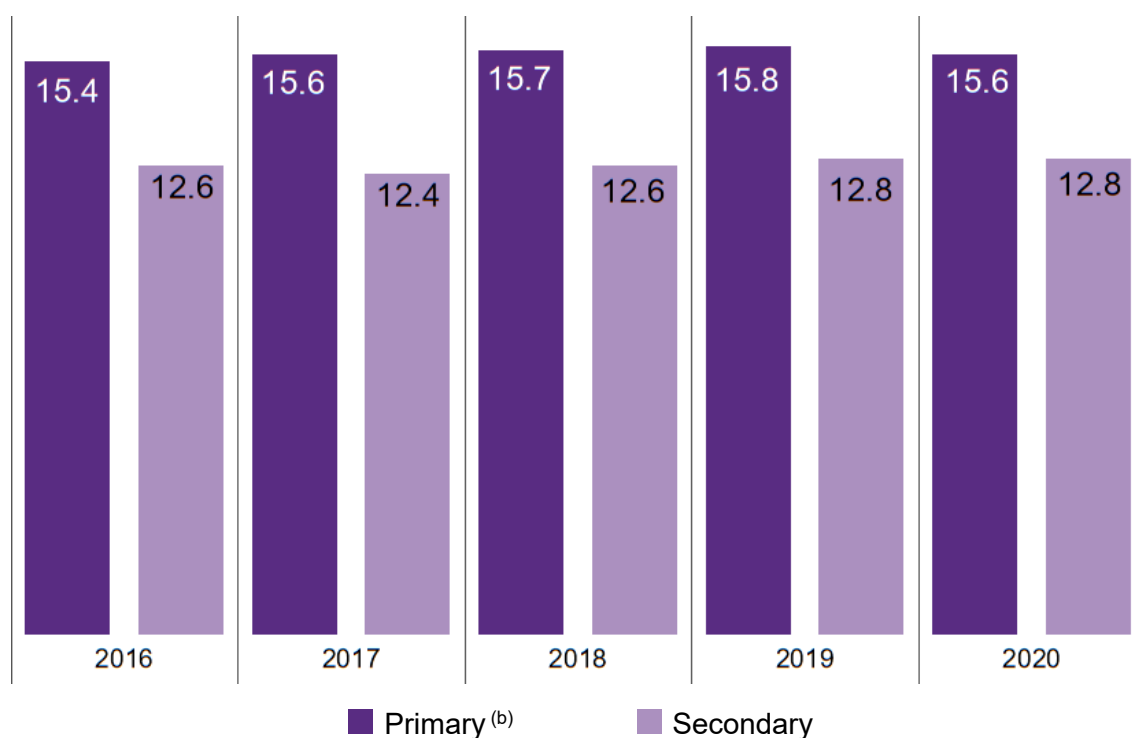
Source: System and School Performance

(a) Full-time equivalents at Semester 1 student census including teachers at community kindergartens. Based on counting method used for National Schools Statistics Collection that does not include staff on extended leave.

(b) Staff apportioned to education category based on proportion of students in each education category.

(c) For corresponding table, refer to [Appendix 3](#).

Figure 4: Student-teacher ratios^(a) 2016 to 2020



Source: System and School Performance

(a) Ratios based on full-time equivalent students and full-time equivalent teaching staff at Semester 2.

(b) Excludes Kindergarten.



TRBWA

Teacher Registration Board
of Western Australia

Teacher Registration Board of Western Australia Annual Report 2020–21

This annual report reflects the operations of the Teacher Registration Board of Western Australia in regulating the registration of teachers and accrediting initial teacher education programs.

Letter of transmittal

Ms Lisa Rodgers
Director General
Department of Education

Dear Ms Rodgers

In accordance with section 114 of the *Teacher Registration Act 2012 (WA)*, I am pleased to submit the annual report of the Teacher Registration Board of Western Australia, for the period 1 July 2020 to 30 June 2021, for inclusion in the annual report of the Department of Education.

Yours sincerely

Margaret Collins
Chairperson
Teacher Registration Board of Western Australia

20 August 2021

Chairperson's report

As I reflect on the last 12 months and consider the challenges brought about by the global pandemic, I am heartened by the community response and most particularly the dedication and resilience of our teaching profession to ensure that students can continue to learn.

I am pleased to report that in general terms, the operational impacts of COVID-19 on Board operations have been minimised. Flowing from decisions made in the previous reporting period, the Board continued to implement regulatory relief for teachers, including extending the expiry date of all registrations, giving additional time to teachers to renew their registration. In addition, the Board provided greater flexibility for the conduct of practicum placements for pre-service teachers completing their initial teacher education courses in 2020.

During periods of lockdown, the Board ensured that teacher registration applications continued to be processed and the customer service centre remained staffed to provide ongoing support to teachers and applicants.

Even without the added impacts of the pandemic, it has been an eventful and busy period for the Board and its operations.

Our membership underwent some change during the year. I would like to welcome two new members to the Board, both experienced registered teachers and emerging leaders within their respective sectors – Ms Casey Bakunowicz, a primary teacher with Catholic Education Western Australia at time of appointment and Ms Emily Donders, a secondary teacher with the Department of Education. We said farewell to two Board members whose terms expired – Mr Peter Collins, an inaugural Board member and Mr Jeremy Bruse. On behalf of the Board and secretariat, I would like to congratulate Ms Bakunowicz and Ms Donders on their appointments and give special acknowledgement and thanks to Mr Collins and Mr Bruse for their valuable and significant contribution to the work of the Board.

The renewal of teacher registration is a legislative requirement and for fully registered teachers this occurs every five years. About every three and half years, the Board experiences an eighteen month 'spike' in renewal numbers associated with those teachers who were first registered between 2004 and 2005. Between September 2020 and March 2022, the Board will renew about 30,000 registrations. At the end of this reporting period the Board had finalised about 30 per cent of these.

The Board's vision is to be a quality and contemporary regulator of the WA teaching profession that operates in the best interests of children. In order to achieve this vision, we continued to support the development of suitable digital solutions to service the needs of our stakeholders. In particular, significant work has been undertaken in the planning and initial development phase of a replacement for the ICT system that underpins the Board's registration operations and customer facing online services. This project is being undertaken in concert with the ongoing 'business as usual' development work to improve online services and ensure the needs of applicants and individual teachers are supported.

In the interests of improving the mobility of the Australian workforce, an intergovernmental agreement to introduce a scheme of Automatic Mutual Recognition of occupational registrations was signed in the reporting period and amendments were made to the *Mutual Recognition Act 1992* (Cth). The Board has been monitoring these developments and, looking forward, will be engaged in addressing the implementation issues associated with this reform.

The Board continues to collaboratively engage with a number of State Government agencies and other authorities that have a focus on the interests of children. This includes the Department of Education, Catholic Education Western Australia and the Association of Independent Schools of Western Australia, as well as the Department of Communities, the Commissioner for Children and Young People and the Western Australia Police Force.

I would like to acknowledge the Western Australian higher education providers, national authorities with whom we work, and our regulatory counterparts around Australia and in New Zealand. The Board, represented by the Director, has taken a lead role as the convenor of the Australasian teacher regulatory authorities (ATRA). This includes strong engagement and collaboration with the Australian Institute of Teaching and School Leadership (AITSL). Several projects of national significance are continuing related to the registration of teachers, child safety and the accreditation of initial teacher education programs.

The Board is provided secretariat support by the Department of Education. I extend my thanks to Ms Lisa Rodgers, Director General, for the continued support provided by the Department to the Board. This has been most notable in the relocation of the Teacher Registration directorate to the Department's East Perth office, providing better access to secure established system infrastructure and support.

I would also like to acknowledge and thank the Director and all of the directorate staff for their expertise, diligence and ongoing support to the Board.

Finally, I also express my appreciation to all Board members, as well as those who serve on or chair a committee of the Board. I respect and appreciate the commitment, integrity and experience each member contributes to our valuable work.

I look forward to continuing to work with the Western Australian education sector in the year ahead to serve the public interest by ensuring the professional, competent and safe practice of teaching.

On behalf of the Teacher Registration Board of Western Australia, I am pleased to present the Board's 2020–21 annual report.



Margaret Collins
Chairperson

About the Board

As the teacher regulatory authority in Western Australia, the Board is responsible for registering teachers, including renewing teacher registration, and administering the teacher disciplinary and impairment review processes. The Board is also responsible for accrediting initial teacher education programs delivered by Western Australian higher education providers.

The Board maintains an up-to-date register of teachers, and has developed and published professional standards for teachers, accreditation standards for initial teacher education programs and a professional learning activities policy.

In performing its role, the Board's paramount consideration is the best interests of children.

The relevant legislation

The Board was established in December 2012 under the *Teacher Registration Act 2012* (WA) (Teacher Registration Act).

The Board operates in accordance with the Teacher Registration Act and its subsidiary legislation: the *Teacher Registration (General) Regulations 2012* (WA) and the *Teacher Registration (Accreditation of Initial Teacher Education Programmes) Regulations 2012* (WA).

The Board's vision

A quality and contemporary regulator of the Western Australian teaching profession that operates in the best interests of children.

The Board's purpose

Serving the public interest in Western Australia by ensuring that teachers are registered and initial teacher education programs are accredited in accordance with the Teacher Registration Act.

The Board's values

Integrity: We act with integrity, responsibility and transparency.

Excellence: We set standards of excellence and strive to achieve them.

Service: We are responsive, efficient and effective.

Fairness and Respect: We treat everyone fairly, with empathy and respect.

The Board's members

The Board is appointed by the Minister for Education and Training and must include an Australian lawyer and at least three currently registered teachers.

At 30 June 2021, the Board members were:

- Margaret Collins (Chairperson) – former Regional Executive Director, South Metropolitan Education Region, Department of Education
- Ron Dullard AO (Deputy Chairperson) – former Director, Catholic Education Western Australia
- Casey Bakunowicz – Consultant, Aboriginal Education, Catholic Education Western Australia
- Nicole Brown – Dean of Students (PK-6), Peter Moyes Anglican Community School
- Emily Donders – Assistant Head of Learning, Humanities and Social Sciences, Rossmoyne Senior High School
- Kate Offer – Senior Lecturer, School of Law, The University of Western Australia
- Julie Woodhouse – Principal, Butler Primary School.

There were two changes to the Board's membership during the reporting period. Jeremy Bruse and Peter Collins completed their terms, and Emily Donders and Casey Bakunowicz were appointed to the Board.

In 2020–21, the Board formally met 11 times and considered 28 items out of session.



Back row (left to right): Emily Donders, Julie Woodhouse, Nicole Brown and Casey Bakunowicz.
Front row (left to right): Kate Offer, Margaret Collins (Chairperson) and Ron Dullard.

Governance framework

The Teacher Registration Act requires the Board to establish at least one disciplinary committee and an impairment review committee. The Board may establish other committees to assist it to perform its functions.

The Board is supported by:

- two disciplinary committees which consider complaints referred by the Board
- an impairment review committee which considers impairment matters referred by the Board
- an interim disciplinary order committee which has the authority to make an interim disciplinary order where:
 - there is the risk of imminent injury or harm to the physical or mental health of any person
 - a registered teacher has been charged with a sexual offence involving a child.

See [Disciplinary and impairment matters](#) for further information about the activities of these committees in 2020–21.

The Department of Education’s Teacher Registration directorate provides secretariat support to the Board which includes:

- processing teacher registration applications and initial teacher education program accreditation applications for consideration by the Board
- assisting the Board to administer its disciplinary function
- supporting the work of the Board on policy matters.

The Board has delegated certain powers such as granting teacher registration to the Director, Teacher Registration, who refers matters that require further examination to the Board.

[Financial statements and performance information](#) related to the Teacher Registration directorate and the Board’s remuneration are provided in the Department of Education’s annual report.

The operations of the Board are funded by fees collected in accordance with the Teacher Registration Act and the Department of Treasury’s [Costing and Pricing Government Services guidelines](#). During the reporting period there were no changes to the Board’s [fee schedule](#).

Key achievements

Online digital solutions

The Board continued to improve its online services for teachers and applicants by moving the last paper-based application forms to its secure online environment.

The online services experience provides improved access and application processing times for teachers and applicants.

Initial teacher education accreditation

The Board continued to engage with other Australian teacher regulatory authorities and the Australian Institute of Teaching and School Leadership to implement the ongoing national reforms of the scheme of accreditation of initial teacher education.

Reforms include the revision of the national accreditation guidelines, the collection of provider data for annual reporting purposes and the introduction of an improved final teaching performance assessment that all pre-service teachers must complete within Western Australian programs.

Strengthening child safety

The Board plays a significant role in promoting and protecting children's safety through its scheme of teacher registration. The Board continued to work with regulators, national authorities and other relevant agencies to ensure the professionalism, quality and propriety of teachers.

As the regulator of teaching in Western Australia, the Board has regard to the nationally developed Best Practice Framework for Strengthening Child Safety and Wellbeing through the Regulation of Teachers.

Office relocation

The Teacher Registration directorate relocated to the Department of Education's East Perth office in October 2020. This provided the Board with improved access to established corporate services, information systems and technology support, while maintaining its independence and ensuring the secure administration of teacher registration records and information.

National partnerships

The Board continues to work with stakeholders on projects of national significance, including:

- consistent decision-making in the progression of teachers from Provisional to Full Registration
- strengthening child safety
- early childhood teacher registration
- English language competency
- vocational education and training (VET) in schools.

Significant issues for the next financial year

Registration renewal application peak

There are cyclical peaks in the renewal of Full Registration that arise approximately every three and a half years for an 18-month period. This is a legacy of the way teacher registration was introduced in Western Australia.

The Board will focus on ensuring its capacity to efficiently process the increased volume of renewal applications received since September 2020. It is expected that approximately 30,000 renewal applications will have been assessed by March 2022.

Teacher registration systems development

The Board's core ICT systems will be replaced and a transition to a new operating environment is expected by January 2022. Minimal impact on existing teachers and applicants is expected throughout the upgrade, with communications planned closer to implementation of the new system.

Initial teacher education reform

In April 2021, the Federal Minister for Education launched the Quality Initial Teacher Education Review. The Board will monitor the review and continue to engage with the Australian Institute for Teaching and School Leadership, state and territory teacher regulatory authorities, initial teacher education providers and other stakeholders with respect to ongoing and proposed developments in the initial teacher education space.

Review of the Teacher Registration Act

Following a review of the Teacher Registration Act tabled in Parliament in September 2018, an amending Bill is expected to be introduced in the Western Australian Parliament in the second half of 2021. The Board, following consultation with its stakeholders, will amend policies and processes once amendments to the Act are made.

Automatic Mutual Recognition of occupational registrations

Teachers who hold teacher registration in other Australian states or territories or in New Zealand may apply for registration with the Board through mutual recognition. In August 2020, the Commonwealth Treasurer announced that the Australian and state and territory governments had agreed to introduce a uniform scheme for the Automatic Mutual Recognition (AMR) of occupational registrations including teaching.

In December 2020, an Intergovernmental Agreement on AMR was signed and relevant amendments to the *Mutual Recognition Act 1992* (Cth) were passed in June 2021.

Our State Government is responsible for implementing AMR arrangements. The Board will continue to closely monitor implementation to ensure there is no risk to the safe, competent and professional practise of teaching in Western Australian educational venues.

Activities of the Board

Regulatory activity

Teacher registration

All teachers teaching in schools and other educational venues in Western Australia, such as a centre based education and care service (long day care) and the juvenile detention centre, must be registered with the Board.

To meet [registration requirements](#), applicants must be appropriately qualified, have the necessary English language skills, meet the required professional standards for the relevant registration category, and be fit and proper persons.

To renew registration, the Board must be satisfied that the teacher continues to meet the requirements for their category of registration. Provisional Registration may only be renewed where there are exceptional circumstances.

At 30 June 2021, 55,710 teachers were registered with the Board (refer to [Table 1](#)).

Table 1: Teachers registered at June 30 by category 2017 to 2021

Category	2017	2018	2019	2020	2021
Full Registration	41,721	42,994	44,083	44,970	45,019
Provisional Registration	5,710	5,913	5,721	5,201	5,271
Non-Practising Registration	4,649	4,490	4,289	4,271	4,655
Limited Registration	684	648	643	701	765
Total	52,764	54,045	54,736	55,143	55,710

During 2020–21, the Board received 15,592 teacher registration applications and approved 14,714 applications (refer to [Table 2](#)).

Based on the mutual recognition principle, the Board registered 505 teachers who were registered in another Australian state or territory or in New Zealand.

Table 2: Applications received and approved by type 2019–20 and 2020–21 ^(a)

Type of application	2019–20		2020–21	
	Received	Approved	Received	Approved
New registration	2,677	2,635	3,545	3,280
Renewal of registration	3,242	3,464	9,353	8,788
Move registration category	2,402	2,448	2,591	2,553
Extension of Non-Practising Registration ^(b)	133	133	103	93
Total	8,454	8,680	15,592	14,714

(a) Number of applications received in one year may not be the same as number approved that same year as applications may be processed in subsequent years.

(b) The extension of Non-Practising Registration may only be approved when there are extenuating circumstances.

Applicants can progress to Full Registration from either Provisional Registration (including early career teachers) or Non-Practising Registration (refer to [Table 3](#)). Applicants must provide evidence that they meet the proficient level of the Professional Standards for Teachers in Western Australia, as well as meeting the other requirements.

Table 3: Summary of approved applications to transition to Full Registration 2019–20 and 2020–21

	2019–20	2020–21
Provisional to Full Registration	1,693	1,434
Non-Practising to Full Registration	411	338

Board determinations

The Board has delegated the granting of teacher registration to the Director, Teacher Registration. Applications considered by the Director to require further examination are referred to the Board.

During 2020–21, 26 of the 46 applications referred to the Board for further examination were refused as they did not meet one or more of the requirements for registration or the renewal of registration (refer to [Table 4](#)).

Table 4: Applications considered and refused by the Board by registration requirements 2019–20 and 2020–21

	2019–20		2020–21	
	Considered	Refused	Considered	Refused
One requirement considered				
Qualifications	14	6	10	6
English language	15	13	23	13
Professional standards	1	0	0	0
Qualifications/skills/expertise ^(a)	0	0	1	0
Fit and proper	2	0	6	1
More than one requirement considered				
Qualifications and English language	0	0	4	4
Qualifications and professional standards	0	0	1	1
English language and fit and proper	0	0	1	1
Total	32	19	46	26

(a) Specific to applications for Limited Registration.

Providing advice to prospective applicants

Prospective applicants can seek written advice from the Board on whether they meet the qualification requirements for registration, or if they would meet the fit and proper requirements for registration.

Of the 81 requests for qualifications advice finalised in 2020–21, 50 were determined by the Director, Teacher Registration as meeting requirements. The remaining 31 were considered by the Board, with 24 determined as not meeting requirements.

Two requests for fit and proper advice were received from prospective applicants. The Board provided advice for one matter that the applicant would be considered fit and proper, while one matter has not yet been finalised.

Annual teacher registration fee

Registered teachers are required to pay an annual fee by 31 March each year to maintain registration.

In January 2021, the Board raised 56,934 invoices for the annual fee. The registrations of 1,107 teachers who did not pay their annual fee by 6 May 2021 were cancelled.

As at 30 June 2021, the Board had reinstated the registrations of 30 teachers whose non-payment was due to extenuating circumstances.

Unregistered teaching

When a concern about unregistered teaching is identified, the case is managed to ensure the obligations of the teacher and the employer are met. No unregistered teaching matters were referred for prosecution in 2020–21.

Review by the State Administrative Tribunal (SAT)

Teachers dissatisfied with a Board decision related to registration can appeal to the SAT. In 2020–21, no decisions of the Board were appealed to the SAT.

Disciplinary and impairment matters

The Board's paramount consideration in dealing with disciplinary and impairment matters is the best interests of children. The Teacher Registration Act requires that only fit and proper people be registered as teachers, and places obligations on teachers, employers and certain other parties.

Notifications required by the Teacher Registration Act and complaints about teachers

Notifications are received about registered teachers from employers, teachers, the Commissioner of Police and the Director of Public Prosecutions. More than one notification may be received for a matter.

Complaints may also be made to the Board about registered teachers, or a person who was a registered teacher at the time the alleged conduct occurred. More than one complaint may be received for a matter.

In 2020–21, the Board received 51 notifications and 17 complaints (refer to [Table 5](#)) relating to 66 matters.

Table 5: Notifications and complaints received by the Board 2019–20 and 2020–21 ^(a)

	2019–20	2020–21
Notifications from Teachers		
Legal actions (section 38)	3	5
Loss of qualifications (section 39)	0	0
Issued Working with Children Negative Notice (section 40)	0	0
Notifications from Director of Public Prosecutions or Commissioner of Police (section 41)	6	3
Notifications from Employers		
Serious incompetence (section 42)	5	13
Serious misconduct (section 42)	32	30
Complaints from the public/other (section 51)	34	17
Total	80	68

(a) As per the specified section in the Teacher Registration Act.

The status of ongoing and new matters is shown in [Table 6](#).

Table 6: Status of ongoing and new matters as at 30 June 2021 ^(a)

Status of matters	2020–21
Matters ongoing at 30 June 2021	
Still to be decided (section 51(3)(a))	9
Investigations continuing (section 53(2))	19
Completed during the reporting period	
Cancellation of registration (section 27(2)(b))	6
Complaint not required (section 45(e))	16
Other person or authority (section 57(1)(a))	6
Not within power (section 57(1)(b))	16
Without substance (section 57(1)(c))	8
Referred during the reporting period	
Disciplinary Committee (section 53(1)(c))	1
Impairment Review Committee (section 53(1)(d))	1
State Administrative Tribunal (section 53(1)(e))	2
Total	84

(a) As per the specified section in the Teacher Registration Act.

Disciplinary committee

One matter was referred to a disciplinary committee in 2020–21. The teacher was found to have contravened the Teacher Registration Act by contravening a condition of their registration. The teacher received a reprimand, a suspension of registration and the placement of a condition on their registration to follow the period of suspension.

Impairment review committee

One matter was referred to the impairment review committee in 2020–21. The teacher did not provide consent for the committee to deal with the matter. The matter ended when the teacher cancelled their registration.

Referral to the State Administrative Tribunal (SAT)

Two matters were referred to the SAT in 2020–21 and both are ongoing.

Two matters referred to the SAT were ongoing at the end of the previous reporting period. Of those:

- the SAT ordered a teacher be disqualified from applying for registration for a period
- the other was withdrawn by the Board.

Interim disciplinary orders

The Board and the interim disciplinary order committee have the authority to make interim disciplinary orders that include placing conditions on registration or suspending registration.

The outcome of matters referred to the interim disciplinary order committee are reflected in [Table 7](#).

Table 7: Matters referred to the interim disciplinary order committee 2020–21 ^(a)

Interim disciplinary orders	Referred	Made
An activity that involves a risk of imminent injury or harm (section 59)	2	1
Charged with child sexual offence (section 60)	2	2
Total	4	3

(a) As per the specified section in the Teacher Registration Act.

Two other section 60 interim disciplinary orders were made by the Board under authority delegated to the Director.

The four interim orders issued under section 60 were revoked as the teachers concerned were no longer entitled to be registered due to the issuing of a negative notice, and their registrations were cancelled.

The Board must refer all matters for which an interim disciplinary order has been made to the SAT within 14 days unless the order is revoked. The order made under section 59 referred to the SAT is yet to be finalised.

Accreditation of initial teacher education programs

The Board is responsible for [accrediting initial teacher education \(ITE\) programs](#) delivered by Western Australian higher education providers. The accreditation of ITE programs is directly linked to teacher registration. For a person to be eligible for Full, Provisional or Non-Practising Registration under the Teacher Registration Act, they must have a teaching qualification from an accredited program or one that the Board recognises as equivalent to such a qualification.

Applications from ITE providers for program accreditation or re-accreditation are assessed against the Western Australian Standards for the Accreditation of Initial Teacher Education Programs by a panel of education experts appointed by the Board. The standards are based on nationally agreed accreditation standards.

Approved programs are accredited for up to five years and recognised for the purposes of teacher registration by other Australian state and territory teacher regulatory authorities. Refer to [Table 8](#) for the number of accredited ITE programs in Western Australia.

During 2020–21, the Board approved the accreditation of one new teacher education program and the re-accreditation of four existing programs. As at 30 June 2021, the assessment of one application for initial accreditation and five applications for re-accreditation received during the reporting period were ongoing.

Table 8: WA accredited initial teacher education programs at 30 June 2019–20 and 2020–21

ITE Programs	Undergraduate		Postgraduate		Total	
	2019–20	2020–21	2019–20	2020–21	2019–20	2020–21
Early childhood	3	3	1	1	4	4
Early childhood/primary	1	1	2	2	3	3
Primary	5	5	3	3	8	8
Primary/secondary	1	1	0	0	1	1
Secondary	7	7	3	4	10	11
Early childhood/ primary/secondary	0	0	1	1	1	1
Total	17	17	10	11	27	28

Stakeholder engagement

The Board engages with stakeholders to ensure that information about registration requirements and processes is clear, consistent and timely, and to identify opportunities to improve the Board's regulatory services.

As part of the Board's stakeholder communication plan, employers of teachers are contacted annually regarding their obligations under the Teacher Registration Act.

These communications remind employers:

- to provide notifications when required
- to appoint, employ or engage only registered teachers to teach in educational venues, including in accordance with any conditions on their registration
- of the renewal of registration process
- of the due date for payment of the annual fee
- of the benefits of using the Teacher Registration Information (Professional) – TRIP online service.

Teacher Registration directorate staff delivered presentations (face-to-face and online) to final year pre-service teachers, early career and returning teachers about the requirements and process for registration.

The Board continued to engage with other regulatory authorities, education sector representatives and higher education providers to exchange information, provide advice and guidance on regulatory requirements and seek feedback on the Board's regulatory services.

Feedback from applicants and teachers is important to the Board and informs improvements to regulatory services, online services and policies. Acting on feedback, the Board changed its annual fee communications to provide clearer information about payment requirements. The website was amended to improve information about the annual fee, the registration renewal process and teacher login.

Feedback on the Board's annual report can be sent to feedback@trb.wa.gov.au.

End of Teacher Registration Board of Western Australia Annual Report 2020–21.

Key performance indicators and financial statements

Certification of key performance indicators

I hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the performance of the Department of Education, and fairly represent the performance of the Department for the year ended 30 June 2021.



Lisa Rodgers
Director General
(Accountable authority)

9 September 2021

Certification of financial statements

The accompanying financial statements of the Department of Education have been prepared in compliance with the provisions of the *Financial Management Act 2006* (WA) from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2021 and the financial position as at 30 June 2021.

At the date of signing, we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



Lisa Rodgers
Director General
(Accountable authority)

9 September 2021



Philippa Beamish Burton
Chief Finance Officer

9 September 2021



Auditor General

INDEPENDENT AUDITOR'S OPINION 2021 Department of Education

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Department of Education (Department) which comprise:

- the Statement of Financial Position at 30 June 2021, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Schedule of Income and Expenses by Service, Schedule of Assets and Liabilities by Service and Summary of Consolidated Account Appropriations for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information, including administered transactions and balances.

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Department of Education for the year ended 30 June 2021 and the financial position at the end of that period
- in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

I am independent of the Department in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Director General for the financial statements

The Director General is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director General is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Department.

Auditor's responsibilities for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Report on the audit of controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Department of Education. The controls exercised by the Department are those policies and procedures established by the Director General to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Department of Education are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2021.

The Director General's responsibilities

The Director General is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Department of Education for the year ended 30 June 2021. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Department of Education are relevant and appropriate to assist users to assess the Department's performance and fairly represent indicated performance for the year ended 30 June 2021.

The Director General’s responsibilities for the key performance indicators

The Director General is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer’s Instructions and for such internal control as the Director General determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Director General is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer’s Instruction 904 *Key Performance Indicators*.

Auditor General’s responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity’s performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer’s Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My independence and quality control relating to the reports on controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other information

The Director General is responsible for the other information. The other information is the information in the entity’s annual report for the year ended 30 June 2021, but not the financial statements, key performance indicators and my auditor’s report.

My opinions do not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor's report relates to the financial statements, controls and key performance indicators of the Department of Education for the year ended 30 June 2021 included on the Department's website. The Department's management is responsible for the integrity of the Department's website. This audit does not provide assurance on the integrity of the Department's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements, controls or key performance indicators. If users of the financial statements, controls and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version of the financial statements, controls and key performance indicators.



Caroline Spencer
Auditor General for Western Australia
Perth, Western Australia
10 September 2021

Key performance indicators

Reporting of key performance indicators enables senior management to assess and monitor the extent to which we achieve our Government-desired outcome, and ensures we are accountable to the community for our performance.

Government goal

Strong Communities: Safe communities and supported families

Desired outcome

School students across Western Australia have access to high quality education

Services

1. Public primary education
2. Public secondary education
3. Regulation and non-government sector assistance
4. Support to the School Curriculum and Standards Authority

This section presents effectiveness indicators that show how well we met our desired outcome and efficiency indicators that show how efficiently we delivered our four services in 2020–21. The indicators are as per our Outcomes-Based Management (OBM) reporting structure. We revised our OBM reporting structure in 2018–19 to better reflect our current operations.

Supplementary information relating to our key performance indicators in the appendices is not audited by the Office of the Auditor General.

Effectiveness indicators

Outcome: School students across Western Australia have access to high quality education

We aim to provide everyone aged four to 17 years (at 30 June) in Western Australia with access to education through the public school system, irrespective of their location, circumstances and whether that provision is taken up or not.

Two approaches are used to measure how well we achieve this aim.

The rate of participation in education gives an indication of the extent to which school-aged Western Australian residents are engaged in some form of education during the senior secondary years. The rate includes data spanning the main forms of education, including public and non-government schools, vocational education and training, and university.

The apparent retention rate is the second measure of our success in providing access to education through the public system. Prior to 2020, the apparent retention rate was from Year 8 to Year 12. From 2020, the apparent retention rate is from Year 7 to Year 12. This is because the 2020 Year 12 cohort was the first cohort to commence secondary school in Year 7.

Our other indicators provide measures of the extent to which students achieve high standards of learning.

The WACE achievement rate shows the percentage of Year 12 public school students who achieved the Western Australian Certificate of Education (WACE) qualification – the criterion for overall success in school in WA.

Student achievement prior to Year 12 is shown using indicators that measure the percentage of public school students in Years 3, 5, 7 and 9 who achieve proficiency standards in national reading and numeracy tests.

Rate of participation in education

This rate shows the proportion of the State's estimated resident population of 15, 16 and 17 year olds who are participating in some form of education.

These ages align to Years 10, 11 and 12. The rate includes young people of these ages who either:

- were enrolled in public and non-government schools at the Semester 2 student census
- attended vocational education and training during the year
- attended university during the year.

To ensure students are only counted once, students attending both school and vocational education and training are only counted in the school data.

Participation rates for 2016 to 2020 are in [Table 19](#) with rates by gender in [Appendix 2](#).

The target in the 2020–21 Budget Papers was based on the higher of the preliminary actual for 2018 and the estimated actual for 2019, rounded up to the next integer, using the latest available data at the time of the 2020–21 State Budget.

Table 19: Participation rate (%) of persons aged 15 to 17 years engaged in some form of education 2016 to 2020 ^{(a) (b)}

2016	2017	2018	2019	2020	Target for 2020–21
96.8	96.2	98.1	97.8	99.4	99

Source: *System and School Performance*

(a) Based on Australian Bureau of Statistics preliminary estimates of resident population (age at 30 June) and data collected from public and non-government schools (Semester 2 student census, age at 1 July), universities (age at 30 June), and vocational education and training providers (age at 30 June).

(b) University enrolment data for 2020 is an estimate based on 2019 university enrolment data and an annual compound growth factor calculated from university enrolment data across the previous four years.

Retention in public schooling

The extent to which students continue to participate in public school education is indicated by the apparent secondary retention rate. From 2020, this is the number of full-time students in Year 12 expressed as a percentage of the number of full-time students who enrolled in Year 7 five years earlier. Prior to 2020, the retention rate was based on the number of full-time students who enrolled in Year 8 four years earlier (the start of secondary school at that time). Retention rates for 2016 to 2020 are in [Table 20](#) with rates by subgroup in [Appendix 2](#).

The apparent retention rate does not account for net changes to the school population caused by interstate and overseas migration, or students moving between school sectors.

The target in the 2020–21 Budget Papers was based on the higher of the two most recent years' performance at that time (2018 and 2019 Year 8 to Year 12), rounded up to the next integer.

Table 20: Apparent secondary retention rate (%) of public school students 2016 to 2020 ^{(a) (b) (c)}

2016	2017	2018	2019	2020	Target for 2020–21
77.7	80.1	81.4	81.6	81.5	82

Source: *System and School Performance*

(a) Excludes Canning College and Tuart College students, part-time and international students, and mature-aged students at senior campuses.

(b) Semester 2 student census.

(c) Prior to 2020, the apparent retention rate was from Year 8 to Year 12. From 2020, the apparent retention rate is from Year 7 to Year 12. This change is because the 2020 Year 12 cohort was the first cohort to commence secondary school in Year 7.

WACE achievement by Year 12 public school students

To achieve the Western Australian Certificate of Education (WACE) qualification, students must meet criteria established by the School Curriculum and Standards Authority. For 2020, students had to:

- demonstrate the Authority's minimum standards of literacy and numeracy
- complete at least 20 units (or equivalent) that met the breadth and depth of study requirements
- complete at least four Year 12 Australian Tertiary Admission Rank (ATAR) courses, or complete a certificate II (or higher) vocational education and training (VET) qualification
- achieve a grade of C or better in 14 course units (or equivalent) of which at least six must be completed in Year 12.

The WACE achievement rate shows the percentage of Year 12 students enrolled in a public school in Semester 2 who achieved the WACE qualification that same year. The rates for 2016 to 2020 are in [Table 21](#) with further breakdowns in [Appendix 2](#).

The target in the 2020–21 Budget Papers was based on the higher of the two most recent years' performance at that time (2018 and 2019), rounded up to the next integer.

Table 21: WACE achievement rate (%) of Year 12 public school students 2016 to 2020 ^{(a) (b)}

2016	2017	2018 ^(c)	2019	2020	Target for 2020–21
79.8	79.5	80.5	80.7	81.7	81

Source: *System and School Performance*

(a) Year 12 full-time students in the Semester 2 student census.

(b) Year 12 WACE achievement data from the School Curriculum and Standards Authority and taken at a point in time. Data may be updated after this time for a variety of reasons such as students successfully appealing their results.

(c) A few registered training organisations did not complete VET certification for some public school students in time to be included in the 2018 data. This may have affected the data reported for 2018.

Student proficiency in reading and numeracy

The National Assessment Program – Literacy and Numeracy (NAPLAN) is conducted annually across all states and territories by the Australian Curriculum, Assessment and Reporting Authority.

Full cohorts of Year 3, 5, 7 and 9 students across the country undertake common tests in May.

This program provides valuable information for parents on their children's achievements as well as useful information at the school level and Australia-wide. The national and state/territory results are reported in the [national NAPLAN report](#).

The key performance indicators for reading and numeracy are defined as the proportion of public school students in Years 3, 5, 7 and 9 achieving proficiency standards in NAPLAN Reading and Numeracy.

We set the proficiency standards based on provisional work conducted nationally. They represent challenging but reasonable reading and numeracy achievement expectations for a typical student in Years 3, 5, 7 or 9. Proficiency indicates students are on track to meet the curriculum expectations for the year level and assessment area. Proficiency standards are more challenging to achieve than national minimum standards and we consider them to be better indicators of the quality of students' reading and numeracy skills.

The 2020 NAPLAN assessments were cancelled nationally due to COVID-19. No targets were set in the 2020–21 Budget Papers as they were for performance on the cancelled 2020 NAPLAN assessments.

Results for WA public school students for 2016 to 2019 are in [Table 22](#).

Refer to our website for WA NAPLAN public school [performance reports](#).

Table 22: Percentage of Western Australian public school Year 3, 5, 7 and 9 students achieving proficiency standards in NAPLAN Reading and Numeracy, 2016 to 2020 ^{(a) (b)}

	Assessment	2016	2017	2018	2019	2020	Target for 2020–21
Year 3	Reading	64.6	67.3	70.0	68.8	n/a	n/a
	Numeracy	63.5	67.6	69.2	68.8	n/a	n/a
Year 5	Reading	62.8	65.0	68.4	70.2	n/a	n/a
	Numeracy	62.2	64.5	66.3	66.1	n/a	n/a
Year 7	Reading	60.6	62.6	64.3	67.3	n/a	n/a
	Numeracy	58.7	61.1	62.1	64.1	n/a	n/a
Year 9	Reading	65.1	64.3	71.1	69.8	n/a	n/a
	Numeracy	63.8	65.3	70.5	67.8	n/a	n/a

Source: *System and School Performance*

(a) From 2018 NAPLAN began transitioning from pen and paper to online assessments.

(b) 2020 NAPLAN assessments were cancelled due to COVID-19. Targets in the 2020–21 Budget Papers were not applicable as they were for performance on the cancelled 2020 NAPLAN assessments.

Efficiency indicators

Efficiency indicators show how efficiently we delivered our four services in 2020–21. The indicators have been calculated based on costs of services excluding any non-cash revaluation decrement, extraordinary asset write-offs and any other costs that are not related to the approved efficiency indicators.

Service 1: Public primary education

This service provides access to education in public schools for persons aged generally from four years and six months to 11 years and six months.

Cost per student full-time equivalents of public primary education

This indicator is the total cost of services for primary education in public schools divided by the average full-time equivalent (FTE) of public school primary students across the two semesters of the financial year.

The 2020–21 result is higher than 2019–20 primarily due to:

- An increase in employee benefits expense due to:
 - salary cost growth in accordance with the State Government’s public sector wages policy
 - additional cleaning staff to provide enhanced cleaning regimes across all public schools and community kindergartens in accordance with the State Government’s COVID-19 safety plans and guidelines
 - an increase in leave liability expense due to staff FTE increases and leave arrangements being deferred or cancelled to maintain essential services and as a result of COVID-19 pandemic travel restrictions.
- An increase in minor works expenditure for high priority maintenance projects due to the implementation of the State Government’s Maintenance Blitz program across all Western Australian public schools.

The 2020–21 result is higher than the 2020–21 budget target primarily due to approved adjustments to the Department’s budget during 2020–21. This included:

- additional funding allocated for extra cleaning staff and supplies to provide enhanced cleaning regimes across all public schools and community kindergartens in accordance with the State Government’s COVID-19 safety plans and guidelines
- actuarial movement in leave liability
- extension of the National Partnership Agreement on Universal Access to Early Childhood Education in 2021
- extra funding to support the growth in the number of students with a disability.

Table 23: Cost (\$) per full-time equivalent student of public primary education 2017–18 to 2020–21 ^(a)

2017–18 ^(b)	2018–19	2019–20 ^(c)	2020–21	Target for 2020–21
15,155	15,242	16,197	16,816	16,278

Source: Education Business Services

(a) Figures are not adjusted for inflation.

(b) The 2017–18 actual varies from what was published in our 2017–18 annual report due to a change in the calculation methodology as a result of the Department’s revised OBM reporting structure.

(c) The 2019–20 actual varies from what was published in our 2019–20 annual report due to a change in accounting policy to expense library collections previously recorded as assets.

Service 2: Public secondary education

This service provides access to education in public schools for persons aged generally from 11 years and six months. It includes the provision of accommodation, care and services for students from rural and remote areas who have to board away from home to attend a public school.

Cost per student full-time equivalents of public secondary education

This indicator is the total cost of services for secondary education in public schools divided by the average full-time equivalent (FTE) of public school secondary students across the two semesters of the financial year.

The 2020–21 result is higher than 2019–20 primarily due to:

- An increase in employee benefits expense due to:
 - salary cost growth in accordance with the State Government’s public sector wages policy
 - additional cleaning staff to provide enhanced cleaning regimes across all public schools and residential colleges in accordance with the State Government’s COVID-19 safety plans and guidelines
 - an increase in leave liability expense due to staff FTE increases and leave arrangements being deferred or cancelled to maintain essential services and as a result of COVID-19 pandemic travel restrictions.
- An increase in minor works expenditure for high priority maintenance projects due to the implementation of the State Government’s Maintenance Blitz program across all Western Australian public schools.

The 2020–21 result is higher than the 2020–21 budget target primarily due to approved adjustments to the Department’s budget during 2020–21. This included:

- additional funding allocated for extra cleaning staff and supplies to provide enhanced cleaning regimes across all public schools and residential colleges in accordance with the State Government’s COVID-19 safety plans and guidelines
- actuarial movement in leave liability
- extra funding to support the growth in the number of students with a disability.

Table 24: Cost (\$) per full-time equivalent student of public secondary education 2017–18 to 2020–21 ^(a)

2017–18 ^(b)	2018–19	2019–20 ^(c)	2020–21	Target for 2020–21
18,383	18,488	19,080	19,500	19,103

Source: Education Business Services

(a) Figures are not adjusted for inflation.

(b) The 2017–18 actual varies from what was published in our 2017–18 annual report due to a change in the calculation methodology as a result of the Department’s revised OBM reporting structure.

(c) The 2019–20 actual varies from what was published in our 2019–20 annual report due to a change in accounting policy to expense library collections previously recorded as assets.

Service 3: Regulation and non-government sector assistance

This service provides regulatory and assistance services, as required by legislation or government policy, to support provision of quality services by non-government schools, universities and teachers across all Western Australian schools. It also includes the provision of accommodation, care and services for students from rural and remote areas who have to board away from home to attend a non-government school.

Cost of non-government school regulatory services per non-government school

This indicator shows the cost to the Department of regulatory services provided for non-government schools divided by the number of Independent non-government schools.

The 2020–21 result is lower than 2019–20 primarily due to a higher number of non-government schools and a decrease in employee benefits expense related to staff vacancies.

The 2020–21 result is lower than the 2020–21 budget target primarily due to lower than expected employee benefits expense related to unanticipated staff vacancies, and lower than expected corporate costs due to the relocation of operations to the Department’s East Perth office.

Table 25: Cost (\$) of non-government school regulatory services per non-government school 2017–18 to 2020–21 ^{(a) (b)}

2017–18	2018–19	2019–20	2020–21	Target for 2020–21
7,407	6,747	7,316	6,330	8,041

Source: Education Business Services

(a) Figures are not adjusted for inflation.

(b) The calculation of this indicator excludes expenditure not relating to regulatory services.

Cost of teacher regulatory services per teacher

This indicator is the cost to the Department of providing secretariat support to the Teacher Registration Board of Western Australia divided by the number of registered teachers at 30 June.

The 2020–21 result is lower than 2019–20 primarily due to a decrease in corporate costs due to the relocation of office accommodation for operations to the Department’s East Perth office resulting in savings of rental and other outgoings. This was partially offset by an increase in employee benefits expense, as a result of increased staffing levels to meet the operational costs of increased activity associated with a large cohort of teachers’ registrations falling due for renewal.

The 2020–21 result is lower than the 2020–21 budget target primarily due to lower than expected employee benefits expense, and lower than expected corporate costs due to the relocation of operations to the Department’s East Perth office.

Table 26: Cost (\$) of teacher regulatory services per teacher 2017–18 to 2020–21 ^{(a) (b)}

2017–18	2018–19	2019–20	2020–21	Target for 2020–21
95	110	132	109	121

Source: Education Business Services

(a) Figures are not adjusted for inflation.

(b) The calculation of this indicator excludes expenditure not relating to regulatory services.

Service 4: Support to the School Curriculum and Standards Authority

This service provides resources to the School Curriculum and Standards Authority to assist it to perform its statutory functions under the *School Curriculum and Standards Authority Act 1997* (WA).

Cost per student of support to the School Curriculum and Standards Authority

This indicator shows the cost to the Department of providing secretariat services to the Authority divided by the average full-time equivalent of all students across the two semesters of the financial year.

The 2020–21 result is higher than 2019–20 primarily due to:

- An increase in employee benefits expense due to increased staffing levels for the Curriculum Support Project related to the School Education Act Employees’ (Teachers and Administrators) General Agreement 2019 (WA).
- An increase in computer software licensing expenditure relating to Brightpath assessment software. This is now used by over 600 Western Australian schools, allowing teachers and school leaders to access comprehensive reports about student performance.
- An increase in expenditure associated with NAPLAN markers fees, consultant fees and evaluation materials due to the resumption of NAPLAN testing, after being cancelled in 2020.

The 2020–21 result is higher than the 2020–21 budget target due to additional funding for the Curriculum Support Project approved post-budget as part of the School Education Act Employees’ (Teachers and Administrators) General Agreement 2019 (WA).

Table 27: Cost (\$) per student of support to the School Curriculum and Standards Authority 2017–18 to 2020–21 ^(a)

2017–18	2018–19	2019–20	2020–21	Target for 2020–21
76	77	73	81	76

Source: *Education Business Services*

(a) Figures are not adjusted for inflation.

Financial statements

The Department has pleasure in presenting its audited general purpose financial statements for the financial reporting period ended 30 June 2021 which provides users with the information about the Department's stewardship of resource entrusted to it. The financial information is presented in the following structure:

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STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2021

	Notes	2020-21 \$'000	2019-20 Restated* \$'000
COST OF SERVICES			
Expenses			
Employee benefits expense	3.1.1	4,261,996	4,060,139
Supplies and services	3.3	1,020,651	967,911
Depreciation, amortisation and impairment expense	5.1.1, 5.2, 5.3.1, 5.4.1	231,621	242,967
Grants and subsidies	3.2	50,668	31,545
Finance costs	7.4	32,207	31,225
Other expenses	3.3	6,178	21,815
Total cost of services		5,603,321	5,355,602
Income			
Revenue			
User contributions, charges and fees	4.2	116,451	115,927
Interest revenue	4.4	16,543	22,897
Other revenue	4.5	114,492	110,763
Australian Government grants and contributions	4.3	995,831	904,957
Total revenue		1,243,317	1,154,544
Gains			
Other gains	4.6	481,679	-
Total gains		481,679	-
Total income other than income from State Government		1,724,996	1,154,544
NET COST OF SERVICES			
		3,878,325	4,201,058
Income from State Government			
	4.1		
Service appropriation		4,305,387	4,066,784
Income from other public sector entities		22,407	9,415
Services received free of charge		17,167	19,078
Royalties for Regions Fund		25,636	26,392
Total income from State Government		4,370,597	4,121,669
SURPLUS/(DEFICIT) FOR THE PERIOD			
		492,272	(79,389)
OTHER COMPREHENSIVE INCOME			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation surplus	9.13	316,038	-
Total other comprehensive income		316,038	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD			
		808,310	(79,389)

See also the 'Schedule of Income and Expenses by Service'.

Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

* See also Note 9.5 for details regarding the restatement of comparatives

STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Notes	2020-21 \$'000	2019-20 Restated* \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	7.5.1	607,803	558,952
Restricted cash and cash equivalents	7.5.2	26,102	30,247
Amounts receivable for services	6.2	18,943	19,674
Inventories	6.4	7,552	6,442
Receivables	6.1	80,430	81,558
Other current assets	6.3	13,091	10,763
Non-current assets classified as assets held for sale	9.12	25,686	3,499
Total Current Assets		779,607	711,135
Non-Current Assets			
Restricted cash and cash equivalents	7.5.2	79,569	61,323
Receivables	6.1	317,639	298,197
Amounts receivable for services	6.2	3,318,953	3,119,560
Property, plant and equipment	5.1	11,994,070	11,060,947
Service concession assets	5.4	29,218	27,611
Right-of-use assets	5.2	313,153	293,225
Intangible assets	5.3	1,346	4,733
Total Non-Current Assets		16,053,948	14,865,596
TOTAL ASSETS		16,833,555	15,576,731
LIABILITIES			
Current Liabilities			
Payables	6.5	139,742	134,530
Borrowings	7.1	37,896	34,876
Lease liabilities	7.2	26,128	32,668
Employee related provisions	3.1.2	653,916	589,440
Other provisions	6.6	19	-
Other current liabilities	6.7	18,227	11,481
Total Current Liabilities		875,928	802,995
Non-Current Liabilities			
Payables	6.5	1,562	1,004
Borrowings	7.1	342,801	328,849
Lease liabilities	7.2	322,707	305,151
Employee related provisions	3.1.2	246,444	232,268
Other provisions	6.6	3,391	189
Total Non-Current Liabilities		916,905	867,461
TOTAL LIABILITIES		1,792,833	1,670,456
NET ASSETS		15,040,722	13,906,275
EQUITY			
	9.13		
Contributed equity		14,883,793	14,557,656
Reserves		316,038	-
Accumulated surplus/(deficit)		(159,109)	(651,381)
TOTAL EQUITY		15,040,722	13,906,275

See also the 'Schedule of Assets and Liabilities by Service'.

The Statement of Financial Position should be read in conjunction with the accompanying notes.

* See also Note 9.5 for details regarding the restatement of comparatives

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021

	Notes	Contributed equity \$'000	Reserves \$'000	Accumulated surplus/(deficit) \$'000	Total equity \$'000
Balance at 1 July 2019	9.13	14,196,703	-	(548,525)	13,648,178
Initial application of AASB 15/1058		-	-	8,993	8,993
Change in Accounting Policy (Library Collections)*		-	-	(32,460)	(32,460)
Restated balance at 1 July 2019		14,196,703	-	(571,992)	13,624,711
Surplus/(deficit)		-	-	(79,389)	(79,389)
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		-	-	(79,389)	(79,389)
<u>Transactions with owners in their capacity as owners:</u>					
Capital appropriations		316,737	-	-	316,737
Transfer of net assets from other agencies		1,409	-	-	1,409
Other contributions by owners		42,917	-	-	42,917
Distribution to owners		(110)	-	-	(110)
Total		360,953	-	-	360,953
Balance at 30 June 2020		14,557,656	-	(651,381)	13,906,275

	Notes	Contributed equity \$'000	Reserves \$'000	Accumulated surplus/(deficit) \$'000	Total equity \$'000
Balance at 1 July 2020	9.13	14,557,656	-	(651,381)	13,906,275
Surplus/(deficit)		-	-	492,272	492,272
Other comprehensive income		-	316,038	-	316,038
Total comprehensive income for the period		-	316,038	492,272	808,310
<u>Transactions with owners in their capacity as owners:</u>					
Capital appropriations		319,821	-	-	319,821
Transfer of net assets from other agencies		-	-	-	-
Other contributions by owners		12,810	-	-	12,810
Distribution to owners		(6,494)	-	-	(6,494)
Total		326,137	-	-	326,137
Balance at 30 June 2021		14,883,793	316,038	(159,109)	15,040,722

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

* See also Note 9.5 for details regarding the restatement of comparatives

STATEMENT OF CASH FLOWS

For the year ended 30 June 2021

	Notes	2020-21 \$'000	2019-20 \$'000
CASH FLOWS FROM STATE GOVERNMENT			
Service Appropriation		4,087,086	3,849,508
Capital Contribution		319,821	316,737
Holding Account Draw Downs		19,638	19,637
Royalties for Regions Fund		38,445	69,309
Funds from other public sector entities		19,528	9,600
Net cash provided by State Government		4,484,518	4,264,791
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits expense		(4,179,192)	(3,952,490)
Supplies and services		(1,007,308)	(937,350)
Grants and subsidies		(48,252)	(31,732)
Finance costs		(31,779)	(24,882)
GST payments on purchases		(139,922)	(134,857)
Loans advanced to non-government schools		(38,807)	(51,406)
Other payments		(970)	(261)
Receipts			
User contributions, charges and fees		115,528	109,066
Australian Government grants and contributions		1,007,412	906,521
Interest received		11,236	13,586
GST receipts on revenue		5,163	4,204
GST receipts from taxation authority		134,378	132,110
Repayments of loans by non-government schools		21,725	37,318
Other receipts		113,799	90,182
Net cash used in operating activities	7.5.3	(4,036,989)	(3,839,991)
CASH FLOW FROM INVESTING ACTIVITIES			
Payments			
Purchases of non-current physical assets		(366,758)	(428,202)
Receipts			
Receipts from sale of non-current physical assets		2,984	211
Net cash provided by/(used in) investing activities		(363,774)	(427,991)
CASH FLOW FROM FINANCING ACTIVITIES			
Payments			
Payment of lease liabilities		(37,775)	(43,529)
Repayment of borrowings		(21,725)	(37,702)
Receipts			
Proceeds from borrowings		38,697	51,406
Net cash used in financing activities		(20,803)	(29,825)
Net increase/(decrease) in cash and cash equivalents		62,952	(33,016)
Cash and cash equivalents at the beginning of the period		650,522	683,538
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7.5.3	713,474	650,522

SUMMARY OF CONSOLIDATED ACCOUNT APPROPRIATIONS

For the year ended 30 June 2021

	2020-21 Budget Estimate \$'000	2020-21 Supplementary Funding \$'000	2020-21 Revised Budget \$'000	2020-21 Actual \$'000	2020-21 Variance \$'000
DELIVERY OF SERVICES					
Item 60 Net amount appropriated to deliver services	4,255,548	48,173	4,303,721	4,303,721	-
Amount authorised by other statutes					
<i>Salaries and Allowances Act 1975 (WA)</i>	1,473	-	1,473	1,666	193
Total appropriations provided to deliver services	4,257,021	48,173	4,305,194	4,305,387	193
CAPITAL					
Item 126 Capital appropriations	306,421	-	306,421	319,821	13,400
ADMINISTERED TRANSACTIONS					
Item 61 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	449,968	10,796	460,764	460,764	-
GRAND TOTAL	5,013,410	58,969	5,072,379	5,085,972	13,593

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

NOTE 1. BASIS OF PREPARATION

The Department is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The entity is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the Department on 9 September 2021.

Statement of compliance

These general purpose financial statements have been prepared in accordance with:

1. *The Financial Management Act 2006* (WA) (FMA)
2. The Treasurer's Instructions (the Instructions or TI)
3. Australian Accounting Standards (AAS) including applicable interpretations
4. Where appropriate, those AAS paragraphs applicable for not-for-profit entities have been applied.

The FMA and the Treasurer's Instructions (the Instructions) take precedence over AAS. Several AAS are modified by the Instructions to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Reporting entity

The reporting entity comprises the Department of Education including public schools and residential colleges across the State, central and regional offices, and the Business and Customer Services Centre.

Since 1 July 2017 a newly formed Department of Education, with responsibility for government and non-government education services brought together the operations of the Department of Education, Department of Education Services and the School Curriculum and Standards Authority.

While the School Curriculum and Standards Authority continues as a statutory authority under the *School Curriculum and Standards Authority Act 1997* (WA), all staff of the three agencies became employees of the Department of Education. The Teacher Registration Board of Western Australia continued as a statutory entity.

Amalgamation of accounts

Financial information from 820 educational sites including 805 schools are amalgamated into the financial statements. The information provided by schools is generally drawn from accounts prepared on a cash basis with appropriate accrual information provided for the financial statements. All intra-entity transactions and balances between the Department and educational sites are eliminated.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$'000).

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

Contributed equity

AASB Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior, to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 Contributions by Owners Made to Wholly Owned Public Sector Entities and have been credited directly to Contributed Equity.

The transfers of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

NOTE 2. DEPARTMENT OUTPUTS

This section includes information regarding the nature of funding the Department receives and how this funding is utilised to achieve the Department's objectives. This note also provides the distinction between controlled funding and administered funding:

	Note
Department objectives	2.1
Schedule of Income and Expenses by Service	2.2
Schedule of Assets and Liabilities by Service	2.3

2.1 Department objectives

Mission

The Department's mission is to ensure school students across Western Australia have access to high quality education.

Services

The Department provides the following services:

Service 1: Public Primary Education

This service provides access to education in public schools for persons aged generally from four years and six months to 11 years and six months.

Service 2: Public Secondary Education

This service provides access to education in public schools for persons aged generally from 11 years and six months. It includes the provision of accommodation, care and services for students from rural and remote areas who have to board away from home to attend a public school.

Service 3: Regulation and Non-Government Sector Assistance

This service provides regulatory and assistance services, as required by legislation or government policy, to support provision of quality services by non-government schools, universities and teachers across Western Australia schools. It also includes the provision of accommodation, care and services for students from rural and remote areas who have to board away from home to attend a non-government school.

Service 4: Support to the School Curriculum and Standards Authority

This service provides resources to the School Curriculum and Standards Authority to assist it to perform its statutory functions under the *School Curriculum and Standards Authority Act 1997* (WA).

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

2.2 Schedule of Income and Expenses by Service

	Primary Education		Secondary Education		Regulation and Non-Government Sector Assistance		Support to the School Curriculum and Standards Authority		Total	
	2020-21	2019-20 Restated*	2020-21	2019-20 Restated*	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20 Restated*
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES										
Expenses										
Employee benefits expense	2,530,984	2,426,145	1,684,840	1,593,960	23,147	19,873	23,025	20,161	4,261,996	4,060,139
Supplies and services	566,277	529,229	422,249	408,319	16,464	16,631	15,661	13,732	1,020,651	967,911
Depreciation and amortisation expense	129,956	140,679	100,914	99,694	715	2,563	36	31	231,621	242,967
Grants and subsidies	7,050	6,587	19,922	6,293	23,413	18,362	283	303	50,668	31,545
Finance costs	12,588	11,113	8,717	7,517	10,900	12,593	2	2	32,207	31,225
Other expenses	3,224	11,566	2,426	9,641	528	606	-	2	6,178	21,815
Total cost of services	3,250,079	3,125,319	2,239,068	2,125,424	75,167	70,628	39,007	34,231	5,603,321	5,355,602
Income										
User contributions, charges and fees	35,323	30,622	73,645	78,309	7,478	6,992	5	4	116,451	115,927
Interest revenue	414	1,441	623	1,986	15,506	19,470	-	-	16,543	22,897
Other revenue	68,462	63,837	43,358	43,114	1,059	740	1,613	3,072	114,492	110,763
Australian Government grants and contributions	619,341	568,673	359,225	317,572	17,265	18,712	-	-	995,831	904,957
Total revenue	723,540	664,573	476,851	440,981	41,308	45,914	1,618	3,076	1,243,317	1,154,544
Gains										
Other gains	247,476	-	233,097	-	1,106	-	-	-	481,679	-
Total gains	247,476	-	233,097	-	1,106	-	-	-	481,679	-
Total income other than income from State Government	971,016	664,573	709,948	440,981	42,414	45,914	1,618	3,076	1,724,996	1,154,544
NET COST OF SERVICES	2,279,063	2,460,746	1,529,120	1,684,443	32,753	24,714	37,389	31,155	3,878,325	4,201,058
Income from State Government										
Service appropriation	2,537,459	2,381,581	1,702,488	1,630,475	28,575	23,900	36,865	30,828	4,305,387	4,066,784
Income from other public sector entities	2,066	2,555	17,772	5,626	2,569	1,234	-	-	22,407	9,415
Services received free of charge	10,478	11,659	6,633	7,294	56	59	-	66	17,167	19,078
Royalties for Regions Fund	14,372	15,124	9,902	9,671	1,362	1,597	-	-	25,636	26,392
Total income from State Government	2,564,375	2,410,919	1,736,795	1,653,066	32,562	26,790	36,865	30,894	4,370,597	4,121,669
SURPLUS/(DEFICIT) FOR THE PERIOD	285,312	(49,827)	207,675	(31,377)	(191)	2,076	(524)	(261)	492,272	(79,389)

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

* See also Note 9.5 for details regarding the restatement of comparatives

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

2.3 Schedule of Assets and Liabilities by Service

	Primary Education		Secondary Education		Regulation and Non-Government Sector Assistance		Support to the School Curriculum and Standards Authority		Total	
	2020-21	2019-20 Restated*	2020-21	2019-20 Restated*	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20 Restated*
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS										
Current assets	394,692	352,049	336,240	309,504	48,132	46,551	543	3,031	779,607	711,135
Non-current assets	9,077,661	8,482,584	6,633,421	6,055,073	342,428	325,178	438	2,761	16,053,948	14,865,596
Total assets	9,472,353	8,834,633	6,969,661	6,364,577	390,560	371,729	981	5,792	16,833,555	15,576,731
LIABILITIES										
Current liabilities	512,112	465,687	319,062	295,324	42,949	39,625	1,805	2,359	875,928	802,995
Non-current liabilities	354,311	283,062	218,056	253,496	343,542	330,058	996	845	916,905	867,461
Total liabilities	866,423	748,749	537,118	548,820	386,491	369,683	2,801	3,204	1,792,833	1,670,456
NET ASSETS	8,605,930	8,085,884	6,432,543	5,815,757	4,069	2,046	(1,820)	2,588	15,040,722	13,906,275

The Schedule of Assets and Liabilities by Service should be read in conjunction with the accompanying notes.

* See also Note 9.5 for details regarding the restatement of comparatives

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

NOTE 3. USE OF OUR FUNDING

Expenses incurred in the delivery of services

This section provides additional information about how the Department's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Department in achieving its objectives and the relevant notes are:

	Notes	2020-21 \$'000	2019-20 Restated* \$'000
Employee benefits expenses	3.1.1	4,261,996	4,060,139
Employee benefits provisions	3.1.2	900,360	821,708
Grants and subsidies	3.2	50,668	31,545
Other expenses	3.3	1,026,829	989,726

* See also Note 9.5 for details regarding the restatement of comparatives

3.1.1 Employee benefits expense

	2020-21 \$'000	2019-20 \$'000
Salaries and allowances	3,824,384	3,644,030
Termination benefits	462	1,076
Superannuation - defined contribution plans ^(a)	380,692	358,161
Other employee-related expense ^(b)	56,458	56,872
Total employee benefits expense	4,261,996	4,060,139
Add: AASB 16 Non-monetary benefits	20,311	18,975
Less: Employee contributions	(17,257)	(16,773)
Net employee benefits	4,265,050	4,062,341

(a) Defined contribution plans include the Government Employees Superannuation Board (GESB), West State Superannuation (WSS) \$301.82 million, Gold State Superannuation (GSS) \$29.92 million and other superannuation funds (contributions paid) and includes the superannuation contribution component relating to leave movement.

(b) Includes furniture (staff relocation costs) and fringe benefits tax.

Employment on-cost expenses, such as workers' compensation insurance are included in Note 3.3 'Other Expenses'.

Employee benefits

Includes wages, salaries and social contributions, paid annual leave and paid sick leave, and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services) for current employees.

Termination benefits

Payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the Department is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Superannuation

The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESB, or other superannuation funds. The employer contribution paid to the GESB in respect of the GSS is paid back into the Consolidated Account by the GESB.

GSS (concurrent contributions) is a defined benefit scheme for the purposes of employees and whole-of-government reporting. It is however a defined contribution plan for Department purposes because the concurrent contributions (defined contributions) made by the Department to GESB extinguishes the Department's obligations to the related superannuation liability.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

3.1.1 Employee benefits expense (continued)

Superannuation (continued)

The Department does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. The Liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Department to the GESB.

The GESB and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

AASB 16 Non-monetary benefits

Non-monetary employee benefits, that are employee benefits expenses, predominantly relate to the provision of vehicle and housing benefits are measured at the cost incurred by the Department.

Employee Contributions

Contributions made to the Department by employees towards employee benefits that have been provided by the Department. This includes both AASB 16 and non-AASB 16 employee contributions.

3.1.2 Employee related provisions

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

	2020-21 \$'000	2019-20 \$'000
Current		
<i>Employee related provisions</i>		
Annual leave ^(a)	36,063	31,449
Entitlement to payment during student vacation ^(b)	251,039	226,052
Long service leave ^(c)	326,757	296,072
Deferred salary scheme ^(d)	32,941	29,014
Remote teaching service ^(e)	7,116	6,853
	653,916	589,440
Non-current		
<i>Employee related provisions</i>		
Long service leave ^(c)	244,885	230,765
Remote teaching service ^(e)	1,559	1,503
	246,444	232,268
Total employee related provisions	900,360	821,708

(a) Annual leave liabilities

	2020-21 \$'000	2019-20 \$'000
Within 12 months of the end of the reporting period	27,101	24,274
More than 12 months after the end of the reporting period	8,962	7,175
	36,063	31,449

Annual leave that is not expected to be settled wholly within 12 months after the end of the reporting period is considered to be 'other long-term employee benefits'. The annual leave liability is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

3.1.2 Employee related provisions (continued)

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as the Department does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

(b) Entitlement to payment during student vacation

	2020-21	2019-20
	\$'000	\$'000
Within 12 months of the end of the reporting period	251,039	226,052
	251,039	226,052

Entitlement to payment during student vacation is paid during the student vacation period for most school based staff employed under the Teachers Award, Teachers' Aides' Award and Education Department Ministerial Officer's Salaries and Allowances and Conditions Award, subject to meeting relevant conditions of the Award (including teachers, education assistants and some administration and school support staff).

The entitlement to payment during student vacation is used during the school vacations, leaving no balance at the end of the summer holidays (i.e. zero balance when school resumes at the start of each calendar year).

As at financial year end, the Department recognises a liability for the entitlement to payment during student vacation accrued during the current calendar school year (accrued daily) and not yet taken as at 30 June.

(c) Long service liabilities

	2020-21	2019-20
	\$'000	\$'000
Within 12 months of the end of the reporting period	131,478	115,904
More than 12 months after the end of the reporting period	440,164	410,933
	571,642	526,837

A liability for long service leave is recognised across all employees using a short-hand approach which allows for the likelihood of payment, salary increases and a discount rate based on remuneration rates and bond yields current as at the end of the reporting period. The short-hand approach was not materially different from the liability determined using the present value of expected future payments. This calculation is consistent with the Department's experience of employee retention and leave utilisation

All long service leave provisions which are unconditional or expected to become unconditional within 12 months of the reporting date, plus all conditional long service leave provisions which are vested (i.e. the employee has met the age (55) or other criteria which allows early access) or will become vested within 12 months of the reporting date are classified as current liabilities. The remaining long service leave provisions are classified as non-current liabilities because the Department has an unconditional right to defer the settlement of the liability until the employee has completed the requisite criteria (e.g. age or years of service).

(d) Deferred salary scheme liabilities

	2020-21	2019-20
	\$'000	\$'000
Within 12 months of the end of the reporting period	4,941	3,772
More than 12 months after the end of the reporting period	28,000	25,242
	32,941	29,014

The provision for deferred leave relates to Public Sector employees who have entered into an agreement to self-fund up to an additional 12 months leave in the fifth year of the agreement. The provision recognises the value of salary set aside for employees to be used in the fifth year. This liability is measured on the same basis as annual leave. Deferred leave is reported as a current provision as employees can leave the scheme at their discretion at any time.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

3.1.2 Employee related provisions (continued)

(e) Remote teaching service

	2020-21	2019-20
	\$'000	\$'000
Within 12 months of the end of the reporting period	3,643	3,510
More than 12 months after the end of the reporting period	5,032	4,846
	8,675	8,356

The provision for Remote Teaching Service leave relates to teaching staff who are working in remote and isolated communities within Western Australia. Employees who stay in the same remote location continuously for three years are entitled to an additional 10 weeks paid leave and those who remain in the same remote location continuously for four years are entitled to an additional 22 weeks paid leave. The provision recognises the value of salary set aside for employees. This liability is measured on the same basis as long service leave.

Employment on-costs

The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses', and are not included as part of the Department's 'employee benefits expense'.

Key sources of estimation uncertainty – long service leave

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Several estimates and assumptions are used in calculating the Department's long service leave provision. These include:

- Expected future salary rates
- Discount rates
- Employee retention rates; and
- Expected future payments.

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

3.2 Grants and subsidies

	2020-21	2019-20
	\$'000	\$'000
<u>Recurrent</u>		
Parents from public schools	2,475	2,455
Non-government schools and other organisations	48,193	29,090
Total grants and subsidies	50,668	31,545

Transactions in which the Department provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return are categorised as 'Grant expenses'. Grants can either be operating or capital in nature.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Grants and other transfers to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as: grants, subsidies, personal benefit payments made in cash to individuals, other transfer payments made to public sector agencies, local government, non-government schools, and community groups.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

3.3 Other expenses

	2020–21	2019–20
	\$'000	Restated* \$'000
Supplies and services		
Communication services	25,267	25,882
Consumables	4,319	4,178
Consumables - utilities	76,980	79,324
Equipment purchases (\$4,999 and below)	7,457	6,004
Insurance	70,629	67,694
Minor works	135,729	76,152
PPP - School maintenance costs	10,055	7,392
Repairs and maintenance	132,153	125,876
Service and contracts ^(a)	174,764	171,133
Service and contracts - property	34,723	35,618
Staff-related expense	4,462	3,317
Travel	8,843	6,403
Schools expenses*	329,341	352,332
Other	5,929	6,606
Total supplies and services expenses	1,020,651	967,911

(a) Included within service and contracts are short-term and low value leases of up to \$5,000. This excludes leases with another wholly-owned public sector entity lessor agency. Refer to Note 5.2 for aggregate short-term and low value leases expense.

* See also Note 9.5 for details regarding the restatement of comparatives.

Supplies and services

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

Repairs and maintenance

Repairs, maintenance and cleaning costs are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset. In that case, the costs are capitalised and depreciated.

Employee on-cost

Employee on-cost includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liabilities is included at Note 3.1.2 'Employee related provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

Expected credit losses expense

Expected credit losses is an allowance of trade receivables, measured at the lifetime expected credit losses at each reporting date. The most significant assumptions and judgements in estimating the expected credit losses include the assessment of credit risk, forecasted economic assumptions and probability of recovery. Please refer to Note 6.1.1. 'Movement in the allowance for impairment of trade receivables'.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

3.3 Other expenses (continued)

Other

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

	2020-21	2019-20
	\$'000	Restated* \$'000
Other expenditures		
Loss on disposal of non-current assets ^(a) *	3,499	1,007
Write-off of intangibles (work in progress) ^(b)	-	13,100
Refund of prior period revenue	969	227
Expected credit losses expense ^(c)	1,710	7,447
Other expenditures	-	34
Total other expenditures	6,178	21,815
Total other expenses	1,026,829	989,726

(a) Refer to Note 3.4 Net loss on disposal of non-current assets for detailed breakdown.

(b) A write-off of intangibles (work in progress) relating to computer software development.

(c) Refer to Note 6.1.1 Movement in the allowance for impairment of trade receivables for detailed breakdown.

* See also Note 9.5 for details regarding the restatement of comparatives.

3.4 Net loss on disposal of non-current assets

	2020-21	2019-20
	\$'000	Restated* \$'000
<u>Carrying amount of disposal of non-current assets^(a)</u>		
Land	4,526	110
Buildings	-	392
Plant and equipment	2,588	282
Motor vehicles	2	2
Buses	70	65
Computers	138	49
Communication equipment	66	90
Office equipment	144	168
Miscellaneous assets ^(b)	25	189
	7,559	1,347
<u>Proceeds from disposal of non-current assets^(a)</u>		
Land	3,936	110
Plant and equipment	22	71
Motor vehicles	75	-
Buses	4	16
Computers	9	13
Communication equipment	4	22
Office equipment	8	38
Miscellaneous assets	2	70
	4,060	340
Net loss on disposal of non-current assets	3,499	1,007

(a) Due to the change in accounting policy for library collections, the 2019-20 carrying amount (previously \$0.08 million) has been restated to Nil, and the 2019-20 proceeds (previously \$0.02 million) is now included within miscellaneous assets, now \$0.07 million. Refer to note 9.4 and note 9.5 for more information.

(b) Includes \$0 of intangibles disposed in 2020-21, and \$45,000 in 2019-20. Refer to Note 5.3.

Gains or losses

Realised and unrealised gains or losses are usually recognised on a net basis. These include gains or losses arising on the disposal of non-current assets and some revaluations of non-current assets.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

NOTE 4. OUR FUNDING SOURCES

How we obtain our funding

This section provides additional information about how the Department obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Department and the relevant notes are:

	Notes	2020-21 \$'000	2019-20 \$'000
Income from State Government	4.1	4,370,597	4,121,669
User contributions, charges and fees	4.2	116,451	115,927
Australian Government grants and contributions	4.3	995,831	904,957
Interest revenue	4.4	16,543	22,897
Other revenue	4.5	114,492	110,763
Other gains	4.6	481,679	-

4.1 Income from State Government

	2020-21 \$'000	2019-20 \$'000
<u>Appropriation received during the period:</u>		
Service appropriation	4,305,387	4,066,784
	4,305,387	4,066,784
<u>Income received from other public sector entities during the period:</u>		
Grants and subsidies		
Department of Communities	2,143	1,972
Department of Fire and Emergency Services	132	142
Department of Jobs, Tourism, Science and Innovation	502	925
Department of Local Government, Sport and Cultural Industries	37	8
Department of Primary Industries and Regional Development	4	80
Department of Training and Workforce Development	1,557	1,560
Department of Transport	-	50
Department of Treasury	13,886	-
Department of Water and Environmental Regulation	100	58
Mental Health Commission	1,540	1,716
Miscellaneous	835	775
Training Accreditation Council WA	-	24
Western Australia Police Force	1,671	2,105
	22,407	9,415

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

4.1 Income from State Government (continued)

	2020-21	2019-20
	\$'000	\$'000
<u>Resources received from other public sector entities during the period:</u>		
Services received free of charge		
Department of Communities - Family centre operating costs	3	19
Department of Justice - Legal services	1,169	1,471
Department of Finance - Government accommodation	206	227
Department of Health - Online curriculum support materials, and funded teacher training	474	459
Landgate - Valuation services and land information data	193	325
Department of Primary Industries and Regional Development - Digital downloads	4	34
WA Child and Adolescent Health Service - School health services	15,118	16,543
	17,167	19,078
<u>Royalties for Regions Fund:</u>		
Regional Community Services Fund	21,136	21,644
Regional Reform Fund	4,500	4,748
	25,636	26,392
	4,370,597	4,121,669

Service Appropriations are recognised as income at the fair value of consideration received in the period in which the Department gains control of the appropriated funds. The Department gains control of appropriated funds at the time those funds are deposited in the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

Income from other public sector entities are recognised as income when the Department has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income will be recognised when the Department receives the funds.

Resources received from other public sector entities are recognised as income (and assets or expenses) equivalent to the fair value of the assets, or the fair value of those services that can be reliably determined and which would have been purchased if not donated.

The Regional Community Services Accounts and Regional Reform Fund are sub-funds within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas and are recognised as income when the Department receives the funds. The Department has assessed Royalties for Regions agreements and concludes that they are not within the scope of AASB 15 as they do not meet the 'sufficiently specific' criterion.

4.2 User contributions, charges and fees

	2020-21	2019-20
	\$'000	\$'000
<u>Schools</u>		
Contributions, charges and fees	97,145	97,986
	97,145	97,986
<u>Central Office</u>		
Agricultural schools fees	4,105	2,384
Other charges and fees	15,201	15,557
	19,306	17,941
Total user contributions, charges and fees	116,451	115,927

Revenue is recognised at the transaction price when the Department transfers control of the services to customers. Revenue is recognised for the major activities as follows:

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

4.2 User contributions, charges and fees (continued)

Contributions, charges and fees (schools and central office)

Revenue is recognised when the Department transfers control of services to a customer for the amount to which the Department expects to be entitled. Under AASB 15, these are predominantly to be recognised at a point in time when performance obligations are satisfied.

Net appropriation determination

The Treasurer may make a determination providing for prescribed receipts to be retained for services under the control of the Department. In accordance with the determination specified in the 2020–21 Budget Statements, the Department retained \$1,409.24 million in 2020–21 (\$1,292.99 million in 2019–20) from the following:

- User contributions, charges and fees (excluding user contributions, and fees and charges in respect of schools);
- Australian government specific purpose grants and contributions; and
- Other Departmental revenue.

4.3 Australian Government grants and contributions

	2020–21 \$'000	2019–20 \$'000
Central office		
Australian Government grants - recurrent	991,114	900,521
Australian Government grants - capital	3,945	3,495
	995,059	904,016
Schools		
Australian Government grants - recurrent	762	823
Australian Government grants - capital	10	118
	772	941
Total Australian Government grants and contributions	995,831	904,957

Recurrent Australian Government grants are recognised as income when the grants are receivable.

Australian Government contributions

Where Australian Government specific purpose funding is received, contributions received are deferred and revenue is recognised when or as the performance obligation is satisfied.

Capital grants

Income is recognised at the fair value of the consideration received to the extent the obligations for asset acquisition or construction specified in the grant are satisfied.

4.4 Interest revenue

	2020–21 \$'000	2019–20 \$'000
Interest revenue	1,074	3,518
Loan interest revenue	15,469	19,379
	16,543	22,897

Loan interest revenue amount reflects the interest charged and receivable from low interest loans to non-government schools and University of Notre Dame Australia (UNDA). In 2020–21 loans to the value of \$38.81 million were advanced to non-government schools and UNDA. Interest has been calculated using the effective interest rate method in compliance with AASB 9. Participating institutions repay financial costs applicable to their loans, with the balance of the interest rate charged (see Note 7.4 Finance Costs) being met by a government appropriation.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

4.5 Other revenue

	2020–21 \$'000	2019–20 \$'000
Schools		
Bookshops and canteens	5,125	4,396
Donations to schools	18,941	18,002
Hire of facilities	1,862	2,495
Lease income	8,018	6,401
Other revenue	18,513	21,353
Total other revenue - Schools	52,459	52,647
Capital contributions and recoveries		
Developer contributions	5,789	2,664
	5,789	2,664
Other		
Recoveries and refunds	20,026	21,701
Sale of goods and services	17,036	13,584
Employee rental contributions	17,257	16,773
Other miscellaneous revenue	1,925	3,394
	56,244	55,452
Total other revenue - Central office	62,033	58,116
Total other revenue	114,492	110,763

Other revenue

Other revenue is recognised in the accounting period in which the relevant performance obligations has been satisfied.

4.6 Other gains

	2020–21 \$'000	2019–20 \$'000
Asset revaluation increase	481,679	-
Total Other gains	481,679	-
Reconciliation of asset revaluation increase:		
Building valuation remediation ^(a)	797,256	-
Recognised through equity (note 9.13)	(315,577)	-
Net previously expensed	481,679	-

- (a) For 2020–21, the building valuation remediation includes \$601.70 million of buildings (refer to Note 5.1), \$193.30 million of land improvements (refer to Note 5.1) and \$2.28 million of service concession assets (refer to Note 5.4).

Other gains

Other gains mainly comprise project and professional fees previously excluded from buildings' revaluation and expensed through the statement of comprehensive income. During the year the Department reviewed its valuation methodology on buildings to include all relevant costs associated with replacing specialised assets in line with AASB 13 and Treasurer's Instruction 954.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

NOTE 5. KEY ASSETS

Assets the Department utilises for economic benefit or service potential

This section includes information regarding the key assets the Department utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes	2020-21 \$'000	2019-20 Restated* \$'000
Property, plant and equipment	5.1	11,994,070	11,060,947
Right-of-use assets	5.2	313,153	293,225
Intangibles	5.3	1,346	4,733
Service concession assets	5.4	29,218	27,611
Total key assets		12,337,787	11,386,516

* See also Note 9.5 for details regarding the restatement of comparatives

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

5.1 Property, plant and equipment

	Carrying amount at 30 Jun 2019	Adjustment for change in accounting policy - AASB 16 ^(a)	Adjustment for change in accounting policy - AASB 1059 ^(b)	Adjustment for change in accounting policy - Library collections ^(c)	Restated opening carrying amount at 1 Jul 2019	Additions	Disposals	Transferred to land & buildings held for distribution to owner ^(d)	Transferred from land & buildings held for distribution to owner	Transferred to/from works in progress	Impairment losses ^(e)	Depreciation	Transfers/ Adjustments/ Write-offs/ Revaluation transfer ^(f) to Income Statement	Carrying amount at 30 Jun 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2019-20														
Land	3,673,952	-	(9,311)	-	3,664,641	-	(110)	(7)	55	29,572	-	-	(13)	3,694,138
Buildings	6,930,269	-	(18,705)	-	6,911,564	48,749	(392)	-	-	373,862	(18,282)	(168,468)	97	7,147,130
Leased buildings PPP	161,737	(161,737)	-	-	-	-	-	-	-	-	-	-	-	-
Plant and equipment	10,900	-	-	-	10,900	5,964	(282)	-	-	-	-	(4,518)	(10)	12,054
Leased plant and equipment	64	(64)	-	-	-	-	-	-	-	-	-	-	-	-
Motor vehicles	199	-	-	-	199	1,251	(2)	-	-	-	-	(519)	(2)	927
Leased motor vehicles	310	(310)	-	-	-	-	-	-	-	-	-	-	-	-
Buses	4,736	-	-	-	4,736	2,027	(65)	-	-	-	-	(941)	-	5,757
Leased buses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Computers	4,123	-	-	-	4,123	3,444	(49)	-	-	-	-	(3,296)	(17)	4,205
Communication equipment	78	-	-	-	78	964	(90)	-	-	-	-	(552)	1	401
Office equipment	6,298	-	-	-	6,298	4,487	(168)	-	-	-	-	(3,085)	1	7,533
Leased office equipment	32,786	(32,786)	-	-	-	-	-	-	-	-	-	-	-	-
Library collections	32,459	-	-	(32,459)	-	-	-	-	-	-	-	-	-	-
Miscellaneous assets	3,754	-	-	-	3,754	848	(144)	-	-	-	-	(592)	5	3,871
Capital works in progress	229,022	-	-	-	229,022	359,345	-	-	-	(403,434)	-	-	(2)	184,931
Total	11,090,687	(194,897)	(28,016)	(32,459)	10,835,315	427,079	(1,302)	(7)	55	-	(18,282)	(181,971)	60	11,060,947

(a) The application of AASB 16 has resulted in the reclassification of finance leased assets to right-of-use assets.

(b) The application of AASB 1059 has resulted in a \$28.02 million reclassification from buildings and land into service concession assets. Refer to note 9.2 for more information.

(c) The change in library collections accounting policy has resulted in the library collections carrying amount of \$32.50 million being written off against opening accumulated deficit as at 1 July 2019 and restatement of library collections carrying amount for 2019-20. Refer to note 9.5 for more information.

(d) The Department of Planning, Lands and Heritage (DPLH) is the only Department with the power to sell Crown land. The land is transferred to DPLH for sale and the Department accounts for the transfer as a distribution to owner.

(e) Refer to Note 5.1.1 for impairment loss details.

(f) The indices for land, buildings, and school land improvements moved within threshold since the last revaluation as at 1 July 2018 and accordingly no revaluation adjustment for the year ended 30 June 2020. Information on fair value measurements is provided in Note 8.3

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

5.1 Property, plant and equipment (continued)

	Carrying amount at 30 Jun 2020	Adjustment for change in classification - Land improvements & transportables/demountables ^(a)	Restated opening carrying amount at 1 Jul 2020	Additions	Disposals	Transferred to land & buildings held for distribution to owner ^(b)	Transferred from land & buildings held for distribution to owner	Transferred to/from works in progress	Revaluation increments/(decrements) ^(c)	Impairment losses ^(d)	Depreciation	Transfers/Adjustments	Carrying amount at 30 Jun 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2020-21													
Land	3,694,138	-	3,694,138	-	(4,526)	(25,636)	3,450	19,879	461	(3,233)	-	(1)	3,684,532
Land improvements	-	1,507,373	1,507,373	-	-	-	-	682	193,274	-	(33,399)	-	1,667,930
Buildings	7,147,130	(1,806,313)	5,340,817	39,558	-	-	-	303,976	601,700	-	(106,351)	22	6,179,722
Plant and equipment	12,054	298,940	310,994	3,095	(2,588)	-	-	22,989	-	-	(40,292)	(367)	293,831
Motor vehicles	927	-	927	378	(2)	-	-	-	-	-	(437)	(319)	547
Buses	5,757	-	5,757	643	(70)	-	-	-	-	-	(896)	335	5,769
Computers	4,205	-	4,205	1,431	(138)	-	-	-	-	-	(2,272)	74	3,300
Communication equipment	401	-	401	347	(66)	-	-	-	-	-	(568)	20	134
Office equipment	7,533	-	7,533	3,912	(144)	-	-	-	-	-	(2,984)	128	8,445
Miscellaneous assets	3,871	-	3,871	660	(25)	-	-	-	-	-	(562)	30	3,974
Capital works in progress	184,931	-	184,931	308,477	-	-	-	(347,526)	-	-	-	4	145,886
Total	11,060,947	-	11,060,947	358,501	(7,559)	(25,636)	3,450	-	795,435	(3,233)	(187,761)	(74)	11,994,070

- (a) Given their nature and use from 1 July 2020, transportables and demountables were reclassified to plant and equipment, and land improvements were reclassified from buildings to its own asset class.
- (b) The Department of Planning, Lands and Heritage (DPLH) is the only Department with the power to sell Crown land. The land is transferred to DPLH for sale and the Department accounts for the transfer as a distribution to owner.
- (c) The indices for land, buildings, and school land improvements moved within threshold since the last revaluation as at 1 July 2018 and accordingly no out of cycle comprehensive revaluation was triggered. However, in 2020-21, the Department reviewed its valuation methodology which was amended to include buildings and land improvements and professional fees. Refer to Note 4.6 for more details.
- (d) Refer to Note 5.1.1 for impairment loss details.
- Information on fair value measurements is provided in Note 8.3

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

5.1 Property, plant and equipment (continued)

Initial recognition

Items of property, plant and equipment, costing \$5,000 or more with a useful life of 2 or more years are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment (PPE) and land improvements costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management to be included in the cost of an item. Examples include project and professional fees, installation and assembly costs, costs of site preparation and costs of employee benefits arising directly from the construction or acquisition of the item of PPE.

Assets transferred as part of a machinery of government change are transferred at their fair value.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

Subsequent measurement

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land, buildings and school land improvements and historical cost for all other property, plant and equipment. Buildings and school land improvements are carried at fair value less accumulated depreciation and accumulated impairment loss. Land is carried at fair value. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

In the absence of market-based evidence, fair value of land and buildings, including building sub-classes (school land improvements) is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use buildings is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is determined on the depreciated replacement cost basis, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount. Fair value for restricted use land is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land (low restricted use land).

School land improvements consists of roads, foot paths and paved areas, boundary walls, fences and gates, soft landscaping, and external services. Information from the quantity surveyor engaged by the Department, previous analysis of school land improvements, and a cross reference to industry cost guide publication is considered to estimate the building replacement cost for school land improvements.

Land and Buildings are measured at fair value on a cyclical basis, consistent with TI 954 Revaluation of Non-Current Physical Assets, issued by the Department of Treasury. The last revaluation for land, buildings and school land improvements was effective for the year ended 30 June 2019, carried out by the Western Australian Land Information Authority (Landgate).

The Department revalues land, buildings and school land improvements every three years. Indices are reviewed annually and when they indicate a cumulative change of greater than or equal to 15% since last comprehensive revaluation an out of cycle revaluation will be triggered. No comprehensive revaluation is undertaken when cumulative movement in indices is less than 15% since last revaluation.

The Department uses indices from a reputable and publicly available source, the Australian Bureau of Statistics for the measurement of indices relevant to the Department's assets. Independent valuers are generally used to conduct these scheduled revaluations.

The Department includes Project and Professional Fees in the fair value.

The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated economic life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

5.1 Property, plant and equipment (continued)

Key sources of estimation uncertainty – Valuation of land improvements

The Department recognises school land improvements comprising roads, footpaths and paved areas; boundary walls, fencing and gates; soft landscaping and external services from an independent quantity surveyor as determined by the Department's valuer. Currently the value for each sub-class is determined by applying the appropriate disclosed rate per square metre to the gross floor area of the individual school. An appropriate unit rate per square metre is determined by the Department's valuer using, but not limited to such information as building periodicals, Departmental data and analysis of tender results from Department of Finance. When determining depreciated replacement cost the effective age for the school buildings is currently used.

The interest rate used to estimate the value of assets and liabilities under the PPP arrangement is 6.79%.

5.1.1 Depreciation and impairment

Depreciation charge for the period

	2020–21	2019–20
	\$'000	Restated* \$'000
Depreciation		
Land Improvements ^(a)	33,399	-
Buildings	106,351	168,468
Plant and equipment ^(b)	40,292	4,518
Motor vehicles	437	519
Buses	896	941
Computers	2,272	3,296
Communication equipment	568	552
Office equipment	2,984	3,085
Miscellaneous assets	562	592
Total depreciation	187,761	181,971

(a) In 2020–21, a new asset category land improvements was created and \$33.40 million of depreciation expense was transferred from buildings. In 2019–20, the depreciation expense for land improvements of \$40.65 million was included in buildings.

(b) In 2020–21, transportables and demountables of \$36.86 million of depreciation expense was reclassified from buildings to plant and equipment. In 2019–20, the depreciation expense for transportables and demountables of \$20.11 million was included in buildings.

* See also Note 9.5 for details regarding the restatement of comparatives.

Impairment charge for the period

	2020–21	2019–20
	\$'000	\$'000
Impairment		
Land ^(a)	3,233	-
Buildings ^(b)	-	18,282
Total impairment	3,233	18,282

(a) The land impairment reflects the impact of restrictions placed on the land acquired at market value to build a public school.

(b) For 2019–20, the majority of the impairment charge relates to fire damage at Gingin District High School, East Kimberley College, Tom Price Primary School and Broome Primary School.

Finite useful lives

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

In calculating depreciation for buildings, (including the land improvements sub-class), the Department deems the economic life of the asset (as assessed by the valuer) to be the useful life of the asset. The asset is then depreciated on a straight line basis over its economic life.

Depreciation is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable assets are:

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

5.1.1 Depreciation and impairment (continued)

Buildings	50 to 80 ^(a)	Years
Land improvements	40 to 80	Years
Communication equipment	5	Years
Computers	4	Years
Furniture and fittings	10	Years
Motor vehicles	5	Years
Buses	10	Years
Musical instruments	8 to 12	Years
Office equipment	5 to 8	Years
Plant and equipment	8 to 25 ^{(b)(c)}	Years
Software	4	Years

- (a) Due to the reclassification of land improvements from buildings to its own asset class from 1 July 2020, the useful life of the remaining buildings asset class is 50 to 80 years. Residential college buildings have a useful life of 50 years, and school buildings have a useful life of 80 years.
- (b) From 1 July 2020, transportables and demountables were reclassified to plant and equipment given their nature and use.
- (c) From 1 July 2020, transportables and demountables useful lives have been assessed from 16 to 25 years as it provides reliable and more relevant information by taking into account the increase in useful life when a transportable is refurbished.

Works of art controlled by the Department are classified as property, plant and equipment. These are anticipated to have indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period and consequently no depreciation has been recognised.

Land is not depreciated.

Furniture and fittings, and musical instruments are included within miscellaneous assets.

Impairment

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

As the Department is a not-for-profit agency, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

5.2 Right-of-use assets

	Carrying amount at 30 Jun 2019	Recognition of right-of-use assets on initial application of AASB 16 ^(a)	Restated opening carrying amount at 1 Jul 2019	Additions	Disposals	Transfers/ Adjustments	Depreciation	Carrying amount at the end of the period
	\$'000			\$'000	\$'000	\$'000	\$'000	\$'000
2019–20								
Land	-	2,898	2,898	-	-	-	(416)	2,482
Buildings	-	28,400	28,400	5,290	-	-	(18,546)	15,144
Buildings PPP	-	161,737	161,737	88,955	-	602	(2,715)	248,579
Motor vehicles	-	5,804	5,804	2,035	(28)	-	(2,370)	5,441
Other	-	32,849	32,849	5,888	-	2	(17,160)	21,579
Total	-	231,688	231,688	102,168	(28)	604	(41,207)	293,225

(a) The application of AASB 16 has resulted in the reclassification of finance leased assets to right-of-use assets.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

5.2 Right-of-use assets (continued)

	Carrying amount at 30 Jun 2020	Additions	Disposals	Transfers/ Adjustments	Depreciation	Carrying amount at the end of the period
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2020-21						
Land	2,482	-	-	(1)	(416)	2,065
Buildings	15,144	23,103	-	(258)	(20,575)	17,414
Buildings PPP	248,579	29,417	-	95	(4,148)	273,943
Motor vehicles	5,441	2,043	-	(33)	(2,253)	5,198
Other	21,579	4,529	-	(1)	(11,574)	14,533
Total	293,225	59,092	-	(198)	(38,966)	313,153

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

5.2 Right-of-use assets (continued)

Initial recognition

Right-of-use assets are measured at cost including the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs, including dismantling and removing the underlying asset.

This includes all leased assets other than investment property right-of-use assets, which are measured in accordance with AASB 140 Investment Property.

The Department has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Department at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in Note 5.1.1.

The following amounts relating to leases have been recognised in the statement of comprehensive income:

	2020-21 \$'000	2019-20 \$'000
<u>Depreciation</u>		
Land	416	416
Buildings	20,575	18,546
Buildings PPP	4,148	2,715
Vehicles	2,253	2,370
Other	11,574	17,160
Total depreciation expense of right-of-use assets	38,966	41,207
Lease interest expense	21,308	18,646
Short-term leases	22	289
Low-value leases	6,967	1,085

The total cash outflow for leases in 2020-21 was \$66.07 million (2019-20: \$58.60 million).

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

5.2 Right-of-use assets (continued)

The Department's leasing activities and how these are accounted for:

The Department has leases for mostly vehicles, computer equipment, private public partnership schools and residential accommodations.

The residential accommodation leases are mostly fixed term leases with Government Regional Officers' Housing (GROH) which are included in buildings. The Department also has open ended leases with GROH, where either party may exit the agreement with limited penalty. As the agreements work on a month-to-month 'extension' basis, the lessee and lessor can elect to not continue extending the arrangement. As a result, under AASB 16, there is no non-cancellable period that gives right to specific rights and obligations, and are therefore accounted for as an expense as incurred.

The Department has entered into a Memorandum of Understanding Agreement (MOU) with the Department of Finance for the leasing of office accommodation. These are not recognised under AASB 16 because of substitution rights held by the Department of Finance and are accounted for as an expense as incurred.

The Department recognises leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 7.2.

5.3 Intangible assets

	2020-21 \$'000	2019-20 \$'000
<u>Computer software</u>		
At cost - central office	10,645	10,645
At cost - schools	167	167
Accumulated amortisation	(10,706)	(9,721)
	106	1,091
Work in progress - Intangible internally generated ^(a)	1,240	3,642
	1,346	4,733
Reconciliations:		
<u>Computer software</u>		
Carrying amount at start of period	1,091	2,229
Additions	-	-
Disposal	-	(45)
Amortisation expense	(985)	(1,093)
Carrying amount at end of period	106	1,091
Work in progress - Intangible internally generated ^(a)	1,240	3,642
	1,346	4,733

(a) \$2.56 million was previously included in the Department's work in progress however it was transferred to the School Curriculum and Standards Authority in 2020-21. See also note 9.13 Equity.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

5.3 Intangible assets (continued)

Initial recognition

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) an intention to complete the intangible asset, and use or sell it;
- (c) the ability to use or sell the intangible asset;
- (d) the intangible asset will generate probable future economic benefit;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Acquisitions of intangible assets costing \$50,000 or more and internally generated intangible assets costing \$50,000 or more that comply with the recognition criteria as per AASB 138.57 (as noted above), are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Costs incurred in the research phase of a project are immediately expensed.

Subsequent measurement

The cost model is applied for subsequent measurement of intangible assets, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

5.3.1 Amortisation and impairment

Charge for the period

	2020–21	2019–20
	\$'000	\$'000
Amortisation		
Intangible assets	985	1,093
Total amortisation	985	1,093

As at 30 June 2021 there were no indications of impairment to intangible assets.

The Department held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

Amortisation of finite life intangible assets is calculated on a straight line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by the Department have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The estimated useful lives for each class of intangible asset are:

Software	4	Years
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Impairment of intangible assets

The Department's central office and regional offices test intangible assets with an indefinite useful life and intangible assets not yet available for use for impairment at the end of each reporting period irrespective of whether there is any indication of impairment. Schools test intangible assets each year for indication of impairment.

Key sources of estimation uncertainty – Impairment of intangible assets

Central office, regional offices and schools assess impairment of intangible assets at the end of each reporting period. The impact of impairment of intangible assets in schools is minimal. Where there is an indication of impairment (such as falling replacement costs), the recoverable amount of the intangible asset is estimated. Calculations performed in assessing recoverable amounts incorporate a number of key estimates.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

5.4 Service concession assets

	Carrying amount at 1 Jul 2019	Recognition of service concession assets on initial application of AASB 1059 ^(a)	Restated opening carrying amount at 1 Jul 2019	Additions	Disposals	Revaluation increments/ (decrements)	Depreciation	Transfers/ Adjustments	Carrying amount at the end of the period
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2019–20									
Land	-	9,311	9,311	-	-	-	-	-	9,311
Buildings	-	18,705	18,705	-	-	-	(414)	9	18,300
Total	-	28,016	28,016	-	-	-	(414)	9	27,611

(a) The application of AASB 1059 has resulted in a \$28.02 million reclassification from buildings and land into service concession assets. Refer to note 9.2 for more information. Information on fair value measurements is provided in Note 8.3

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

5.4 Service concession assets (continued)

	Carrying amount at 30 Jun 2020	Adjustment for change in classification - Land improvements & transportables/ demountables ^(a)	Restated opening carrying amount at 1 Jul 2020	Additions	Disposals	Revaluation increments/ (decrements) ^(b)	Depreciation	Transfers/ Adjustments	Carrying amount at the end of the period
	\$'000	\$'000		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2020-21									
Land	9,311	-	9,311	-	-	-	-	-	9,311
Land improvements	-	3,369	3,369	-	-	440	(108)	2	3,703
Buildings	18,300	(3,978)	14,322	-	-	1,842	(494)	(2)	15,668
Plant and equipment	-	609	609	-	-	-	(74)	1	536
Total	27,611	-	27,611	-	-	2,282	(676)	1	29,218

(a) Given their nature and use from 1 July 2020, transportables and demountables were reclassified to plant and equipment, and land improvements were reclassified from buildings to its own asset class.

(b) In 2020-21, the revaluation and capitalisation policy has been amended to include buildings and land improvements project and professional fees.

Information on fair value measurements is provided in Note 8.3

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

5.4 Service concession assets (continued)

Initial measurement

A service concession asset is initially measured at current replacement cost in accordance with the cost approach to fair value in AASB 13 Fair Value Measurement.

This same measurement approach applies to existing assets of the Department that have been reclassified as service concession assets at the date of reclassification. Any difference between the carrying amount of the asset and its current replacement cost is accounted for as if it is a revaluation of the asset.

Subsequent measurement

After initial recognition, service concession assets are subsequently measured applying the revaluation model (refer to Note 5.1 Property, Plant and Equipment).

5.4.1 Depreciation and impairment

	2020-21	2019-20
	\$'000	Restated* \$'000
<u>Depreciation</u>		
Land improvements	108	-
Buildings	494	414
Plant and equipment	74	-
Total depreciation	676	414

Depreciation and impairment of service concession assets

Subsequent to initial recognition or reclassification, a service concession asset is depreciated in accordance with AASB 116 Property, Plant and Equipment, with any impairment recognised in accordance with AASB 136 (refer to Note 5.1.1 Depreciation and Impairment).

The Department's Camp Schools and Landsdale farm meet the eligibility requirement of a service concession asset. The Department leased six camp schools to Fairbridge Western Australia (Inc.) for period of 15 years (renewable for another two five-year lease terms) for a nominal cost, and Landsdale Farm to Family Support WA Inc for an initial period of five years (renewable for another two-five-year lease terms) at an annual rental amount.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

This section sets out those assets and liabilities that arose from the Department's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

NOTE 6. OTHER ASSETS AND LIABILITIES

	Notes	2020-21 \$'000	2019-20 \$'000
Receivables	6.1	398,069	379,755
Amounts receivable for services	6.2	3,337,896	3,139,234
Other current assets	6.3	13,091	10,763
Inventory	6.4	7,552	6,442
Payables	6.5	141,304	135,534
Other provisions	6.6	3,410	189
Other liabilities	6.7	18,227	11,481

6.1 Receivables

	2020-21 \$'000	2019-20 \$'000
<u>Current</u>		
Trade receivables	36,800	44,516
Loans to non-government schools and the University of Notre Dame Australia (UNDA) ^(a)	37,896	34,876
Allowance for impairment of receivables	(11,258)	(14,474)
GST receivable	16,992	16,640
	80,430	81,558
<u>Non-current</u>		
Loans to non-government schools and the UNDA ^(a)	317,639	298,197
	317,639	298,197

(a) Loans to non-government schools and the UNDA

The Department is required to report the value of subsidised loans it provides to non-government schools and the UNDA, in accordance with AASB 9. The loans are measured at amortised cost and have a maturity term not exceeding 15 years, as per the Low Interest Loan Scheme (LILS) guidelines. These loans are not held for trading purposes. See Note 8.1 Financial risk management.

The loans are at a reduced average interest rate of 2.58% per annum, as the Department meets the subsidised interest (refer to Note 4.4, Interest Revenue) on behalf of borrowers through a government appropriation.

Trade receivables are recognised and carried at original invoice amount less any allowance for uncollectible amounts (i.e. impairment). Estimated credit losses are provided for the life of loans using the simplified approach under AASB 9, taking into account historical trends as well as current and forecast credit risks. A progressive provisioning matrix is applied based on an ageing analysis. All loans were classified as current at the end of the reporting with a general provision for estimated credit losses at 0.34% (2019-20: 0.27%).

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

6.1.1 Movement in the allowance for impairment of trade receivables

	2020–21	2019–20
	\$'000	\$'000
<u>Reconciliation of changes in the allowance for impairment of trade receivables:</u>		
Balance at start of period	14,474	10,362
Expected credit losses expense	1,709	7,482
Amounts written off during the period	(4,925)	(3,370)
Balance at end of period	<u>11,258</u>	<u>14,474</u>

The maximum exposure to credit risk at the end of the reporting period for trade receivables is the carrying amount of the asset inclusive of any allowance for impairment as shown in the table at Note 8.1(c) 'Credit risk exposure'.

Other than loans to non-government schools and the University of Notre Dame Australia (UNDA), for trade receivables, the Department does not hold any collateral as security or other credit enhancements.

6.2 Amounts receivable for services (Holding Account)

	2020–21	2019–20
	\$'000	\$'000
Current	18,943	19,674
Non-current	3,318,953	3,119,560
	<u>3,337,896</u>	<u>3,139,234</u>

Amounts receivable for services represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

Amounts receivable for services are not considered to be impaired (i.e. there is no expected credit loss of the holding accounts).

6.3 Other assets

	2020–21	2019–20
	\$'000	\$'000
<u>Current</u>		
Contract assets	-	2,352
Prepayments	13,091	8,411
	<u>13,091</u>	<u>10,763</u>

Contract assets

Where a Department performs by transferring either goods or services to a customer before the payment is due or before the customer pays for consideration, then these are to be classified as contract assets. Contract assets exclude any amounts presented as a receivable.

Prepayments

Represents payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

6.4 Inventories

	2020-21	2019-20
	\$'000	\$'000
Inventories held for resale:		
School canteens, publications and bookshops stocks (at cost)	2,301	2,380
Livestock and farm produce (at cost)	5,251	4,062
	<u>7,552</u>	<u>6,442</u>

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis.

Inventories not held for resale are valued at cost unless they are no longer required, in which case they are valued at net realisable value.

6.5 Payables

	2020-21	2019-20
	\$'000	\$'000
<u>Current</u>		
Trade and other payables - central office	1,193	2,968
Trade and other payables - schools	4,665	11,831
Accrued expenses	72,659	62,649
Accrued salaries	61,225	57,082
	<u>139,742</u>	<u>134,530</u>
 <u>Non-current</u>		
Trade and other payables - central office	1,562	1,004
	<u>1,562</u>	<u>1,004</u>

Payables

Payables are recognised at the amounts payable when the Department becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

Accrued salaries

Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight of the reporting period end. The Department considers the carrying amount of accrued salaries to be equivalent to its fair value.

The accrued salaries suspense account (see Note 7.5.2 'Restricted cash and cash equivalents') consists of amounts paid annually, from Departmental appropriations for salaries expense, into a suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

6.6 Other provisions

	2020–21 \$'000	2019–20 \$'000
<u>Current</u>		
Make-good provision	19	-
	19	-
<u>Non-current</u>		
Make-good provision	170	189
Cladding rectification provision	3,221	-
	3,391	189
Balance at end of period	3,410	189

A restoration provision needs to be recognised for the present value of the estimated expenditure required, due to the Department's legal or constructive obligation, to dismantle and restore leasehold improvements, and undertake cladding rectification works.

A restoration provision is recognised when:

- there is a present obligation;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- the amount of the provision can be measured reliably.

The provision for future restoration cost is the best estimate of the expenditure required to settle the restoration obligation at the reporting date. Future restoration costs are reviewed annually for cladding rectification works and every three years for make-good and any changes in the estimate are reflected in the restoration provision at each reporting date.

Make-good (restoration) provision

Some leased premises are required to be restored to their original condition at the end of their respective lease terms.

Cladding rectifications (restoration) provision

Following a fire involving aluminium composite panels, the Building Commission requested agencies assess their facilities. The Department has assessed all projects where aluminium composite panels were used since 2000. Where projects are identified as having potentially combustible cladding, fire engineering assessments were undertaken. At the time of reporting, three buildings belonging to the Department have been identified in the Department of Mines, Industry Regulation and Safety report. Further investigations have been undertaken by Department of Finance on behalf of the Department for 13 schools. This work has resulted in the identification of solutions for 11 schools, signage solutions for two schools and one school was found to require no work. The implementation of the proposed solutions is now subject to the funding through the usual budget process.

6.6.1 Movement in provisions

Movements in each class of provision during the period are set out below:

	2020–21 \$'000	2019–20 \$'000
<u>Make-good provision</u>		
Carrying amount at start of period	189	-
Additional/(reversals of) provisions recognised	-	189
Payments	-	-
Carrying amount at end of period	189	189
<u>Cladding rectification provision</u>		
Carrying amount at start of period	-	-
Additional/(reversals of) provisions recognised	3,221	-
Payments	-	-
Carrying amount at end of period	3,221	-

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

6.7 Other liabilities

	2020-21	2019-20
	\$'000	\$'000
Current		
Amounts held in schools suspense accounts	5,890	6,601
Accrued interest expense	2,195	2,333
Other	151	171
Contract liabilities	9,991	2,376
	18,227	11,481

Contract liabilities

Contract liabilities, classified as amounts due to customers for services yet to be provided, primarily relate to when the Department has received consideration in advance of satisfying the performance obligation. Refer to Notes 4.2, 4.3 and 4.5 for details of the revenue recognition policy.

6.7.1 Movement in contract liabilities

	2020-21	2019-20
	\$'000	\$'000
<u>Reconciliation of changes in contract liabilities</u>		
Opening balance	2,376	597
Additions	9,368	3,597
Revenue recognised in the reporting period	(1,753)	(1,818)
Balance at end of period	9,991	2,376

The Department expects to satisfy the performance obligations unsatisfied at the end of the reporting period within the next 12 months.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

NOTE 7. FINANCING

This section sets out the material balances and disclosures associated with the financing and cash flows of the Department.

	Notes
Borrowings	7.1
Leases	7.2
Assets pledge as security	7.3
Finance costs	7.4
Cash and cash equivalents	7.5
Reconciliation of cash	7.5.1
Restricted cash and cash equivalents	7.5.2
Reconciliation of operating activities	7.5.3
Commitments	7.6
Capital commitments	7.6.1

7.1 Borrowings

	2020-21 \$'000	2019-20 \$'000
Current		
WATC loans ^(a)	37,896	34,876
Total current	37,896	34,876
Non-current		
WATC loans ^(a)	342,801	328,740
Other loans	-	109
Total non-current	342,801	328,849
Total borrowings	380,697	363,725

- (a) Western Australian Treasury Corporation (WATC) Low Interest Loans. The Department borrows from the WATC to finance loans provided under the LILS (See also Note 6.1 Receivables). Loans are borrowed at an average rate of interest of 2.56% per annum. The carrying amounts are equivalent to their net fair values.

The current WATC Low Interest Loans relates to the portion of the principal repayments payable to WATC within the next 12 months. The amount is derived from estimates provided through the low interest loans system and the repayment schedule provided by WATC.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

7.2 Leases

	2020–21	2019–20
	\$'000	\$'000
Current	26,128	32,668
Non-current	322,707	305,151
	348,835	337,819

The Department measures a lease liability, at the commencement date, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Department uses the incremental borrowing rate provided by Western Australia Treasury Corporation (WATC).

Lease payments included by the Department as part of the present value calculation of lease liability include:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options (where these are reasonably certain to be exercised);
- Payments for penalties for terminating a lease, where the lease term reflects the Department exercising an option to terminate the lease.

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by the Department if the lease is reasonably certain to be extended (or not terminated).

This section should be read in conjunction with Note 5.2.

Subsequent measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

Public Private Partnerships

The State Government partnered with a single Project Company to design, build, finance and maintain four new primary schools and four secondary schools to open progressively from 2017 to 2020, with a subsequent maintenance period ending in December 2047.

Schools are designed, constructed and made available to the Department, upon commercial acceptance (CA). The Project Company is to provide, over the duration of the term, agreed facilities management services, maintenance and refurbishment of the schools. At the end of the term, the Project Company is to hand over the schools to the Department in a well maintained condition, for nil consideration.

These Public Private Partnership (PPP) schools are recognised by the Department as a right of use asset with a right of use liability on achievement of CA of each phase of each school. The Department takes control of the school upon CA and provides school activities, including educational services and administration. The Department makes Quarterly Service Payments (QSP) over the term comprising repayment of design and construction costs and maintenance and service payments. The payment of the QSP will result in a reduction of the lease liability over time.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

7.3 Assets pledged as security

	2020-21	2019-20
	\$'000	\$'000
<u>Assets pledged as security</u>		
The carrying amounts of non-current assets pledged as security are:		
Right-of-use asset - Land	2,065	2,482
Right-of-use asset - Buildings	17,414	15,144
Right-of-use asset - Buildings PPP	273,943	248,579
Right-of-use asset - Motor vehicles	5,198	5,441
Right-of-use asset - Other	14,533	21,579
	313,153	293,225

The Department has secured the right-of-use assets against the related lease liabilities. In the event of default, the rights to the leased assets will revert to the lessor.

7.4 Finance costs

	2020-21	2019-20
	\$'000	\$'000
Lease interest expense	21,308	18,646
Loan fair value expense ^(a)	269	1,408
Interest expensed ^(b)	10,630	11,171
Total finance costs expensed	32,207	31,225

- (a) Represents the write down to fair value of low interest loans provided to non-government schools. The amount of loans provided during 2020-21 was \$38.81 million (2019-20: \$51.40 million).
- (b) Represents the amounts charged for loans provided to the Department by the WATC for the operation of the LILS and special loan to the University of Notre Dame Australia (UNDA). Refer to Note 4.4 Interest Revenue and Note 6.1 Receivables for further details.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

7.5 Cash and cash equivalents

7.5.1 Reconciliation of cash

	2020-21 \$'000	2019-20 \$'000
<u>Schools</u>		
Bank accounts	397,050	359,575
Cash on hand	134	132
	397,184	359,707
<u>Central office</u>		
Operating bank account	210,619	199,245
	210,619	199,245
Total cash and cash equivalents	607,803	558,952

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash, and which are subject to insignificant risk of changes in value.

7.5.2 Restricted cash and cash equivalents

	2020-21 \$'000	2019-20 \$'000
<u>Current</u>		
Grants accounts ^(a)	13,976	11,824
Royalties for Regions Fund	1,559	8,481
Paid Parental Leave	421	395
Special purpose account - TRBWA ^(b)	8,880	9,547
Special purpose account - Student Residential Colleges Fund ^(b)	1,266	-
	26,102	30,247
<u>Non-current</u>		
Accrued salaries suspense account (27th pay) ^(c)	79,569	61,323
	79,569	61,323
Total restricted cash and cash equivalents	105,671	91,570

- (a) Unspent cash balances relating to Australian Government grants, State and private partnerships funding, which can only be used for the purpose stipulated by the grant or funding arrangement.
- (b) Refer to Note 9.9 for further details.
- (c) Funds held in the suspense account for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

7.5.3 Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

	2020–21	2019–20
	\$'000	Restated ^(a)
		\$'000
Cash and cash equivalents (note 7.5.1)	607,803	558,952
Restricted cash and cash equivalents (note 7.5.2)	105,671	91,570
	713,474	650,522
Reconciliation of net cost of services to net cash flows used in operating activities		
Net cost of services ^(a)	(3,878,325)	(4,201,058)
Non-cash Items		
Depreciation expense (note 5.1.1, 5.4.1 and 5.2) ^(a)	227,403	223,592
Amortisation expense (note 5.3.1)	985	1,093
Impairment expense (note 5.1.1)	3,233	18,282
Resources received free of charge (note 4.1)	17,167	19,078
Expected credit losses expense (note 3.3)	1,710	7,447
Loss on disposal of non-current assets (note 3.3) ^(a)	3,499	1,007
Write-off of intangible (work in progress) (note 3.3)	-	13,100
Asset revaluation increment (note 4.6)	(481,679)	-
Adjustment for other non-cash items ^(a)	(6,454)	5,309
(Increase)/decrease in assets		
Current receivables ^(b)	4,696	(13,680)
Current inventories	(1,110)	494
Other current assets	(2,328)	8,815
Non-current receivables	(19,442)	(18,779)
Increase/(decrease) in liabilities		
Provisions	81,873	46,326
Current payables and other liabilities ^(b)	11,958	45,381
Non-current payables	558	831
Net GST receipts/(payments) ^(c)	(381)	1,456
Change in GST in receivables and payables ^(d)	(352)	1,315
Net cash used in operating activities	(4,036,989)	(3,839,991)

- (a) 2019–20 net cost of services (previously reported as \$4,204.57 million), depreciation expense (previously \$233.42 million), loss on disposal of assets (previously \$1.09 million) and adjustment for other non-cash items (previously -\$1.08 million) have been restated due to accounting policy change for library collections. Refer to note 9.4 for further information.
- (b) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.
- (c) This is the net GST paid/received, i.e. cash transactions.
- (d) This reverses out the GST in receivables and payables.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

7.6 Commitments

7.6.1 Capital commitments

	2020-21	2019-20
	\$'000	\$'000
Capital expenditure commitments^(a)		
<u>Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:</u>		
Within 1 year	388,475	262,665
Later than 1 year and not later than 5 years	326,126	170,652
	714,601	433,317
<u>The capital commitments include amounts for:</u>		
Additional stages at secondary schools	61,826	55,926
Additions and improvements to secondary schools	94,702	123,381
Additions and improvements to primary schools	18,496	34,053
Additions and Improvements to residential colleges	110	3,346
Miscellaneous	18,668	16,063
New secondary schools	46,125	2,802
New primary schools	153,503	145,330
Other school facilities	6,768	2,530
Other works	7,199	12,118
Universal Access Program	2,194	1,369
State Recovery COVID19	289,798	-
Stimulus Package	13,088	28,322
School funded projects	2,124	8,078
	714,601	433,317

- (a) As part of the WA recovery plan to guide Western Australia through COVID-19 recovery, the State Government has provided additional funding, and will include major additions to burgeoning secondary schools, new sport halls, classrooms, specialist facilities and refurbishments.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

NOTE 8. RISKS AND CONTINGENCIES

This section sets out the key risk management policies and measurements techniques of the Department.

	Notes
Financial risk management	8.1
Contingent liabilities	8.2.1
Fair value measurements	8.3

8.1 Financial risk management

Financial instruments held by the Department are cash and cash equivalents, restricted cash and cash equivalents, receivables, payables, Western Australian Treasury Corporation (WATC) borrowings and finance leases. The Department has limited exposure to financial risks. The Department's overall risk management program focuses on managing the risks identified below.

(a) Summary of risks and risk management

Credit risk

Credit risk arises when there is a possibility of the Department's receivables defaulting on their contractual obligations resulting in a financial loss to the Department.

Credit risk associated with the Department's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). Policies are in place to minimise exposure to credit risk associated with loans to non-government schools and the University of Notre Dame Australia (UNDA), students and other debtors. In addition, receivable balances are monitored on an ongoing basis with the result that the Department's exposure to bad debts is minimal. Debt will be written-off against the allowance account when it is improbable or uneconomical to recover the debt. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Department is unable to meet its financial obligations as they fall due.

The Department is exposed to liquidity risk through its trading in the normal course of business. The Department has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Department's income or the value of its holdings of financial instruments. The Department does not trade in foreign currency and is not materially exposed to other price risks. The Department's exposure to market risk for changes in interest rates relate primarily to the long-term debt obligations.

All borrowings are due to the WATC and are repayable at fixed rates with varying maturities. Other than as detailed in the interest rate sensitivity analysis table at Note 8.1(e), the Department is not exposed to interest rate risk because the majority of cash and cash equivalents and restricted cash are non-interest bearing, and it has no borrowings other than the WATC borrowings and lease liabilities (fixed interest rate).

(b) Categories of financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are as follows:

	2020-21 \$'000	2019-20 \$'000
Financial assets		
Cash and cash equivalents	607,803	558,952
Restricted cash and cash equivalents	105,671	91,570
Financial assets at amortised cost ^(a)	3,718,973	3,502,349
Total financial assets	4,432,447	4,152,871
Financial liabilities		
Financial liabilities measured at amortised cost	889,063	848,559
Total financial liability	889,063	848,559

(a) The amount of receivables/Financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable).

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

8.1 Financial risk management (continued) – (c) Credit risk exposure

The following table details the credit risk exposure on the Department's trade receivables using a provision matrix.

	Total \$'000	Days past due			
		Current \$'000	<30 Days \$'000	31-60 days \$'000	>60 days \$'000
30 June 2021					
Central Office					
Expected credit loss rate		1.00%	2.00%	5.00%	20.00%
Estimated total gross carrying amount at default	2,375	903	689	55	728
Expected credit losses	(171)	(9)	(14)	(3)	(146)
Loans to non-government schools and University ^(a)					
Expected credit loss rate		0.34%			
Estimated total gross carrying amount at default	355,535	355,535			
Expected credit losses	(1,209)	(1,209)			
Schools, Residential Colleges and other debtors ^(b)					
Estimated total gross carrying amount at default	34,425				
Expected credit losses	(9,878)				
Total					
Estimated total gross carrying amount at default ^(c)	392,335				
Expected credit losses	(11,258)				
30 June 2020					
Central Office					
Expected credit loss rate		1.00%	2.00%	5.00%	20.00%
Estimated total gross carrying amount at default	1,523	482	67	72	902
Expected credit losses	(190)	(5)	(1)	(4)	(180)
Loans to non-government schools and University ^(a)					
Expected credit loss rate		0.27%			
Estimated total gross carrying amount at default	324,979	324,979			
Expected credit losses	(877)	(877)			
Schools, Residential Colleges and other debtors ^(b)					
Estimated total gross carrying amount at default	51,087				
Expected credit losses	(13,407)				
Total					
Estimated total gross carrying amount at default ^(c)	377,589				
Expected credit losses	(14,474)				

(a) The provision is based on estimated credit losses on outstanding loan balances.

(b) The calculation of past due aged analysis is not available for \$24.80 million of this class of debtor (\$28.70 million 2019–20), the residual \$9.60 million (\$22.40 million 2019–20) comprise state government agency debtors and not considered to be impaired.

(c) The estimated total gross amount and expected credit losses includes all debtors except for the GST recoverable from the ATO (statutory receivable).

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

8.1 Financial risk management (continued)

(d) Liquidity risk and interest rate exposure

The following table details the Department's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amount of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted Average Effective Interest Rate	Interest rate exposure				Nominal Amount	Maturity dates				
		Carrying Amount	Fixed Interest rate	Variable Interest rate	Non-Interest bearing		Up to 1 month	1 - 3 months	3 months to 1 year	1 - 5 years	More than 5 years
		\$000	\$000	\$000	\$000		\$000	\$000	\$000	\$000	\$000
2019-20											
<u>Financial Assets</u>											
Schools cash balances	0.19	232,537	-	232,405	132	232,537	232,537	-	-	-	-
Schools term deposits	0.76	127,170	127,170	-	-	127,170	89,646	-	20,793	16,731	-
Central office cash balances		199,245	-	-	199,245	199,245	199,245	-	-	-	-
Restricted cash - TRBWA	0.52	9,547	-	9,547	-	9,547	9,547	-	-	-	-
Restricted cash - Residential Colleges Fund	0.53	-	-	3,490	(3,490)	-	-	-	-	-	-
Restricted cash balances - other		82,023	-	-	82,023	82,023	82,023	-	-	-	-
Trade receivables ^(a)		30,042	-	-	30,042	30,042	30,042	-	-	-	-
Loans to non-government schools and UNDA ^(a)	4.85	333,073	333,073	-	-	333,073	-	8,638	26,238	138,549	159,648
Amounts receivable for services		3,139,234	-	-	3,139,234	3,139,234	2,232	2,976	14,430	78,552	3,041,044
		4,152,871	460,243	245,442	3,447,186	4,152,871	645,272	11,614	61,461	233,832	3,200,692
<u>Financial Liabilities ^(b)</u>											
Payables		135,534	-	-	135,534	135,534	134,530	-	-	-	1,004
Finance lease liabilities	5.26	337,819	337,819	-	-	337,819	2,772	6,403	18,725	39,070	270,849
WATC loans	2.86	363,616	363,616	-	-	363,616	-	8,638	26,238	143,415	185,325
Other loans	0.83	109	109	-	-	109	-	109	-	-	-
Other liabilities		11,481	-	-	11,481	11,481	11,481	-	-	-	-
		848,559	701,544	-	147,015	848,559	148,783	15,150	44,963	182,485	457,178

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

8.1 Financial risk management (continued)

(d) Liquidity risk and interest rate exposure (continued)

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted Average Effective Interest Rate	Interest rate exposure				Nominal Amount	Maturity dates				
		Carrying Amount	Fixed Interest rate	Variable Interest rate	Non-Interest bearing		Up to 1 month	1 - 3 months	3 months to 1 year	1 - 5 years	More than 5 years
		\$000	\$000	\$000	\$000		\$000	\$000	\$000	\$000	\$000
2020-21											
<u>Financial Assets</u>											
Schools cash balances	0.07	281,289	-	281,155	134	281,289	281,289	-	-	-	-
Schools term deposits	0.23	115,747	115,747	-	-	115,747	85,704	-	13,962	16,081	-
Central office cash balances		210,619	-	-	210,619	210,619	210,619	-	-	-	-
Restricted cash - TRBWA	0.32	8,880	-	8,880	-	8,880	8,880	-	-	-	-
Restricted cash - Residential Colleges Fund	0.37	1,266	-	1,266	-	1,266	683	-	167	416	-
Restricted cash balances - other		95,525	-	-	95,525	95,525	95,525	-	-	-	-
Trade receivables ^(a)		25,542	-	-	25,542	25,542	25,542	-	-	-	-
Loans to non-government schools and UNDA ^(a)	4.42	355,535	355,535	-	-	355,535	-	9,244	28,652	147,744	169,895
Amounts receivable for services		3,337,896	-	-	3,337,896	3,337,896	2,082	3,470	13,391	75,772	3,243,181
		4,432,299	471,282	291,301	3,669,716	4,432,299	710,324	12,714	56,172	240,013	3,413,076
<u>Financial Liabilities</u> ^(b)											
Payables		141,304	-	-	141,304	141,304	139,742	-	-	-	1,562
Lease liabilities	6.21	348,835	348,835	-	-	348,835	2,622	5,954	17,552	39,490	283,217
WATC loans	2.56	380,697	380,697	-	-	380,697	-	9,244	28,652	150,914	191,887
Other liabilities		18,227	-	-	18,227	18,227	18,227	-	-	-	-
		889,063	729,532	-	159,531	889,063	160,591	15,198	46,204	190,404	476,666

(a) The amount of loans and receivables excludes GST recoverable from the ATO (statutory receivable).

(b) The amounts disclosed are the calculated undiscounted cash flow of each class of financial liabilities.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

8.1 Financial risk management (continued)

(e) Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Department's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

	Carrying amount \$'000	-100 basis points		+100 basis points	
		Surplus \$'000	Equity \$'000	Surplus \$'000	Equity \$'000
2019–20					
<u>Financial assets</u>					
Schools cash balances	232,537	(2,325)	(2,325)	2,325	2,325
Special purpose account - TRBWA	9,547	(95)	(95)	95	95
Special purpose account - Residential Colleges Fund	-	-	-	-	-
Total increase/(decrease)		(2,421)	(2,421)	2,421	2,421
2020–21					
<u>Financial assets</u>					
Schools cash balances	281,289	(2,813)	(2,813)	2,813	2,813
Special purpose account - TRBWA	8,880	(89)	(89)	89	89
Special purpose account - Residential Colleges Fund	1,266	(13)	(13)	13	13
Total increase/(decrease)		(2,914)	(2,914)	2,914	2,914

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

8.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at the best estimate.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

The Department had no contingent assets as at 30 June 2021.

8.2.1 Contingent liabilities

The following contingent liabilities are additional to the liabilities included in the financial statements:

Litigation in progress

The Department is involved in a number of litigation proceedings either covered by the Insurance Commission of Western Australia, Government Insurance Division, eligible for recoup from the Department of Treasury's Special Purpose Fund, or of a nature that will not have a significant impact on the Department's financial position.

Contaminated sites

The Department currently has 68 sites that are owned by the Department and registered with Department of Water and Environmental Regulation under the *Contaminated Sites Act 2003* (WA). Of these, 30 do not require any further action and 38 are still subject to investigation or require on-going management. Where a school or school site is identified as possibly contaminated, an investigation is carried out by a qualified environmental health consultant. In addition to a visual inspection, analytical techniques, such as material, water and soil testing are used to confirm the nature and extent of the contamination. Upon completion of their investigation, the consultant submits a report to the Department of Education, which is then forwarded to the Department of Water and Environmental Regulation for classification according to the Contaminated Sites Act.

Casual employee's entitlement to long service leave

In September 2019, the Department of Mines, Industry Regulation and Safety – Government Sector Labour Relations (GSLR) informed public sector agencies that the *Long Service Leave Act 1958* (LSL Act) applies to casual public sector employees. Since then public sector industrial agreements have been progressively renegotiated so that casual employees will accrue long service leave entitlements under their applicable award or agreement from the date it is registered. In February 2021, GSLR issued a Guidance Note on the transitional arrangements for long service leave entitlements of current casual employees from the LSL Act to the applicable industrial instruments. The Department has determined that the liabilities associated with long service leave entitlements for both current casual employees and those who have left employment are unable to be measured with sufficient reliability at reporting date due to following factors:

- Difficulties in obtaining relevant underlying data for affected casual employees, particularly for those periods of service where the LSL Act applied.
- Determining continuous employment for casual employees under the LSL Act is unclear, particularly in identifying breaks in service for individual casual employees and whether any interruption in service impacts entitlement to long service leave.

The Department is liaising with Treasury and GSLR on the development of a methodology acceptable to the Government in calculating the entitlements under the LSL Act that will also enable the application of a consistent approach across government. Therefore, a provision has not been recognised in the financial statements for the long service leave entitlements as they are unable to be measured with sufficient reliability at reporting date.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

8.3 Fair value measurements

	Level 1	Level 2	Level 3	Fair value at end of period
	\$'000	\$'000	\$'000	\$'000
Assets measured at fair value				
2020–21				
Non-current assets classified as held for sale (Note 9.12)	-	-	25,686	25,686
Land (Note 5.1)	-	-	3,684,532	3,684,532
Land improvements (Note 5.1)	-	-	1,667,930	1,667,930
Buildings (Note 5.1)	-	-	6,179,722	6,179,722
Service concession land (Note 5.4)	-	-	9,311	9,311
Service concession land improvements (Note 5.4)	-	-	3,703	3,703
Service concession buildings (Note 5.4)	-	-	15,668	15,668
	-	-	11,586,552	11,586,552
Assets measured at fair value				
2019–20				
Non-current assets classified as held for sale (Note 9.12)	-	-	3,499	3,499
Land (Note 5.1)	-	-	3,694,138	3,694,138
Buildings (Note 5.1) ^(a)	-	-	7,147,130	7,147,130
Service concession land (Note 5.4)	-	-	9,311	9,311
Service concession buildings (Note 5.4)	-	-	18,300	18,300
	-	-	10,872,378	10,872,378

(a) Included within buildings in 2019–20 is school land improvements totalling \$1.51 billion. There were no transfers between Levels 1, 2 or 3 during the period

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

8.3 Fair value measurements (continued)

Fair value measurements using significant unobservable inputs (Level 3)

2020–21

	Land	Land improvements	Buildings	Service concession land	Service concession buildings	Service concession land improvements
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Fair Value at start of period	3,694,138	-	7,147,130	9,311	18,300	-
Adjustment for change in accounting classification - Land improvements & transportables/demountables	-	1,507,373	(1,806,313)	-	(3,978)	3,369
Restated fair value at start of period	3,694,138	1,507,373	5,340,817	9,311	14,322	3,369
Contribution to owner	-	-	-	-	-	-
Additions	-	-	39,558	-	-	-
Transfer from Work in Progress	19,879	682	303,976	-	-	-
Transfers to/from held for distribution (within Level 3)	(22,186)	-	-	-	-	-
Disposals	(4,526)	-	-	-	-	-
Revaluation increase/(decrease)	461	193,274	601,700	-	1,842	440
Depreciation expense	-	(33,399)	(106,351)	-	(494)	(108)
Impairment loss	(3,233)	-	-	-	-	-
Transfers/adjustments	(1)	-	22	-	(2)	2
Fair Value at end of period	3,684,532	1,667,930	6,179,722	9,311	15,668	3,703
Net loss on disposal of non-current assets under 'Carrying amount of disposal of non-current assets' in Note 3.4	4,526	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

8.3 Fair value measurements (continued)

Fair value measurements using significant unobservable inputs (Level 3)

	Land	Buildings	Service concession land	Service concession buildings
	\$'000	\$'000	\$'000	\$'000
2019-20				
Fair Value at start of period	3,673,952	6,930,269	-	-
Adjustment for change in accounting policy - AASB 16				
Adjustment for change in accounting policy - AASB 1059	(9,311)	(18,705)	9,311	18,705
Restated fair value at start of period	3,664,641	6,911,564	9,311	18,705
Contribution to owner	-	-	-	-
Additions	-	48,749	-	-
Transfer from Work in Progress	29,572	373,862	-	-
Transfers to/from held for distribution (within Level 3)	48	-	-	-
Disposals	(110)	(392)	-	-
Depreciation expense	-	(168,468)	-	(414)
Impairment loss	-	(18,282)	-	-
Transfers/adjustments	(13)	97	-	9
Fair Value at end of period	3,694,138	7,147,130	9,311	18,300
Net loss on disposal of non-current assets under 'Carrying amount of disposal of non-current assets' in Note 3.4	110	392	-	-

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

8.3 Fair value measurements (continued)

Valuation processes

Land, buildings and land improvements are measured at fair value on a cyclical basis, consistent with TI 954 Revaluation of Non-Current Physical Assets, issued by the Department of Treasury. The last revaluation for land, buildings and school land improvements was effective for the year ended 30 June 2019, carried out by the Western Australian Land Information Authority (Landgate).

Effective 1 July 2019, the Department reviewed the frequency to revalue land, buildings and school land improvements annually to every three years. Any interim revaluations are determined by applying relevant industry indices to determine if fair values adjustments are required. Refer to Note 5.1 for further information.

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. Transfers are generally limited to assets newly classified as non-current assets held for distribution as Treasurer's Instructions require valuations of land, buildings and land improvements to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

Fair value for existing use specialised buildings including building sub classes

Fair value for existing use specialised buildings is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Depreciated replacement cost is the current replacement cost of an asset less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired economic benefit, or obsolescence, and optimisation (where applicable) of the asset. Current replacement cost is generally determined by reference to the market-observable replacement cost of a substitute asset of comparable utility and the gross project size specifications.

Fair value for restricted use land

Fair value for restricted use land is based on comparison with market evidence for land with low level utility (high restricted use land). The relevant comparators of land with low level utility is selected by the Western Australian Land Information Authority (Valuation Services) and represents the application of a significant Level 3 input in this valuation methodology. The fair value measurement is sensitive to values of comparator land, with higher values of comparator land correlating with higher estimated fair values of land.

Significant Level 3 inputs used by the Department are derived and evaluated as follows:

Effective age

The effective age is determined by the Valuation Services for buildings and by the Department's valuer for the building sub classes, after taking into account factors such as planned routine maintenance, building improvements and upgrades.

Selection of land with restricted utility

Fair value for restricted use land is determined by comparison with market evidence for land with low level utility. Relevant comparators of land with low level utility are selected by Valuation Services.

Percentage rate of add-on cost - buildings and land improvements

Valuation Services has determined that the costs relating to contingencies, headworks and demolitions costs are inherent in the building valuations and therefore should not be added to its valuations. This also applies to the land improvements.

Average installation costs - transportables

The cost of transportation and connection of services determined by the Quantity Surveyor.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

NOTE 9. OTHER DISCLOSURES

This section includes additional material disclosures required by accounting standards or other pronouncements for the understanding of this financial report.

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9.1 Events occurring after the end of the reporting period

There have been no material events occurring after 30 June 2021.

9.2 Initial application of Australian Accounting Standards

AASB 1059 Service Concession Arrangements: Grantors

The Department has adopted AASB 1059 from 1 July 2019. AASB 1059 addresses the accounting for a service concession arrangement (a type of public private partnership) by a grantor that is a public sector agency by prescribing the accounting for the arrangement from the grantor's perspective. Timing and measurement for the recognition of a specific asset class occurs on commencement of the arrangement and the accounting for associated liabilities is determined by whether the grantee is paid by the grantor or users of the public service provided.

Service Concession Arrangements: Grantors, AASB 1059 is applied to service concession arrangement which involve an operator:

- providing public services related to a service concession asset on behalf of a grantor; and
- managing at least some of those services under its own discretion, rather than at the direction of the grantor.

The grantor shall recognise an asset provided by the operator and an upgrade to or a major component replacement for an existing asset of the grantor as a service concession asset if the grantor controls the asset. The grantor controls the asset if, and only if:

- the grantor controls or regulates what services the operator must provide with the asset, to whom it must provide them, and at what price; and
- the grantor controls – through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the term of the arrangement.

The grant of right to operator (GORTO) should be applicable.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.2 Initial application of Australian Accounting Standards (continued)

Where the grantor does not have a contractual obligation to pay cash (or another financial asset) to the operator for the construction, development, acquisition, or upgrade of a service concession asset, and instead grants the operator the right to earn revenue from third-party users or access to another revenue-generating asset, the grantor shall account for the liability as the unearned portion of the revenue arising from the exchange of assets between the grantor and the operator. It is noted that unearned revenue is not a financial liability. The grantor shall recognise revenue, and thus reduce the liability, according to the economic substance of the service concession arrangement.

The initial application of Australian Accounting Standards has resulted in the restatement of the comparatives (refer to Note 9.5) for 2019–20 consistent with the current year, to make them more meaningful to all users.

9.3 Future impact of Australian Accounting Standards not yet operative

The Department cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements or by an exemption from TI 1101. Where applicable, the Department plans to apply the following Australian Accounting Standards from their application date.

		Operative for reporting periods beginning on/after
AASB 17	<p><i>Insurance Contracts</i></p> <p>This Standard establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts.</p> <p>The Department has not assessed the impact of the Standard.</p>	1 Jan 2023
AASB 1060	<p><i>General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities</i></p> <p>This Standard sets out a new, separate disclosure standard to be applied by all entities that are reporting under Tier 2 of the Differential Reporting Framework in AASB 1053.</p> <p>These is no financial impact.</p>	1 Jul 2021
AASB 2020-1	<p><i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current</i></p> <p>This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.</p> <p>These is no financial impact.</p>	1 Jan 2023
AASB 2020-3	<p><i>Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments</i></p> <p>This Standard amends: (a) AASB 1 to simplify the application of AASB 1; (b) AASB 3 to update a reference to the Conceptual Framework for Financial Reporting; (c) AASB 9 to clarify the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability; (d) AASB 116 to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset; (e) AASB 137 to specify the costs that an entity includes when assessing whether a contract will be loss-making; and (f) AASB 141 to remove the requirement to exclude cash flows from taxation when measuring fair value.</p> <p>There is no financial impact.</p>	1 Jan 2022
AASB 2020-5	<p><i>Amendments to Australian Accounting Standards – Insurance Contracts</i></p> <p>This Standard amends AASB 17 to reduce the costs of applying AASB 17 by simplifying some of its requirements.</p> <p>The Department has not assessed the impact of the Standard.</p>	1 Jan 2021

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.3 Future impact of Australian Accounting Standards not yet operative (continued)

AASB 2020-6	<p><i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date</i></p> <p>This Standard amends AASB 101 to defer requirements for the presentation of liabilities in the statement of financial position as current or non-current that were added to AASB 101 in AASB 2020-1.</p> <p>There is no financial impact.</p>	1 Jan 2022
AASB 2020-7	<p><i>Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions: Tier 2 Disclosures</i></p> <p>This Standard adds new disclosure requirements to AASB 1060.</p> <p>There is no financial impact.</p>	1 Jul 2021
AASB 2021-1	<p><i>Amendments to Australian Accounting Standards – Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities</i></p> <p>This Standard amends AASB 1060 to provide not-for-profit entities with optional relief from presenting comparative information in the notes to the financial statements where the entity did not disclose the comparable information in its most recent previous general purpose financial statements.</p> <p>There is no financial impact.</p>	1 Jul 2021
AASB 2021-2	<p><i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates</i></p> <p>This Standard amends: (a) AASB 7, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements; (b) AASB 101, to require entities to disclose their material accounting policy information rather than their significant accounting policies; (c) AASB 108, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates; (d) AASB 134, to identify material accounting policy information as a component of a complete set of financial statements; and (e) AASB Practice Statement 2, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.</p> <p>There is no financial impact.</p>	1 Jan 2023
AASB 2021-3	<p><i>Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions beyond 30 June 2021</i></p> <p>This Standard amends AASB 16 to extend by one year the application period of the practical expedient added to AASB 16 by AASB 2020-4.</p> <p>There is no financial impact.</p>	1 Apr 2021

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.4 Change in accounting policy

Library collections less than \$5,000 will no longer be aggregated or recorded in school assets register effective 1 July 2019. Library collection for items less than \$5,000 will be expensed. The intent of the change is driven by the evolving change in delivery of the curriculum and the nature of use of the library collection. The change in accounting policy has resulted in the restatement of the comparatives (refer to Note 9.5) for 2019–20 consistent with the current year, to make them more meaningful to all users.

9.5 Restatement of comparatives

The restatement of comparatives includes the change in accounting policy for library collections (refer to note 9.4 for more details) and initial application of AASB 1059 Service Concession Arrangements: Grantors (refer to note 9.2 for more details). For the restatement of comparatives changes for the initial application of AASB 1059 Service Concession Arrangements: Grantors, refer to the footnotes in the tables.

Statement of Comprehensive Income (extract)

	2019–20	Increase/ decrease	2019–20
	\$'000	\$'000	Restated \$'000
COST OF SERVICES			
Expenses			
Employee benefits expense	4,060,139	-	4,060,139
Supplies and services	961,522	6,389	967,911
Depreciation, amortisation and impairment expense	252,791	(9,824)	242,967
Grants and subsidies	31,545	-	31,545
Finance costs	31,225	-	31,225
Other expenses	21,895	(80)	21,815
Total cost of services	5,359,117	(3,515)	5,355,602
NET COST OF SERVICES	4,204,573	(3,515)	4,201,058
SURPLUS/(DEFICIT) FOR THE PERIOD	(82,904)	3,515	(79,389)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.5 Restatement of comparatives (continued)

3.3 Other expenses (extract)

	2019–20	Increase/ decrease	2019–20
	\$'000	\$'000	Restated \$'000
Supplies and services			
Communication services	25,882	-	25,882
Consumables	4,178	-	4,178
Consumables - utilities	79,324	-	79,324
Equipment purchases (\$4,999 and below)	6,004	-	6,004
Insurance	67,694	-	67,694
Minor works	76,152	-	76,152
PPP - School maintenance costs	7,392	-	7,392
Repairs and maintenance	125,876	-	125,876
Service and contracts	171,133	-	171,133
Service and contracts - property	35,618	-	35,618
Staff-related expense	3,317	-	3,317
Travel	6,403	-	6,403
Schools expenses	345,943	6,389	352,332
Other	6,606	-	6,606
Total supplies and services expense	961,522	6,389	967,911

3.3 Other expenses (extract)

	2019–20	Increase/ decrease	2019–20
	\$'000	\$'000	Restated \$'000
Other expenditures			
Loss on disposal of non-current assets	1,087	(80)	1,007
Write-off of intangibles (work in progress)	13,100	-	13,100
Refund of prior period revenue	227	-	227
Asset revaluation decrement	-	-	-
Expected credit losses expense	7,447	-	7,447
Other expenditures	34	-	34
Total other expenditures	21,895	(80)	21,815

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.5 Restatement of comparatives (continued)

5.1.1 Depreciation and impairment (extract)

	2019–20	Increase/ decrease	2019–20
	\$'000	\$'000	Restated \$'000
<u>Depreciation</u>			
Land Improvements	-	-	-
Buildings*	168,882	(414)	168,468
Service concession buildings	-	-	-
Plant and equipment	4,518	-	4,518
Motor vehicles	519	-	519
Buses	941	-	941
Computers	3,296	-	3,296
Communication equipment	552	-	552
Office equipment	3,085	-	3,085
Library collections	9,824	(9,824)	-
Miscellaneous assets	592	-	592
Total depreciation	192,209	(10,238)	181,971

*Relates to service concession assets. See also note 5.4 for details.

5.4.1 Depreciation and impairment (extract)

	2019–20	Increase/ decrease	2019–20
	\$'000	\$'000	Restated \$'000
<u>Depreciation</u>			
Land improvements	-	-	-
Buildings*	-	414	414
Plant and equipment	-	-	-
Total depreciation	-	414	414

*Relates to service concession assets. See also note 5.4 for details.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.5 Restatement of comparatives (continued)

7.5.3 Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities (extract)

	2019–20	Increase/ decrease	2019–20
	\$'000	\$'000	Restated \$'000
Reconciliation of net cost of services to net cash flows used in operating activities			
Net cost of services	(4,204,573)	3,515	(4,201,058)
Non-cash Items			
Depreciation expense (note 5.1.1, 5.4.1 and 5.2)	233,416	(9,824)	223,592
Amortisation expense (note 5.3.1)	1,093	-	1,093
Impairment expense (note 5.1.1)	18,282	-	18,282
Resources received free of charge (note 4.1)	19,078	-	19,078
Expected credit losses expense (note 3.3)	7,447	-	7,447
Loss on disposal of non-current assets (note 3.3)	1,087	(80)	1,007
Write-off of intangible (work in progress) (note 3.3)	13,100	-	13,100
Asset revaluation increment (note 4.6)	-	-	-
Adjustment for other non-cash items	(1,080)	6,389	5,309
(Increase)/decrease in assets			
Current receivables	(13,680)	-	(13,680)
Current inventories	494	-	494
Other current assets	8,815	-	8,815
Non-current receivables	(18,779)	-	(18,779)
Increase/(decrease) in liabilities			
Provisions	46,326	-	46,326
Current payables and other liabilities	45,381	-	45,381
Non-current payables	831	-	831
Net GST receipts/(payments)	1,456	-	1,456
Change in GST in receivables and payables	1,315	-	1,315
Net cash used in operating activities	(3,839,991)	-	(3,839,991)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.5 Restatement of comparatives (continued)

Statement of Financial Position (extract)

	2019–20	Increase/ decrease	2019–20
	\$'000	\$'000	Restated \$'000
Non-Current Assets			
Restricted cash and cash equivalents	61,323	-	61,323
Receivables	298,197	-	298,197
Amounts receivable for services	3,119,560	-	3,119,560
Property, plant and equipment*	11,117,503	(56,556)	11,060,947
Service concession assets*	-	27,611	27,611
Right-of-use assets	293,225	-	293,225
Intangible assets	4,733	-	4,733
Total Non-Current Assets	14,894,541	(28,945)	14,865,596
TOTAL ASSETS	15,605,676	(28,945)	15,576,731
NET ASSETS	13,935,220	(28,945)	13,906,275
EQUITY			
Contributed equity	14,557,656	-	14,557,656
Reserves	-	-	-
Accumulated surplus/(deficit)	(622,436)	(28,945)	(651,381)
TOTAL EQUITY	13,935,220	(28,945)	13,906,275

*Relates to service concession assets. See also note 5.4 for details.

9.12 Equity (extract)

	2019–20	Increase/ decrease	2019–20
	\$'000	\$'000	Restated \$'000
Accumulated surplus			
Balance at start of the year	(548,525)	-	(548,525)
Change in accounting policy	8,993	(32,460)	(23,467)
Result for the period	(82,904)	3,515	(79,389)
Balance at the end of the year	(622,436)	(28,945)	(651,381)
Total equity at end of the period	13,935,220	(28,945)	13,906,275

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.6 Key management personnel

The Department has determined that key management personnel include Ministers and senior officers of the Department. However, the Department is not obligated to compensate Ministers and therefore disclosures in relation to Ministers' compensation may be found in the Annual Report on State Finances.

Total compensation (total fees, salaries, superannuation, non-monetary and other benefits) for senior officers of the Department for the reporting period are presented within the following bands:

	2020-21	2019-20
Compensation band (\$)		
\$550,001 - \$560,000	-	1
\$530,001 - \$540,000	1	-
\$360,001 - \$370,000	-	1
\$340,001 - \$350,000	1	-
\$310,001 - \$320,000	1	-
\$300,001 - \$310,000	1	1
\$280,001 - \$290,000	1	-
\$260,001 - \$270,000	2	2 ^(a)
\$250,001 - \$260,000	-	1
\$240,001 - \$250,000	1	4
\$230,001 - \$240,000	2	1
\$220,001 - \$230,000	2	2
\$210,001 - \$220,000	-	2
\$200,001 - \$210,000	1	1
\$190,001 - \$200,000	1 ^(a)	1
\$180,001 - \$190,000	-	1 ^(a)
\$160,001 - \$170,000	1 ^(a)	1 ^(a)
\$150,001 - \$160,000	1 ^(a)	-
\$140,001 - \$150,000	2 ^(a)	-
\$130,001 - \$140,000	1 ^(a)	1 ^(a)
\$120,001 - \$130,000	1 ^(a)	-
\$110,001 - \$120,000	2 ^(a)	-
\$90,001 - \$100,000	3 ^(a)	1 ^(a)
\$60,001 - \$70,000	1 ^(a)	-
\$50,001 - \$60,000	1 ^(a)	1 ^(a)
\$40,001 - \$50,000	2 ^(a)	-
\$20,001 - \$30,000	-	1 ^(a)
\$0 - \$10,000	1 ^(a)	1 ^(a)

	2020-21 \$'000	2019-20 \$'000
Short term employee benefits	4,929	4,507
Post employment benefits	541	529
Other long term benefits	11	126
Total compensation of senior officers	5,481	5,162

(a) Includes senior officers where period of service is less than 12 months.

Total compensation includes the superannuation expense incurred by the Department in respect of senior officers.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.7 Related party transactions

The Department is a wholly owned and controlled entity of the State of Western Australia. In conducting its activities, the Department is required to pay various taxes and levies based on the standard terms and conditions that apply to all tax and levy payers to the State and entities related to the State.

Related parties of the department include:

- all Ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other departments and public sector entities, including related bodies included in the whole of government consolidated financial statements; and
- associates and joint ventures, that are included in the whole of government consolidated financial statements.

Significant transactions with government related entities

In conducting its activities, the Department is required to transact with the State and entities related to the State. These transactions are generally based on the standard terms and conditions that apply to all agencies. Such transactions include:

- income from State Government (note 4.1);
- equity contributions (note 9.13);
- insurance payments to the Insurance Commission of Western Australia (note 3.3);
- GROH payments to the Department of Communities (note 3.1.1);
- borrowings and repayments from/to Western Australian Treasury Corporation (WATC) (note 7.1);
- building works, maintenance and leasing payments to the Department of Finance (note 3.3 and 5.2);
- land acquisition payments to the Department of Justice (note 5.1);
- services provided free of charge to other State government agencies (note 9.11);
- services received free of charge from other State government agencies (note 4.1);
- student health services payments to the Department of Health (note 3.1.1);
- student transportation service payments to the Public Transport Authority (note 3.3);
- remuneration for services provided by the Auditor General (note 9.10); and
- other payments to Department of Planning, Lands and Heritage, Water Corporation, Mental Health Commission, and Western Australia Police Force (note 3.1.1, 3.2 and 3.3).

Material transactions with related parties

During the reporting period, other than superannuation payments to GESB and general citizen transactions, there was one related party of a Minister that has provided consulting services to a range of schools to a total value of \$75,000 of which \$20,000 was outstanding at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.8 Affiliated and related bodies

The following are affiliated bodies that received operational support from the Department. They are not subject to operational control by the Department.

	2020–21 \$'000	2019–20 \$'000
Community Kindergartens	4,873	4,151
Non-Government Schools Planning Advisory Panel	4	3
Rural and Regional Education Advisory Council	152	157
School Curriculum and Standards Authority	36,865	30,935
Western Australian Higher Education Council	15	15
Total Affiliated bodies	41,909	35,261

The Department had nil related bodies during the financial year.

9.9 Special purpose accounts

Teacher Registration Board of Western Australia Account

The purpose of this account is to hold funds received under section 115(3) of the *Teacher Registration Act 2012* (WA) for the payment of costs and expenses incurred in the performance of the functions of the Teacher Registration Board of Western Australia (TRBWA).

The special purpose account was established pursuant to section 16(1)(b) of the *Financial Management Act 2006* (WA).

	2020–21 \$'000	2019–20 \$'000
Balance at start of period	9,547	10,261
Receipts	6,395	5,995
Payments	(7,062)	(6,709)
Balance at end of period	8,880	9,547

Student Residential Colleges Fund

The Student Residential Colleges Fund is a Department special purpose account under the *Financial Management Act 2006* (WA) section 16 (1)(b).

	2020–21 \$'000	2019–20 \$'000
Balance at start of period	(2,290)	5,353
Receipts	22,709	15,386
Payments	(19,153)	(23,029)
Balance at end of period ^(a)	1,266	(2,290)

- (a) The shortfall as at 30 June 2020 reflects an outstanding receipt from the Australian Government for capital improvements at Moora Residential College of \$3.48 million which were paid from the central office operating bank account.

Student scholarship accounts

The Department manages the following special purpose accounts in a trustee capacity. The funds are restricted in that they can only be used in accordance with the conditions of the accounts. These are not included in the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.9 Special purpose accounts (continued)

Special Purpose Account	2020-21				2019-20			
	Balance at start of period	Receipts	Payments	Balance at end of period	Balance at start of period	Receipts	Payments	Balance at end of period
	\$	\$	\$	\$	\$	\$	\$	\$
1 Olive A. Lewis Scholarship	4,736	25,000	24,500	5,236	4,736	25,000	25,000	4,736
2 Scholarship - Council of War Service Land Settlers Association	1,064	4	-	1,068	1,051	13	-	1,064
3 John Henry Kendall	1,183	4	-	1,187	1,168	15	-	1,183
4 Margueretta Wilson Scholarship	3,314	13	-	3,327	3,272	42	-	3,314
5 Perth Girls' Memorial Scholarship	86,314	313	17,000	69,627	91,660	1,654	7,000	86,314
6 Sir Thomas Coombe Scholarship	126,733	478	-	127,211	125,613	1,120	-	126,733
7 Margery Bennett Prize	1,425	5	-	1,430	1,407	18	-	1,425
8 W.J. Reid Memorial Prize	8,687	33	-	8,720	8,577	110	-	8,687
9 James and Rose Coombe Scholarships	250	32,000	32,000	250	1,250	30,000	31,000	250
10 Perth Boys' Memorial Scholarship	10,923	1,539	4,500	7,962	15,722	201	5,000	10,923
11 Roy Grace English Scholarship	-	1,000	1,000	-	-	-	-	-
12 James A. Heron Memorial Prize	12,362	46	1,000	11,408	14,181	181	2,000	12,362
13 Ernest Smith Memorial Prize for English	2,849	11	-	2,860	2,813	36	-	2,849
14 Bentley Senior High School Memorial Scholarship	16,379	61	1,000	15,440	20,122	257	4,000	16,379
15 Elaine Nora Walker Scholarships	99,511	372	4,000	95,883	101,219	1,292	3,000	99,511
16 William Samuel Bequest	1,718	6	100	1,624	1,796	22	100	1,718
17 Howard Porter Memorial Prize for Good Citizenship	2,446	9	100	2,355	2,514	32	100	2,446
18 Ian Bremner Memorial Scholarship	43,544	161	2,000	41,705	44,979	565	2,000	43,544
19 Catherine and Ernest Bennett Memorial Scholarship	30,187	113	500	29,800	29,806	381	-	30,187
20 Laurence Armstrong Scholarship	375,371	13,532	-	388,903	351,312	24,059	-	375,371
21 Rural Boarding Scholarship	24,055	91	-	24,146	23,752	303	-	24,055
Totals	853,051	74,791	87,700	840,142	846,950	85,301	79,200	853,051

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.9 Special purpose accounts (continued)

PURPOSE OF SPECIAL PURPOSE ACCOUNTS

1. Olive A. Lewis Scholarship Trust Account

To hold funds received from the Trustees of the Olive A. Lewis Scholarship Trust pending payment of scholarships to students of ability whose further education might otherwise be restricted by virtue of financial need.

2. Scholarship - Council of War Service Land Settlers Association Trust Account

To hold funds for the purpose of providing an annual prize and runner-up award for the students of residential agricultural schools.

3. John Henry Kendall Trust Account

To hold and invest money bequeathed for the purpose of providing funds for the purchase and supply of books to the North Merredin Primary School library.

4. Margueretta Wilson Scholarship Trust Account

To hold the foundation money for the purpose of making available an annual scholarship to a Year 9 student at Collie Senior High School.

5. Perth Girls' Memorial Scholarship Trust Account

To hold money for the purpose of awarding scholarships to a girl or girls attending a public secondary school in the metropolitan area.

6. Sir Thomas Coombe Scholarship Trust Account

To hold the money bequeathed for the purpose of awarding scholarships to male students of ability who for financial reasons would otherwise be unable to carry on to attempt to achieve a Western Australian Certificate of Education.

7. Margery Bennett Prize Trust Account

To hold money for the purpose of awarding a cash prize on a biennial rotation basis to an Aboriginal tertiary student in a teacher education program or an Aboriginal Education Worker in Western Australia.

8. W. J. Reid Memorial Prize Trust Account

To hold and invest money donated for the purpose of awarding an annual prize to a student from Carine Senior High School who displays social maturity, confidence, poise, involvement in student and/or community affairs, and above average scholastic development.

9. James and Rose Coombe Scholarship Trust Account

To hold and invest money bequeathed for the purpose of awarding cash prizes for public country school students who are in need of financial assistance to complete a high school education.

10. Perth Boys' Memorial Scholarship Trust Account

To hold money for the purpose of awarding scholarships to a boy or boys attending a public secondary school in the metropolitan area.

11. Roy Grace English Scholarship Trust Account

To hold the foundation money for the purpose of making an annual cash award available to a student at the end of both Years 10 and 11 who is attending a public secondary school and who demonstrates exceptional ability in the area of English.

12. James A. Heron Memorial Prize Trust Account

To hold the foundation money for the purpose of awarding a cash prize to a student residing in the Fremantle district who is proceeding to take a Western Australian Certificate of Education course at any recognised high school.

13. Ernest Smith Memorial Prize for English Trust Account

To hold and invest money donated for the purpose of awarding an annual prize to the best student in English at North Perth Primary School.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.9 Special purpose accounts (continued)

14. Bentley Senior High School Memorial Scholarship

To hold and invest money for the purpose of awarding scholarships based on academic merit to students of Kent Street Senior High School, Como Secondary College or Cannington Community College.

15. Elaine Nora Walker Scholarship Trust Fund

To hold and invest money bequeathed for the purpose of providing annual scholarships to assist one male and one female student to continue their education in an institution governed by the Department of Education.

16. William Samuel Bequest Trust Account

To hold and invest the bequest money for the purpose of awarding a boy from White Gum Valley Primary School a cash prize based on all-round efficiency in sport and school work.

17. Howard Porter Memorial Prize for Good Citizenship Trust Account

To hold the bequest money for the purpose of awarding an annual prize for “good citizenship” to a female student at White Gum Valley Primary School.

18. Ian Bremner Memorial Scholarship Trust Account

To hold money for the purpose of providing an annual scholarship to the most successful student at Cowaramup Primary School.

19. Catherine and Ernest Bennett Memorial Scholarship Trust Account

To hold money for the purpose of providing an annual scholarship to the successful Year 10 student who is continuing on with Year 11 studies at Lake Grace District High School.

20. Laurence Armstrong Scholarship Trust Account

To hold and manage funds for the purpose of funding scholarships for students of the Northam Senior High School in accordance with terms and conditions of the Laurence Armstrong Will.

21. Rural Boarding Scholarship

To hold security money deposited by scholarship holders. On completion of a teaching qualification, the funds in the trust account will be refunded to the successful scholarship recipient.

9.10 Remuneration of auditors

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2020–21	2019–20
	\$'000	\$'000
Remuneration payable to the Auditor General in respect of the audit for the current financial year is as follows:		
Auditing the accounts, financial statements and key performance indicators	585	500

These amounts are due and payable in the next financial year.

The expenses for the 2020–21 audit of the financial statements is included in note 3.3 ‘Other Expenses’.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.11 Services provided free of charge

During the period the following services were provided to other agencies free of charge for functions outside the normal operations of the Department:

- Marketing and publications
- Delivery support systems - wide area network
- College management information systems support
- Accounting services
- Asset and building management services
- Industrial relations support
- Lease costs
- Outgoings
- School census information
- Administration support

	2020-21	2019-20
	\$'000	\$'000
Department of Finance	23	23
Department of Health	1,007	998
South Regional TAFE	96	140
North Regional TAFE	4	-
North Metropolitan TAFE	1	-
Department of the Premier and Cabinet	70	31
Department of Communities	14	15
Department of Justice	3	1
Public Sector Commission	-	1
Commissioner for Children and Young People	2	1
Office of the Inspector of Custodial Services	2	-
Trustees of the Public Education Endowment	21	16
School Curriculum and Standards Authority	36,865	30,935
	38,108	32,161

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.12 Non-current assets classified as held for sale

The following table represents a summary of assets held for sale:

	2020-21 \$'000	2019-20 \$'000
<u>Opening balance</u>		
Land and buildings	3,499	3,547
Write-down from cost to fair value less selling costs	-	-
	3,499	3,547
<u>Add: Assets reclassified as held for distribution</u>		
Land and buildings ^(a)	25,636	7
Write-down from cost to fair value less selling costs	-	-
	25,636	7
<u>Total assets classified as held for distribution</u>		
Land and buildings	29,135	3,554
Write-down from cost to fair value less selling costs	-	-
	29,135	3,554
<u>Less: Assets sold or distributed to owner</u>		
Land and buildings	3,449	55
Write-down from cost to fair value less selling costs	-	-
	3,449	55
<u>Closing balance</u>		
Land and buildings	25,686	3,499
Write-down from cost to fair value less selling costs	-	-
	25,686	3,499

- (a) In 2020-21 the following listed land and buildings, surplus to the Department's requirements, and with a fair value of \$25.636 million were transferred to land and buildings held for distribution to owner:
- WA Foundation for Deaf Children, Cottesloe \$22.900 million
 - Various other properties \$2.736 million.

Non-current assets (or disposal groups) held for sale/ distribution to owner are recognised at the lower of carrying amount and fair value less costs to sell, and are disclosed separately from other assets in the Statement of Financial Position. Assets classified as held for distribution are not depreciated or amortised.

Non-current assets held for distribution comprise surplus Crown and freehold land 'held for sale' and buildings to be disposed of by the Department as a distribution to owner. All Crown land holdings are vested in the Department by the Government. The Department of Planning, Lands and Heritage (DPLH) is the only agency with the power to sell Crown land. The Department transfers the Crown land and any attached buildings to DPLH when the land becomes available for sale.

The Department has the power to sell freehold land, however cannot retain revenues derived from the sale unless specifically approved for retention by the Treasurer.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.13 Equity

	2020–21	2019–20
	\$'000	Restated* \$'000
Contributed equity		
Balance at start of period	14,557,656	14,196,703
<u>Contributions by owners</u>		
Capital appropriation	319,821	316,737
Transfer of net assets from other agencies:		
Pilbara TAFE to Karratha Senior High School	-	174
Department of Communities	-	1,235
	-	1,409
<u>Other contributions by owners</u>		
Royalties for Regions Fund	12,810	42,917
Total contributions by owners	14,890,287	14,557,766
<u>Distributions to owners</u>		
Transfer of net assets to Government:		
Crown land transferred to Department of Planning, Lands and Heritage	(1,076)	(110)
Sale of land proceeds transferred to Department of Treasury	(2,860)	-
Transfer of ICT intangibles asset to School Curriculum and Standards Authority	(2,558)	-
Total distributions to owner	(6,494)	(110)
Balance at end of period	14,883,793	14,557,656
Reserves		
<u>Asset revaluation surplus/(deficit)</u>		
Balance at start of period	-	-
Net revaluation increment/(decrement)		
Land held for sale	461	-
Buildings and land improvements	315,577	-
Total net revaluation increment/(decrement)	316,038	-
Balance at end of period	316,038	-
Accumulated surplus		
Balance at start of the year	(651,381)	(548,525)
Change in accounting policy ^(a)	-	(23,467)
Result for the period	492,272	(79,389)
Balance at the end of the year	(159,109)	(651,381)
Total equity at end of the period	15,040,722	13,906,275

(a) In 2019–20, the change in accounting policy for library collections and initial application of adopting AASB 15 and AASB 1058.

* See also Note 9.5 for details regarding the restatement of comparatives.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.14 Supplementary financial information

	2020–21 \$'000	2019–20 \$'000
Write-offs		
Accounts Receivable		
During the financial year, \$4,924,990 (2019–20: \$3,370,834) of Accounts Receivable was written off under the authority of:		
Accountable Authority	4,925	3,371
The Minister	-	-
Executive Council	-	-
	4,925	3,371
Asset Register		
During the financial year, \$0 (2019–20: \$87,819) was written off the Department's asset register under the authority of:		
The Accountable Authority	-	88
The Minister	-	-
Executive Council	-	-
	-	88
Losses through theft, defaults and other causes		
Losses of public money and other property through theft or default	74	17
Amounts recovered	-	-
	74	17

The dollar amount allocated to "Losses of public money and other property through theft or default" is an estimate as some of the cases are still under investigation and/or the actual loss incurred is not able to be quantified.

Gifts of public property

There were no gifts of public property provided by the Department during the current and previous period.

9.15 Explanatory statement

All variances between annual estimates (original budget) and actual results for 2021, and between the actual results for 2021 and 2020 are shown below. Narratives are provided for key major variances which are greater than 10% and 1% of Total Cost of Services for the Statement of Comprehensive Income and Statement of Cash Flows, and are greater than 10% and 1% of Total Assets for the Statement of Financial Position.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.15 Explanatory statement (continued)

Statement of Comprehensive Income

	Estimate 2020–21	Actual 2020–21	Actual Restated* 2019–20	Variance						
				Variance between estimate and actual			Variance between actual results for 2021 and 2020			
				\$'000	%	Note	\$'000	%	Note	
COST OF SERVICES										
Expenses										
Employee benefits expense	4,078,314	4,261,996	4,060,139	183,682	5%		201,857	5%		
Supplies and services	1,104,205	1,020,651	967,911	(83,554)	(8%)		52,740	5%		
Depreciation and amortisation expense	217,819	231,621	242,967	13,802	6%		(11,346)	(5%)		
Grants and subsidies	25,514	50,668	31,545	25,154	99%		19,123	61%		
Finance costs	36,158	32,207	31,225	(3,951)	(11%)		982	3%		
Other expenses	4,857	6,178	21,815	1,321	27%		(15,637)	(72%)		
Total cost of services	5,466,867	5,603,321	5,355,602	136,454	2%		247,719	5%		
Income										
Revenue										
User contributions, charges and fees	149,465	116,451	115,927	(33,014)	(22%)		524	0%		
Other revenue	104,473	114,492	110,763	10,019	10%		3,729	3%		
Australian Government grants and contributions	985,293	995,831	904,957	10,538	1%		90,874	10%	A	
Interest revenue	22,355	16,543	22,897	(5,812)	(26%)		(6,354)	(28%)		
Total Revenue	1,261,586	1,243,317	1,154,544	(18,269)	(1%)		88,773	8%		
Gains										
Other gains	-	481,679	-	481,679	100%	1	481,679	100%		B
Total gains	-	481,679	-	481,679	100%		481,679	100%		
Total income other than income from State Government	1,261,586	1,724,996	1,154,544	463,410	37%		570,452	49%		
NET COST OF SERVICES	4,205,281	3,878,325	4,201,058	(326,956)	(8%)		(322,733)	(8%)		
Income from State Government										
Service appropriation	4,257,021	4,305,387	4,066,784	48,366	1%		238,603	6%		
Income from other public sector entities	5,194	22,407	9,415	17,213	331%		12,992	138%		
Services received free of charge	15,597	17,167	19,078	1,570	10%		(1,911)	(10%)		
Royalties for Regions Fund	26,963	25,636	26,392	(1,327)	(5%)		(756)	(3%)		
Total income from State Government	4,304,775	4,370,597	4,121,669	65,822	2%		248,928	6%		
SURPLUS/(DEFICIT) FOR THE PERIOD	99,494	492,272	(79,389)	392,778	395%		571,661	(720%)		
OTHER COMPREHENSIVE INCOME										
Items not reclassified subsequently to profit or loss										
Changes in asset revaluation surplus	-	316,038	-	316,038	100%	2	316,038	100%		C
Total other comprehensive income	-	316,038	-	316,038	100%		316,038	100%		
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	99,494	808,310	(79,389)	708,816	712%		887,699	1118%		

* See also Note 9.5 for details regarding the restatement of comparatives

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.15 Explanatory statement (continued) – Statement of Financial Position

	Estimate 2020–21 \$'000	Actual 2020–21 \$'000	Actual Restated* 2019–20 \$'000	Variance					
				Variance between estimate and actual			Variance between actual results for 2021 and 2020		
				\$'000	%	Note	\$'000	%	Note
ASSETS									
Current Assets									
Cash and cash equivalents	541,833	607,803	558,952	65,970	12%		48,851	9%	
Restricted cash and cash equivalents	24,171	26,102	30,247	1,931	8%		(4,145)	(14%)	
Amounts receivable for services	18,943	18,943	19,674	-	0%		(731)	(4%)	
Inventories	6,442	7,552	6,442	1,110	17%		1,110	17%	
Receivables	74,047	80,430	81,558	6,383	9%		(1,128)	(1%)	
Other current assets	12,612	13,091	10,763	479	4%		2,328	22%	
Non-current assets classified as assets held for sale	3,499	25,686	3,499	22,187	634%		22,187	634%	
Total Current Assets	681,547	779,607	711,135	98,060	14%		68,472	10%	
Non-Current Assets									
Restricted cash and cash equivalents	78,164	79,569	61,323	1,405	2%		18,246	30%	
Receivables	317,947	317,639	298,197	(308)	(0%)		19,442	7%	
Amounts receivable for services	3,318,472	3,318,953	3,119,560	481	0%		199,393	6%	
Property, plant and equipment	11,376,987	11,994,070	11,060,947	617,083	5%		933,123	8%	
Service concession assets	-	29,218	27,611	29,218	100%		1,607	6%	
Right-of-use assets	299,708	313,153	293,225	13,445	4%		19,928	7%	
Intangible assets	4,624	1,346	4,733	(3,278)	(71%)		(3,387)	(72%)	
Total Non-Current Assets	15,395,902	16,053,948	14,865,596	658,046	4%		1,188,352	8%	
TOTAL ASSETS	16,077,449	16,833,555	15,576,731	756,106	5%		1,256,824	8%	
LIABILITIES									
Current Liabilities									
Payables	150,158	139,742	134,530	(10,416)	(7%)		5,212	4%	
Borrowings	38,306	37,896	34,876	(410)	(1%)		3,020	9%	
Lease liabilities	29,296	26,128	32,668	(3,168)	(11%)		(6,540)	(20%)	
Employee related provisions	589,440	653,916	589,440	64,476	11%		64,476	11%	
Other provisions	-	19	-	19	100%		19	0%	
Other current liabilities	10,641	18,227	11,481	7,586	71%		6,746	59%	
Total Current Liabilities	817,841	875,928	802,995	58,087	7%		72,933	9%	
Non-Current Liabilities									
Payables	1,004	1,562	1,004	558	56%		558	56%	
Borrowings	346,897	342,801	328,849	(4,096)	(1%)		13,952	4%	
Lease liabilities	313,006	322,707	305,151	9,701	3%		17,556	6%	
Employee related provisions	232,268	246,444	232,268	14,176	6%		14,176	6%	
Other provisions	189	3,391	189	3,202	1694%		3,202	1694%	
Other current liabilities	172	-	-	(172)	(100%)		-	0%	
Total Non-Current Liabilities	893,536	916,905	867,461	23,369	3%		49,444	6%	
TOTAL LIABILITIES	1,711,377	1,792,833	1,670,456	81,456	5%		122,377	7%	
NET ASSETS	14,366,072	15,040,722	13,906,275	674,650	5%		1,134,447	8%	
EQUITY									
Contributed equity	14,888,620	14,883,793	14,557,656	(4,827)	(0%)		326,137	2%	
Reserves	-	316,038	-	316,038	100%		316,038	100%	
Accumulated surplus/(deficit)	(522,548)	(159,109)	(651,381)	363,439	(70%)		492,272	(76%)	
TOTAL EQUITY	14,366,072	15,040,722	13,906,275	674,650	5%		1,134,447	8%	

* See also Note 9.5 for details regarding the restatement of comparatives

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.15 Explanatory statement (continued) – Statement of Cash Flows

	Estimate 2020–21	Actual 2020–21	Actual 2019–20	Variance						
				Variance between estimate and actual			Variance between actual results for 2021 and 2020			
				\$'000	%	Note	\$'000	%	Note	
CASH FLOWS FROM STATE GOVERNMENT										
Service Appropriation	4,039,202	4,087,086	3,849,508	47,884	1%		237,578	6%		
Capital Contribution	320,461	319,821	316,737	(640)	(0%)		3,084	1%		
Holding Account Draw Downs	19,638	19,638	19,637	-	0%		1	0%		
Royalties for Regions Fund	49,436	38,445	69,309	(10,991)	(22%)		(30,864)	(45%)		
Funds from other public sector entities	6,107	19,528	9,600	13,421	220%		9,928	103%		
Net cash provided by State Government	4,434,844	4,484,518	4,264,791	49,674	1%		219,727	5%		
Utilised as follows:										
CASH FLOWS FROM OPERATING ACTIVITIES										
Payments										
Employees benefits	(4,061,660)	(4,179,192)	(3,952,490)	(117,532)	3%		(226,702)	6%		
Supplies and services	(1,088,583)	(1,007,308)	(937,350)	81,275	(7%)		(69,958)	7%		
Grants and subsidies	(25,514)	(48,252)	(31,732)	(22,738)	89%		(16,520)	52%		
Finance costs	(33,266)	(31,779)	(24,882)	1,487	(4%)		(6,897)	28%		
GST payments on purchases	(152,091)	(139,922)	(134,857)	12,169	(8%)		(5,065)	4%		
Loans advanced to non-government schools	(57,100)	(38,807)	(51,406)	18,293	(32%)		12,599	(25%)		
Other payments	(329)	(970)	(261)	(641)	195%		(709)	272%		
Receipts										
User contributions, charges and fees	149,426	115,528	109,066	(33,898)	(23%)		6,462	6%		
Australian Governments grants and contributions	991,101	1,007,412	906,521	16,311	2%		100,891	11%		D
Interest received	17,810	11,236	13,586	(6,574)	(37%)		(2,350)	(17%)		
GST receipts on revenue	-	5,163	4,204	5,163	100%		959	23%		
GST receipts from taxation authority	151,992	134,378	132,110	(17,614)	(12%)		2,268	2%		
Repayments of loans by non-government schools	35,622	21,725	37,318	(13,897)	(39%)		(15,593)	(42%)		
Other receipts	103,776	113,799	90,182	10,023	10%		23,617	26%		
Net cash used in operating activities	(3,968,816)	(4,036,989)	(3,839,991)	(68,173)	2%		(196,998)	5%		
CASH FLOW FROM INVESTING ACTIVITIES										
Payments										
Purchase of non-current assets	(456,230)	(366,758)	(428,202)	89,472	(20%)	3	61,444	(14%)		E
Receipts										
Receipts from sale of non-current physical assets	-	2,984	211	2,984	100%		2,773	1314%		
Net cash used in investing activities	(456,230)	(363,774)	(427,991)	92,456	(20%)		64,217	(15%)		
CASH FLOW FROM FINANCING ACTIVITIES										
Payments										
Payment lease liabilities	(40,767)	(37,775)	(43,529)	2,992	(7%)		5,754	(13%)		
Repayment of borrowings	(73,420)	(21,725)	(37,702)	51,695	(70%)		15,977	(42%)		
Receipts										
Proceeds from borrowings	94,889	38,697	51,406	(56,192)	(59%)	4	(12,709)	(25%)		
Net cash used in financing activities	(19,298)	(20,803)	(29,825)	(1,505)	8%		9,022	(30%)		
Net increase/(decrease) in cash and cash equivalents	(9,500)	62,952	(33,016)	72,452	(763%)		95,968	(291%)		
Cash and cash equivalents at the beginning of the period	653,668	650,522	683,538	(3,146)	(0%)		(33,016)	(5%)		
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	644,168	713,474	650,522	69,306	11%		62,952	10%		

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.15 Explanatory statement (continued)

Major Variance Narratives

Variations between estimate and actual

Statement of Comprehensive Income

- 1 Refer to Note 4.6 “Other gains” of the financial statements.
- 2 Refer to Note 9.13 “Equity” of the financial statements.

Statement of Cash Flows

- 3 The purchase of non-current assets was \$89.50 million (20%) lower than the 2020–21 Estimate due to timing variations in infrastructure projects payments and a reduced level of asset purchases by schools compared to prior year expenditure levels upon which the estimate was set.
- 4 Proceeds from borrowings were \$56.20 million (59%) lower than the 2020–21 Estimate due to differences in the accounting treatment for the recognition of long-term debt in the State Budget Papers.

Variations between actual results for 2020–21 and 2019–20

Statement of Comprehensive Income

- A Australian grants and contributions were \$90.90 million (10%) higher than the 2019–20 Actual, mainly due to additional Quality Schools funding under the National School Reform Agreement.
- B Refer to Note 4.6 “Other gains” of the financial statements.
- C Refer to Note 9.13 “Equity” of the financial statements.

Statement of Cash Flows

- D Receipts from Australian grants and contributions were \$100.90 million (11%) higher than the 2019–20 Actual, mainly due to additional Quality Schools funding under the National School Reform Agreement.
- E Purchases of non-current assets was \$61.40 million (14%) lower than the 2019–20 Actual primarily due to timing variations in infrastructure project payments and a lower level of capital purchasing undertaken by schools in 2020–21 compared to the previous year.

9.16 Indian Ocean Territories

	2020–21 \$'000	2019–20 \$'000
Reconciliation of Australian Government funds received and expended for the Indian Ocean Territories		
Balance at start of period	925	(68)
Receipts	16,029	15,812
Payments	(15,527)	(14,819)
Balance at end of period	1,427	925

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.17 Disclosure of administered income and expenses

	2020-21 \$'000	2019-20 \$'000
Income		
Transfer revenue	460,764	451,873
Total administered Income	460,764	451,873
Expenses		
Transfer payments	454,578	455,469
Total administered expenses	454,578	455,469

Notes to the schedule of administered items

(i) Transfer revenues

	2020-21 \$'000	2019-20 \$'000
Financial assistance for non-government schools	451,716	442,590
Other grants and subsidies	1,304	1,304
Other revenue	4,910	5,009
Subsidies for unfunded superannuation liabilities of higher education institutions	2,834	2,970
Total	460,764	451,873

(ii) Transfer payments

The Department is responsible for transfers of appropriations to eligible beneficiaries consistent with the requirements of the *School Education Act 1999 (WA)*, the *School Education Regulations 2000 (WA)* and the applicable Government Gazettes. The Department does not control amounts for transfer but acts only as an agent. Except for the funding received for the unfunded superannuation liabilities of higher education institutions of \$2.83 million, other miscellaneous grants and subsidies of \$1.30 million, and other revenue of \$4.91 million, the remaining \$451.72 million relates primarily to per capita funding.

The Department of Treasury provides for per capita grants funding based on enrolment growth and indexation. The State Government's funding commitment to non-government schools is underpinned by the Bilateral Agreement entered into with the Australian Government in 2018. The National School Reform Agreement (NSRA) stipulates the State Government's required minimum funding contributions, which are expressed as a percentage of the Schooling Resource Standard (SRS). The SRS is an estimate of how much total public funding a school needs to meet the educational needs of its students. The State Government has agreed to a transition to 20% of the SRS by 2023.

	2020-21 \$'000	2019-20 \$'000
Financial assistance for non-government schools	445,530	446,186
Other grants and subsidies	1,304	1,304
Other expenses	4,910	5,009
Subsidies for unfunded superannuation liabilities of higher education institutions	2,834	2,970
Total	454,578	455,469

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2021

9.18 Explanatory statement for administered items

All variances between annual estimates and actual results for 2021, and between the actual results for 2021 and 2020 are shown below. Narratives are provided for key major variances, which are generally greater than 10% and 1% of Total Administered Income (being the lower of the estimate or the prior period actual).

	Estimate 2020–21	Actual 2020–21	Actual 2019–20	Variance					
				Variance between estimate and actual			Variance between actual results for 2020 and 2021		
				\$'000	%	Note	\$'000	%	Note
Income									
Transfer revenue	449,968	460,764	451,873	10,796	2%		8,891	2%	
Total administered Income	449,968	460,764	451,873	10,796	0%		8,891	2%	
Expenses									
Transfer payments	445,846	454,578	455,469	8,732	2%		(891)	(0%)	
Total administered expenses	445,846	454,578	455,469	8,732	2%		(891)	(0%)	
Net income from administered items	4,122	6,186	(3,596)	2,064	50%		9,782	(272%)	

9.19 Administered assets and liabilities

	2020–21 \$'000	2019–20 \$'000
Assets		
Current		
Cash and cash equivalents	13,758	7,572
Total administered current assets	13,758	7,572
Net administered assets	13,758	7,572

Appendices

'Primary' denotes Kindergarten to Year 6 and 'Secondary' spans Years 7 to 12 unless specified otherwise.

1. Student enrolment

Table A1: Students at Western Australian schools by sector 2007 to 2021 ^{(a) (b)}

Year	Public schools	Non-government schools	Total
2007	253,209	123,216	376,425
2008	253,838	127,248	381,086
2009	258,132	131,240	389,372
2010	258,115	134,335	392,450
2011	261,013	137,372	398,385
2012	268,129	140,006	408,135
2013	276,275	142,883	419,158
2014	283,739	144,877	428,616
2015	292,952	148,980	441,932
2016	296,377	148,545	444,922
2017	302,271	147,471	449,742
2018	307,520	147,813	455,333
2019	311,199	148,836	460,035
2020	317,368	149,949	467,317
2021	319,574	154,154	473,728

Source: *System and School Performance*

(a) Semester 1 student census. Primary and full-time secondary students. Public schools include community kindergartens and non-government schools include Independent pre-schools.

(b) Half cohort progressed through school from 2001 to 2014 inclusive, entering secondary education in 2010.

Table A2: Schools and students in Western Australia by sector and subgroup 2021 ^{(a) (b)}

Sector	Schools	Students			
		All	Female	Male	Aboriginal
Public	822	319,574	154,113	165,354	27,330
Non-government	312	154,154	76,947	77,197	5,576
Total	1,134	473,728	231,060	242,551	32,906

Source: *System and School Performance*

(a) Semester 1 student census. Primary and full-time secondary students. Public schools include community kindergartens.

(b) All includes gender category 'Other'.

Table A3: Students at Western Australian schools by year level and sector 2021 ^(a)

Year level	Public schools	Non-government schools	Total
Pre-Kindergarten	–	1,702	1,702
Kindergarten	24,263	8,518	32,781
Pre-primary	26,535	9,062	35,597
Year 1	25,909	8,941	34,850
Year 2	26,018	9,287	35,305
Year 3	26,049	9,339	35,388
Year 4	25,095	9,786	34,881
Year 5	24,899	10,127	35,026
Year 6	24,503	10,357	34,860
Year 7	20,892	13,410	34,302
Year 8	21,413	13,817	35,230
Year 9	20,655	13,424	34,079
Year 10	19,548	12,834	32,382
Year 11	18,286	12,372	30,658
Year 12	15,470	11,178	26,648
Primary total	203,271	77,119	280,390
Secondary total	116,303	77,035	193,338
Grand total	319,574	154,154	473,728

Source: *System and School Performance*

(a) Semester 1 student census. Primary and full-time secondary students. Public schools include community kindergartens. Totals include ungraded students.

Table A4: Students at Western Australian public schools by level of education and subgroup 2021 ^{(a) (b)}

Level of education	All	Female	Male	Aboriginal
Primary	203,271	98,050	105,207	17,464
Secondary	116,303	56,063	60,147	9,866
Total	319,574	154,113	165,354	27,330

Source: *System and School Performance*

(a) Semester 1 student census. Primary and full-time secondary students. Includes community kindergartens.

(b) All includes gender category 'Other'.

Table A5: Western Australian public schools and students by school type and level of education 2021 ^(a)

School type	Schools	Students		
		Primary	Secondary	Total
Community kindergarten	18	477	0	477
Primary ^(b)	567	190,171	551	190,722
District high	53	7,230	4,019	11,249
Kindergarten–Year 12 ^(c)	6	2,010	1,903	3,913
Secondary	112	0	108,039	108,039
Education support ^(d)	64	3,278	1,773	5,051
Specialist services ^(e)	2	105	18	123
Total	822	203,271	116,303	319,574

Source: *System and School Performance*

(a) Semester 1 student census. Primary and full-time secondary students.

(b) Includes schools of the air and remote community schools.

(c) Includes School of Isolated and Distance Education.

(d) Includes language development school and centres.

(e) Comprises School of Special Educational Needs: Behaviour and Engagement and School of Special Educational Needs: Sensory.

Table A6: Students at Western Australian public schools by year level 2017 to 2021 ^(a)

Year level	2017	2018	2019	2020	2021
Kindergarten	24,543	24,644	24,397	25,060	24,263
Pre-primary	25,174	25,953	25,839	25,785	26,535
Year 1	25,465	25,444	26,075	26,130	25,909
Year 2	25,102	25,425	25,417	26,197	26,018
Year 3	24,853	25,064	25,344	25,427	26,049
Year 4	25,172	24,708	24,985	25,288	25,095
Year 5	24,301	24,775	24,351	24,777	24,899
Year 6	22,737	24,132	24,644	24,227	24,503
Year 7	18,673	19,679	20,824	21,594	20,892
Year 8	17,970	18,762	19,612	20,854	21,413
Year 9	17,582	18,057	18,702	19,663	20,655
Year 10	17,462	17,576	17,923	18,760	19,548
Year 11	18,088	17,954	17,839	18,288	18,286
Year 12	15,075	15,278	15,159	15,235	15,470
Primary total	197,347	200,145	201,052	202,891	203,271
Secondary total	104,924	107,375	110,147	114,477	116,303
Grand total	302,271	307,520	311,199	317,368	319,574

Source: *System and School Performance*

(a) Semester 1 student census. Primary and full-time secondary students. Includes community kindergartens. Totals include ungraded students.

Table A7: Proportion (%) of students by geolocation of Western Australian public schools by level of education 2021 ^{(a) (b)}

Geolocation ^(c)	Primary	Secondary	All
Metropolitan	77.1	76.3	76.8
Inner regional	8.3	9.1	8.6
Outer regional	7.0	8.1	7.4
Remote	4.7	4.1	4.5
Very remote	2.9	2.4	2.7

Source: *System and School Performance*

(a) Semester 1 student census. Primary and full-time secondary students. Includes community kindergartens.

(b) Percentages may not add to 100% due to rounding.

(c) Australian Bureau of Statistics Australian Statistical Geography Standard, based on location of students' schools.

Table A8: Western Australian public schools and students by education region and level of education 2021 ^(a)

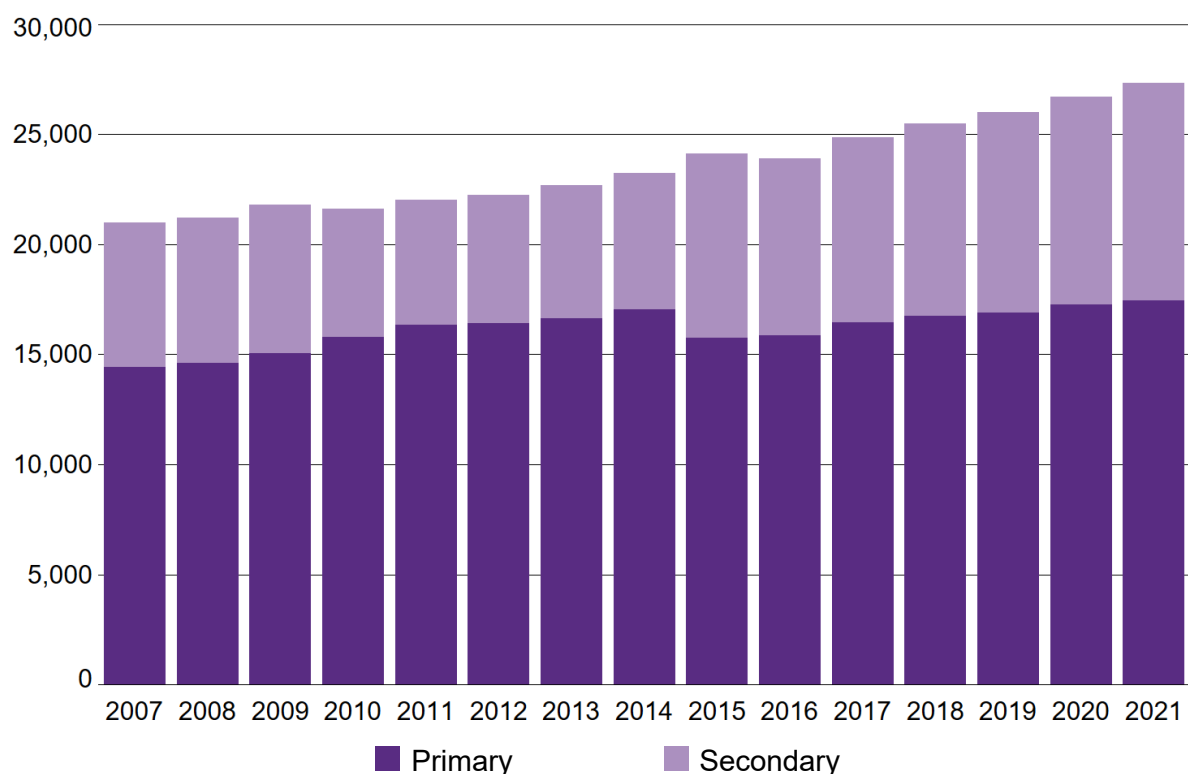
Education region	Schools	Students		
		Primary	Secondary	Total
Metropolitan				
North Metropolitan	249	75,324	41,977	117,301
South Metropolitan	267	84,223	47,528	131,751
Total	516	159,547	89,505	249,052
Country ^(b)				
Goldfields	38	5,316	2,747	8,063
Kimberley	23	3,454	2,063	5,517
Midwest	47	4,995	2,818	7,813
Pilbara	29	6,671	3,056	9,727
South West	100	17,898	12,700	30,598
Wheatbelt	69	5,390	3,414	8,804
Total	306	43,724	26,798	70,522
Grand total	822	203,271	116,303	319,574

Source: *System and School Performance*

(a) Semester 1 student census. Primary and full-time secondary students. Includes community kindergartens.

(b) Defined as all non-metropolitan education regions.

Figure A1: Aboriginal students at Western Australian public schools by level of education 2007 to 2021 ^{(a) (b) (c)}



Source: *System and School Performance*

(a) Semester 1 student census. Primary and full-time secondary students. Includes community kindergartens.

(b) Year 7 included in secondary from 2015. Prior to this Year 7 included in primary.

(c) Half cohort progressed through school from 2001 to 2014 inclusive, entering secondary education in 2010.

Table A9: Aboriginal students at Western Australian public schools by year level 2017 to 2021 ^(a)

Year level	2017	2018	2019	2020	2021
Kindergarten	1,854	1,860	1,800	1,897	1,893
Pre-primary	2,020	2,115	2,137	2,151	2,224
Year 1	2,123	2,108	2,181	2,234	2,242
Year 2	2,073	2,160	2,139	2,240	2,280
Year 3	2,134	2,074	2,192	2,173	2,267
Year 4	2,095	2,141	2,125	2,218	2,201
Year 5	2,129	2,128	2,169	2,129	2,226
Year 6	2,032	2,156	2,144	2,208	2,131
Year 7	1,714	1,856	1,975	1,979	2,003
Year 8	1,584	1,726	1,858	1,958	1,994
Year 9	1,570	1,530	1,637	1,789	1,886
Year 10	1,457	1,464	1,390	1,549	1,735
Year 11	1,262	1,301	1,362	1,245	1,371
Year 12	816	852	893	918	877
Primary total	16,460	16,742	16,887	17,250	17,464
Secondary total	8,403	8,729	9,115	9,438	9,866
Grand total	24,863	25,471	26,002	26,688	27,330

Source: *System and School Performance*

(a) Semester 1 student census. Primary and full-time secondary students. Includes community kindergartens.

Totals include ungraded students.

Table A10: Aboriginal students at Western Australian public schools by education region 2021 ^(a)

Education region	Aboriginal	All	Aboriginal students as % of all public school students
Metropolitan			
North Metropolitan	5,245	117,301	4.5
South Metropolitan	7,835	131,751	5.9
Total	13,080	249,052	5.3
Country ^(b)			
Goldfields	1,855	8,063	23.0
Kimberley	3,405	5,517	61.7
Midwest	2,368	7,813	30.3
Pilbara	2,735	9,727	28.1
South West	2,375	30,598	7.8
Wheatbelt	1,512	8,804	17.2
Total	14,250	70,522	20.2
Grand total	27,330	319,574	8.6

Source: *System and School Performance*

(a) Semester 1 student census. Primary and full-time secondary students. Includes community kindergartens.

(b) Defined as all non-metropolitan education regions.

Table A11: Students registered to receive home education 2017 to 2021 ^{(a) (b)}

2017	2018	2019	2020	2021
3,464	3,563	3,720	4,116	4,562

Source: *Statewide Services*

(a) Under the *School Education Act 1999 (WA)*, we are responsible for regulation of home education, including evaluation of home education programs and educational progress of students.

(b) As at March.

Table A12: Western Australian non-government schools and students by school type and level of education 2021 ^{(a) (b)}

School type	Schools	Students		
		Primary	Secondary	Total
Primary	144	39,449	0	39,449
Primary–secondary	123	37,670	49,496	87,166
Secondary	45	0	27,539	27,539
Total	312	77,119	77,035	154,154

Source: *System and School Performance*

(a) Semester 1 student census. Primary and full-time secondary students.

(b) Primary includes pre-Kindergarten students at non-government schools.

Table A13: Non-government schools and students by religious affiliation of school 2020 and 2021 ^(a)

Religious affiliation	Schools		Students	
	2020	2021	2020	2021
No religious affiliation	53	53	7,476	7,957
Total religious affiliation	258	259	142,473	146,197
Anglican	19	19	22,069	22,530
Baptist	15	15	10,791	11,416
Catholic	164	165	78,521	79,839
Seventh Day Adventist	5	5	717	689
Uniting Church	8	8	8,459	8,338
Various other	47	47	21,916	23,385
Grand total	311	312	149,949	154,154

Source: *System and School Performance*

(a) Semester 1 student census. Primary and full-time secondary students.

Table A14: Students at Western Australian residential colleges 2012 to 2021 ^(a)

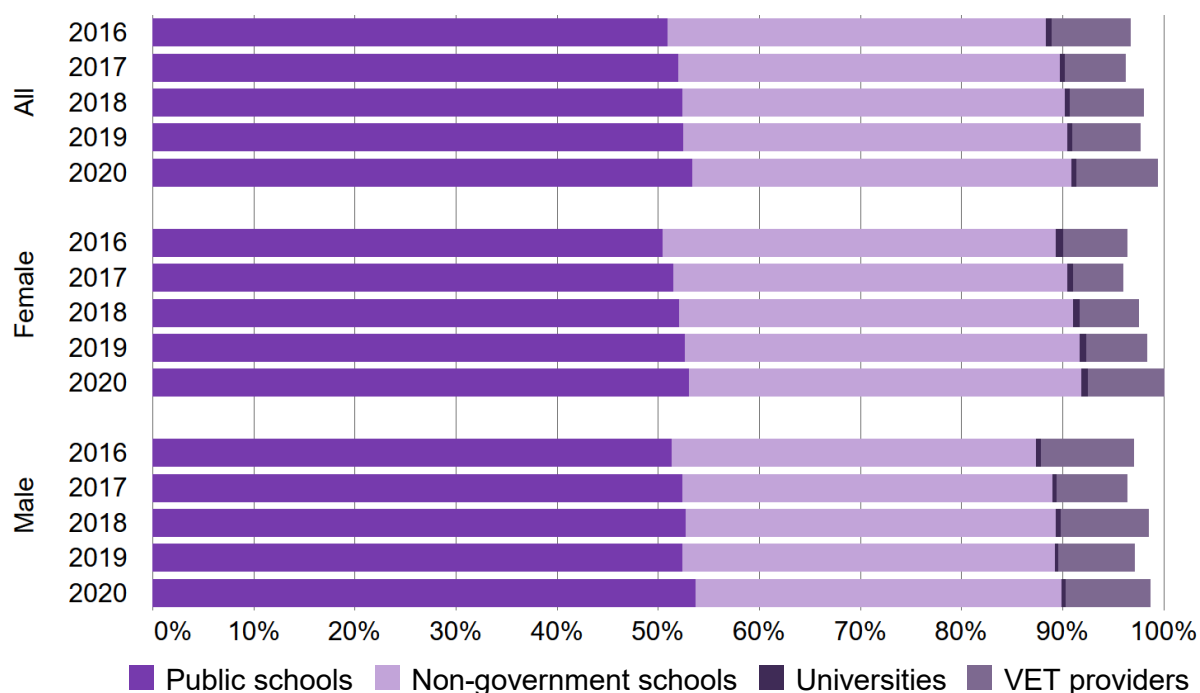
College	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Albany	97	80	81	86	94	82	69	66	67	71
Broome	77	51	72	73	72	102	99	81	75	58
City Beach	69	60	57	54	56	52	54	56	45	47
Esperance	86	75	73	82	79	95	87	83	80	80
Geraldton	89	89	62	60	80	68	55	62	49	53
Merredin	44	47	48	59	60	41	37	37	37	39
Moora	40	30	28	34	35	32	26	26	37	42
Narrogin	142	133	124	125	113	102	92	93	83	68
Northam	21	19	18	21	24	19	13	9	14	21
Total	665	584	563	594	613	593	532	513	487	479

Source: *Schools Division*

(a) Semester 1 student census.

2. Student participation, achievement and satisfaction

Figure A2: Participation rate (%) of persons aged 15 to 17 years engaged in some form of education by gender 2016 to 2020 ^{(a) (b)}



Source: *System and School Performance*

(a) Based on Australian Bureau of Statistics preliminary estimates of resident population (age at 30 June) and data collected from public and non-government schools (Semester 2 student census, age at 1 July), universities (age at 30 June), and vocational education and training providers (age at 30 June).

(b) University enrolment data for 2020 is an estimate based on 2019 university enrolment data and an annual compound growth factor calculated from university enrolment data across the previous four years.

Table A15: Public school student attendance rate (%) by level of education and subgroup 2020 ^{(a) (b) (c)}

Level of education	Aboriginal	All
All	73.1	90.1
Primary ^(d)	77.6	91.9
Secondary	65.9	87.3

Source: *System and School Performance*

(a) Excludes Kindergarten students, Canning College students and international students.

(b) As per National Standards for Student Attendance Data Reporting.

(c) Excludes weeks 7 to 10 of Term 1 due to disruptions caused by COVID-19.

(d) Pre-primary to Year 6.

Table A16: Percentage of public school students by attendance category by subgroup 2020 ^{(a) (b) (c) (d)}

Attendance category	Aboriginal	All
Regular attendance (90–100%)	33.5	70.2
Indicated attendance risk (80–<90%)	19.7	17.1
Moderate attendance risk (60–<80%)	20.5	8.0
Severe attendance risk (<60%)	26.3	4.6

Source: *System and School Performance*

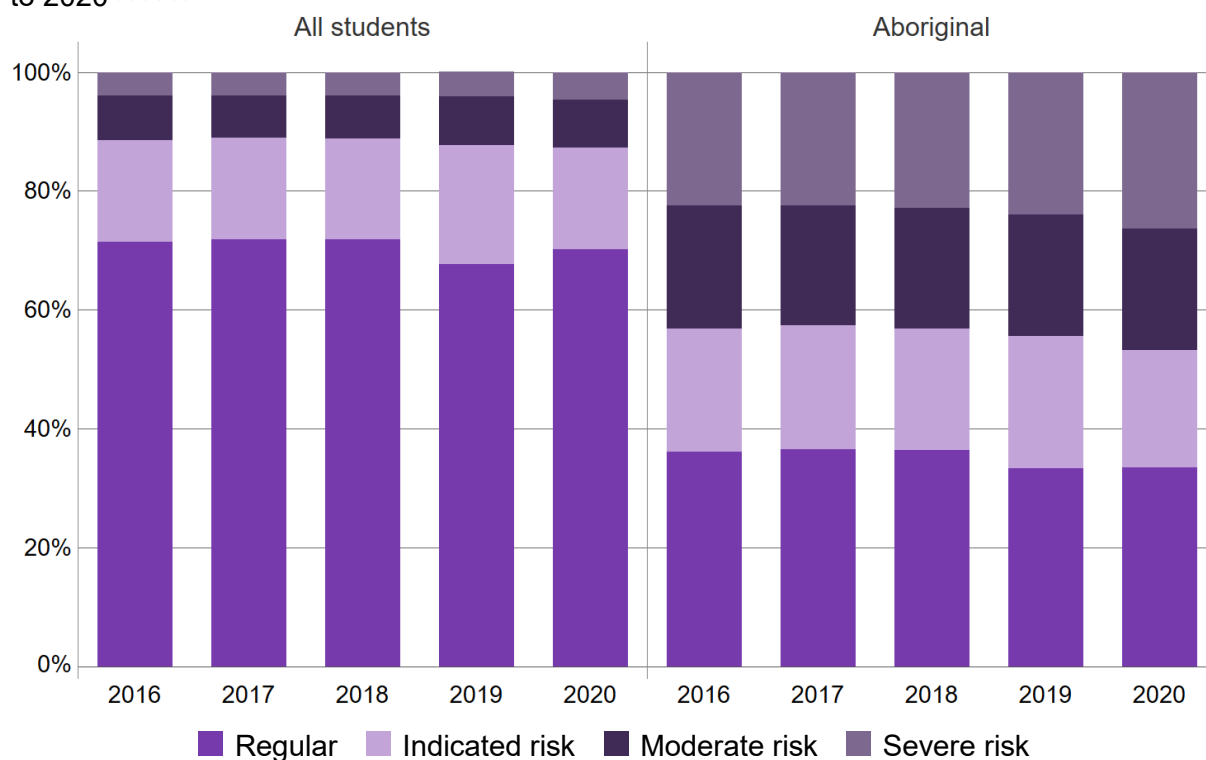
(a) Excludes Kindergarten students, Canning College students and international students.

(b) Percentages may not add to 100% due to rounding.

(c) As per National Standards for Student Attendance Data Reporting.

(d) Excludes weeks 7 to 10 of Term 1 due to disruptions caused by COVID-19.

Figure A3: Percentage of public school students by subgroup by attendance category 2016 to 2020 ^{(a) (b) (c)}



Source: *System and School Performance*

(a) Excludes Kindergarten students, Canning College students and international students.

(b) As per National Standards for Student Attendance Data Reporting.

(c) Excludes weeks 7 to 10 of Term 1 due to disruptions caused by COVID-19.

Table A17: Apparent secondary retention rate (%) of public school students by subgroup 2016 to 2020 ^{(a) (b) (c) (d)}

Subgroup	2016		2017		2018		2019		2020	
	%	N	%	N	%	N	%	N	%	N
All	77.7	13,398	80.1	13,856	81.4	13,925	81.6	14,041	81.5	14,189
Female	80.4	6,612	83.8	6,927	84.3	6,874	85.7	7,118	84.9	7,154
Male	75.1	6,786	76.7	6,929	78.7	7,051	77.8	6,923	78.2	7,030
Aboriginal	38.8	627	45.3	717	47.3	718	47.6	768	46.9	783
Female	38.0	285	46.7	356	47.3	355	48.4	397	46.7	382
Male	39.5	342	44.1	361	47.3	363	46.8	371	47.1	401

Source: System and School Performance

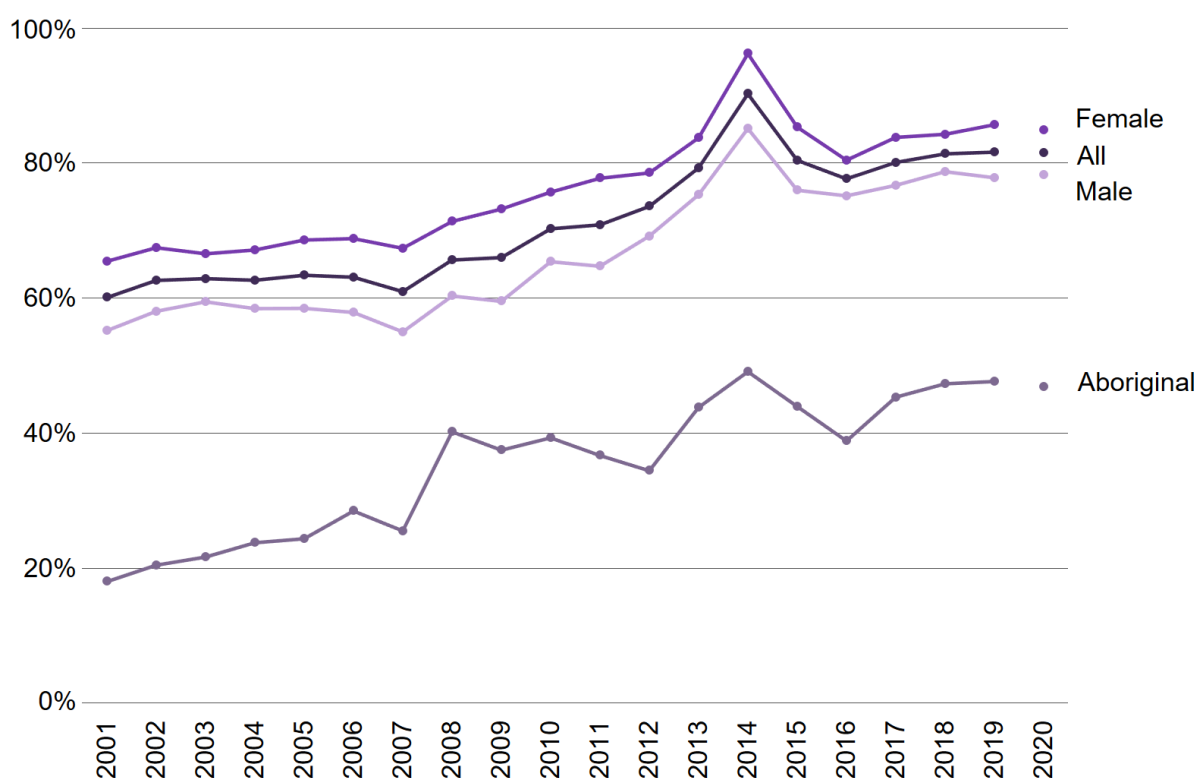
(a) Excludes Canning College and Tuart College students, part-time and international students, and mature-aged students at senior campuses.

(b) All includes gender category 'Other'.

(c) Semester 2 student census. 'N' is the number of Year 12 students.

(d) Prior to 2020, the apparent retention rate is from Year 8 to Year 12. From 2020, the apparent retention rate is from Year 7 to Year 12. This change is because the 2020 Year 12 cohort was the first cohort to commence secondary school in Year 7.

Figure A4: Apparent secondary retention rate (%) of public school students by subgroup 2001 to 2020 ^{(a) (b) (c) (d)}



Source: System and School Performance

(a) Excludes Canning College and Tuart College students, part-time and international students, and mature-aged students at senior campuses.

(b) All includes gender category 'Other'.

(c) Semester 2 student census.

(d) Prior to 2020, the apparent retention rate is from Year 8 to Year 12. From 2020, the apparent retention rate is from Year 7 to Year 12. This change is because the 2020 Year 12 cohort was the first cohort to commence secondary school in Year 7.

Table A18: Year 12 public school student WACE achievement rate and attainment rate by subgroup 2019 and 2020 ^(a)

	Subgroup	2019		2020	
		%	N	%	N
WACE achievement rate ^(b)	All	80.7	11,617	81.7	11,829
	Aboriginal	46.7	359	46.2	362
Attainment rate ^{(c) (d)}	All	90.9	13,197	92.1	13,431
	Aboriginal	69.8	538	70.8	557

Source: System and School Performance

(a) 'N' is the number of students who achieved the outcome. Only includes students counted in the rate's denominator.

(b) Percentage of Year 12 full-time students in the Semester 2 student census who achieved WACE. For details on criteria required to achieve a WACE, refer to our [WACE achievement key performance indicator](#).

(c) Percentage of Year 12 students in the Semester 2 student census who achieved an ATAR of at least 55 and/or a certificate II or higher VET qualification.

(d) Figures are 'actuals'; previous reports presented 'apparent' attainment figures.

Table A19: Year 12 public school student ATAR achievement by subgroup 2019 and 2020 ^{(a) (b)}

	Subgroup	2019			2020		
		Students		Median ATAR	Students		Median ATAR
		%	N		%	N	
Students who achieved an ATAR ^(c)	All	34.0	4,945	78.25	33.6	4,901	79.25
	Aboriginal	7.3	56	57.275	7.2	57	62.15
ATAR students who achieved at least 55 ^(d)	All	85.2	4,213	–	85.5	4,190	–
	Aboriginal	51.8	29	–	59.6	34	–

Source: System and School Performance

(a) Figures are 'actuals'. Previous reports presented 'apparent' achievement figures.

(b) 'N' is the number of students who achieved the outcome. Only includes students counted in the rate's denominator.

(c) Percentages use the number of Year 12 students in the Semester 2 student census as the denominator.

(d) Percentages use the number of Year 12 students in the Semester 2 student census who achieved an ATAR as the denominator.

Table A20: Year 12 public student VET certificate II or higher achievement by subgroup 2019 and 2020 ^{(a) (b)}

Subgroup	2019			2020		
	Students		Total VET certificates II or higher	Students		Total VET certificates II or higher
	% ^(c)	N		% ^(c)	N	
All	73.7	10,711	15,935	75.4	10,989	16,136
Aboriginal	66.3	511	688	67.2	529	742

Source: System and School Performance

(a) Figures are 'actuals'. Previous reports presented 'apparent' achievement figures.

(b) 'N' is the number of students who achieved a VET certificate II and higher. Only includes students counted in the rate's denominator.

(c) The number of Year 12 students in the Semester 2 student census is the denominator.

Table A21: WACE achievement rate (%) of Year 12 public school students by subgroup 2016 to 2020 ^{(a) (b)}

Subgroup	2016	2017	2018 ^(c)	2019	2020
All	79.8	79.5	80.5	80.7	81.7
Male	78.3	77.2	77.9	78.1	80.1
Female	81.3	81.9	83.2	83.2	83.3
Aboriginal	46.9	44.8	47.7	46.7	46.2

Source: *System and School Performance*

(a) Year 12 full-time students in the Semester 2 student census.

(b) Year 12 WACE achievement data from the School Curriculum and Standards Authority and taken at a point in time. Data may be updated after this time for a variety of reasons such as students successfully appealing their results.

(c) A few registered training organisations did not complete VET certification for some public school students in time to be included in the 2018 data. This may have affected the data reported for 2018.

Table A22: Satisfaction of Year 12 public school students by subgroup 2016 to 2020 ^(a)

	Subgroup	2016	2017	2018	2019	2020 ^(b)
	All	87.3	88.0	87.7	87.4	88.4
% satisfied with quality of teaching	Male	87.0	87.5	87.1	86.5	88.0
	Female	87.6	88.6	88.3	88.3	88.8
	Aboriginal	91.0	88.2	89.9	86.5	88.8
	All	83.3	83.4	84.8	83.3	84.2
% satisfied with quality of education facilities	Male	83.2	83.2	84.7	82.5	83.6
	Female	83.5	83.7	84.9	84.1	84.6
	Aboriginal	84.6	82.6	88.2	83.9	85.6

Source: *System and School Performance*

(a) Post school intentions and satisfaction survey, conducted in Semester 2.

(b) Completed by more than 9,000 Year 12 students.

3. Staffing

Figure A5: Organisational chart at 30 June 2021

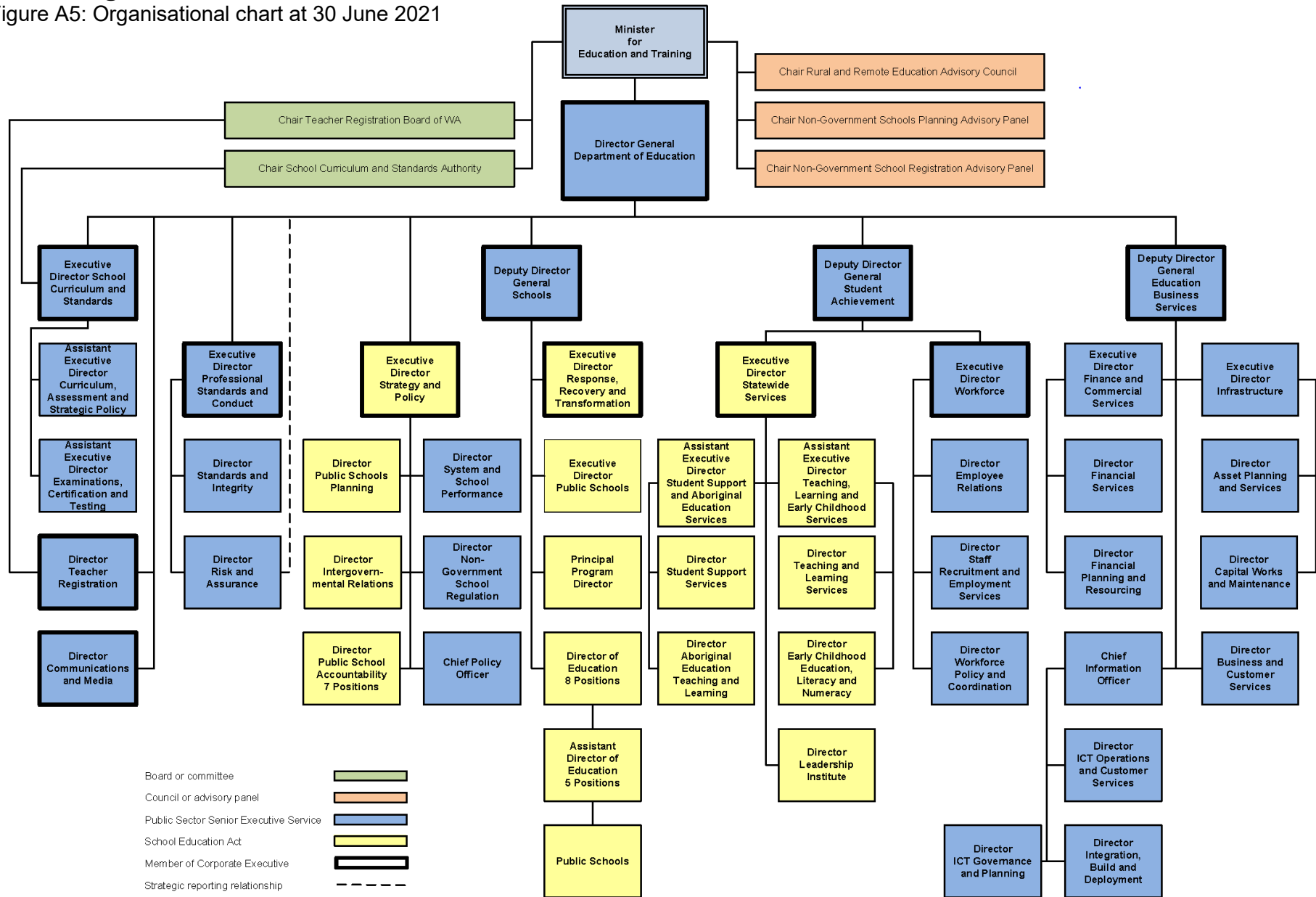


Table A23: School-based teaching staff ^(a) by education category ^(b) and gender 2021

Education category	Female		Male		Total numbers
	N	%	N	%	
Primary	10,250	84.2	1,917	15.8	12,167
Secondary	5,198	60.9	3,343	39.1	8,541
Education support	731	83.6	143	16.4	874
Total	16,179	75.0	5,403	25.0	21,582

Source: *System and School Performance*

(a) Full-time equivalents at Semester 1 student census including teachers at community kindergartens. Based on counting method used for National Schools Statistics Collection that does not include staff on extended leave.

(b) Staff apportioned to education category based on proportion of students in each education category.

Table A24: Teacher retirements and resignations 2016 to 2020

	2016	2017	2018	2019	2020
Retirement	542	566	550	556	541
Resignation	622	597	586	604	622

Source: *Workforce*

4. Annual estimates for 2021–22

In the 2021–22 Budget Statements, the estimates for the Department of Education and the School Curriculum and Standards Authority are consolidated within a single Division of the Consolidated Account Expenditure Estimates.

These annual estimates represent the budget for the Department of Education excluding the School Curriculum and Standards Authority. They were approved by the Minister for Education and Training on 2 September 2021.

Estimate of Statement of Comprehensive Income For the year ended 30 June 2022

	2021–22 Budget Estimate \$'000
COST OF SERVICES	
Expenses	
Employee benefits expense	4,328,409
Supplies and services	1,008,930
Depreciation, amortisation and impairment expense	230,126
Grants and subsidies	19,913
Finance costs	32,567
Other expenses	8,402
Total cost of services	5,628,347
Income	
Revenue	
User contributions, charges and fees	139,417
Interest revenue	22,877
Other revenue	99,535
Australian Government grants and contributions	1,084,003
Total revenue	1,345,832
Total income other than income from State Government	1,345,832
NET COST OF SERVICES	4,282,515
Income from State Government	
Service appropriation	4,267,837
Income from other public sector entities	19,933
Services received free of charge	15,597
Royalties for Regions Fund	28,942
Total income from State Government	4,332,309
SURPLUS/(DEFICIT) FOR THE PERIOD	49,794
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	49,794

Estimate of Statement of Financial Position
For the year ended 30 June 2022

	2021–22 Budget Estimate \$'000
ASSETS	
Current Assets	
Cash and cash equivalents	540,077
Restricted cash and cash equivalents	34,109
Amounts receivable for services	25,164
Inventories	6,442
Receivables	75,294
Other current assets	8,411
Non-current assets held for distribution to owner	49
Total current assets	689,546
Non-Current Assets	
Restricted cash and cash equivalents	97,858
Receivables	338,447
Amounts receivable for services	3,529,856
Property, plant and equipment	12,281,667
Service concession assets	30,631
Right-of-use assets	313,520
Intangible assets	1,110
Total non-current assets	16,593,089
TOTAL ASSETS	17,282,635
LIABILITIES	
Current Liabilities	
Payables	158,087
Borrowings	41,535
Lease liabilities	23,573
Employee related provisions	623,078
Other current liabilities	14,268
Total current liabilities	860,541
Non-Current Liabilities	
Payables	1,981
Borrowings	358,123
Lease liabilities	334,276
Employee related provisions	246,290
Other provisions	264
Other non-current liabilities	4,553
Total non-current liabilities	945,487
TOTAL LIABILITIES	1,806,028
NET ASSETS	15,476,607
EQUITY	
Contributed equity	15,216,856
Accumulated surplus/(deficit)	259,751
TOTAL EQUITY	15,476,607

Estimate of Statement of Cash Flows
For the year ended 30 June 2022

	2021–22 Budget Estimate \$'000
CASH FLOWS FROM STATE GOVERNMENT	
Service appropriation	4,036,730
Capital contribution	351,752
Holding account drawdowns	12,422
Royalties for Regions	34,759
Grants and subsidies income	3,333
Other	16,600
Net cash provided by State Government	4,455,596
Utilised as follows:	
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments	
Employee benefits expense	(4,310,555)
Supplies and services	(993,329)
Grants and subsidies	(19,913)
Finance costs	(32,567)
GST payments on purchases	(151,749)
Loans advanced to non-government schools	(57,100)
Receipts	
User contributions, charges and fees	135,846
Australian Government grants and contributions	1,095,261
Interest received	17,281
GST receipts on revenue	151,628
Repayments of loans by non-government schools	38,247
Other receipts	99,445
Net cash used in operating activities	(4,027,505)
CASH FLOW FROM INVESTING ACTIVITIES	
Payments	
Purchases of non-current physical assets	(449,472)
Net cash provided by/(used in) investing activities	(449,472)
CASH FLOW FROM FINANCING ACTIVITIES	
Payments	
Payment of lease liabilities	(38,186)
Repayment of borrowings	(75,171)
Receipts	
Proceeds from borrowings	94,023
Net cash used in financing activities	(19,334)
Net increase/(decrease) in cash and cash equivalents	(40,715)
Cash and cash equivalents at the beginning of the period	712,759
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	672,044