

ANNUAL REPORT 2019-20



acara

AUSTRALIAN CURRICULUM,
ASSESSMENT AND
REPORTING AUTHORITY

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Australian Curriculum, Assessment and Reporting Authority Annual Report 2019–20.
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The Hon Dan Tehan MP
Minister for Education
Parliament House
Canberra ACT 2600

Dear Minister

ACARA Annual Report 2019-20

On behalf of the Board of the Australian Curriculum, Assessment and Reporting Authority (ACARA), I am pleased to present the annual report for the financial year ended 30 June 2020, pursuant to section 46 of the *Public Governance, Performance and Accountability Act 2013* (the PGPA Act).

As ACARA is a corporate Commonwealth entity, this document has been prepared in accordance with the requirements of section 17BE of the *Public Governance, Performance and Accountability Rule 2014* (the PGPA Rule). The ACARA Board is the accountable authority for ACARA under the PGPA Act and is responsible for preparing and providing the annual report to you as Minister for Education.

ACARA's annual performance statements for 2019-20 are included in this document, in accordance with section 39 of the PGPA Act and Resource Management Guide No. 134 Annual performance statements for Commonwealth entities.

As per the requirements of Section 17BB of the PGPA Rule, this annual report was approved by resolution of the ACARA Board at its meeting of 19 August 2020, which was held by videoconference.

I acknowledge the directions set by the Education Council that guided ACARA's work during 2019-20 and thank the ACARA Board, Executive, staff and stakeholders for their contribution throughout the 2019-20 reporting period.

Yours faithfully



Belinda Robinson FAICD
Chair

9 September 2020

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1.1 Chair's foreword

On behalf of the ACARA Board, I am pleased to present our annual report for 2019–20.

The last 12 months have been far from ordinary for everyone, including ACARA, and for our work program. The effects of the global pandemic have presented a series of challenges both strategically and operationally, particularly for education and schooling. Inversely, they have also offered some new opportunities, including a more flexible approach to how our workforce operates.

I would like to particularly acknowledge the extraordinary work of our teachers, without any previous experience to draw on, in swiftly, expertly and efficiently transitioning the classroom to 'remote' learning. The efforts of our teachers have been nothing short of remarkable. And never has the call on parents and carers in supporting their children's learning been so great. On behalf of ACARA, I extend my thanks to our teachers and students for your patience and commitment.

The impact of the pandemic on schooling led to education ministers determining that NAPLAN would not be undertaken in 2020. This decision recognised that the wellbeing of students and continuity of education has to be the first priority of school leaders, teachers and support staff.

Ministers also agreed to extend the timeline for full transition to NAPLAN Online from 2021 to 2022. Together, as we transition and plan for a post-COVID world, ACARA's vision – to inspire improvement in the learning of all young Australians through world-class curriculum, assessment and reporting – is of fundamental importance. This was reiterated in December 2019, with the release of the Alice Springs (Mparntwe) Education Declaration by Australia's education ministers.

The goals in the Declaration confirm that high-quality education is essential not only for individuals to flourish, but to make our communities stronger and more resilient, and our economy robust and competitive.

The Mparntwe Declaration reinforces the importance of literacy and numeracy mastery in the early years of school as foundations for future learning. It also commits to ensuring the development of creative and critical thinking skills, key features of the Australian Curriculum.

The terms of reference for a review of the Australian Curriculum were released in June 2020, with the review scope underpinned and informed by an extensive program of research undertaken by ACARA. The review will be a focus of ACARA's work over the next two years as we work extensively with stakeholders, and particularly teachers, in ensuring our students continue to have access to a world-class curriculum.

Despite the challenges we have all encountered in this financial year, a great deal of work has continued and progressed in ACARA's portfolio. ACARA continued work with partners – Education Services Australia (ESA) and the Australian Institute of Teaching and School Leadership (AITSL) – on the national education priority of online formative assessment.

While education ministers determined that NAPLAN would not proceed this year, given the impacts of COVID-19, we continue to focus on, and work towards, a successful transition of all schools to an online NAPLAN assessment by 2022.

I would like to acknowledge the leadership provided by education ministers as members of Education Council and thank the ACARA management and staff for their untiring work in adapting and implementing an ever-evolving work program with deep commitment to supporting the best possible education for our students. Many thanks, too, to my fellow Board members and all our stakeholders for their considerable efforts and dedication this year.



Belinda Robinson FAICD
Chair

1.2 CEO's report

It would be an understatement to say that 2019–20 has been a period where things have not gone quite to plan for anyone, with COVID-19 causing a significant amount of disruption across the globe. Of course, ACARA has not been immune to this – the effects of COVID-19 have been felt widely within Australia and the education community.

The unique situation united teachers, parents and students to find the best solutions in the most trying of times. We published links to a range of curriculum and assessment resources to help parents and carers navigate this time of change and disruption.

The impact on ACARA's agreed workplan has, of course, been significant. Education ministers decided that NAPLAN would not be undertaken in 2020 and the sample assessments in ICT literacy were postponed until 2021. Much work had already been completed to ensure that NAPLAN would be undertaken smoothly, following the previous year's connectivity issues, and we were confident that would be the case.

It is sometimes difficult to remember a time pre-COVID; however, looking back across the reporting period for this annual report, much was achieved. From August 2019, NAPLAN individual student reports were distributed, providing parents and carers with an opportunity to identify their child's strengths and achievements in the areas of literacy and numeracy, and to identify any areas where attention is required. The 2019 NAPLAN summary information was published in August 2019, with the 2019 NAPLAN National Report published in February 2020.

The 2018 NAP Sample – Science Literacy (NAP–SL) public report was published in February 2020, and the sixth assessment cycle of the NAP Sample – Civics and Citizenship (NAP–CC) was successfully conducted online in October and November 2019.

The *My School* website was updated on 18 March 2020. It was released in accordance with Education Council approval of changes that improved the quality and usefulness of the information on the website. The website now has a stronger focus on student progress in a way that is fair and easy to understand. Consultation and collaboration with our stakeholders were key to the success of this project and I thank them all for their input, advice and assistance to us.

A number of resources were published to support the implementation of the Australian Curriculum, including additional elaborations to support the incorporation of Aboriginal and Torres Strait Islander Histories and Cultures in F–6 Science. An illustration of practice was published to exemplify the Framework for Aboriginal Languages and Torres Strait Islander Languages.

In June 2020, education ministers agreed that it was timely to review the Foundation – Year 10 Australian Curriculum. In preparation for the review, we consulted widely with key education stakeholders and groups to define the approach and scope of the review.

I would like to thank all of our staff, stakeholders and partners who support ACARA's vision on a daily basis to inspire improvement in the learning of all young Australians.

Mr David de Carvalho
CEO, ACARA



1.3 About us

Our role and function

The Australian Curriculum, Assessment and Reporting Authority (ACARA) is an independent statutory authority and a corporate Commonwealth entity established under Section 5 of the *Australian Curriculum, Assessment and Reporting Authority Act* on 8 December 2008.

ACARA has been operational since 28 May 2009, with a mission to improve the learning of all young Australians through world-class school curriculum, assessment and reporting.

As per past years, during 2019–20 ACARA executed policy directions determined by the Council of Australian Governments' (COAG) Education Council regarding curriculum, assessment, data and reporting at the national level.

Our vision

Inspire improvement in the learning of all young Australians through world-class curriculum, assessment and reporting.

Our purpose

To be the authoritative source of advice on, and delivery of, national curriculum, assessment and reporting for all Australian education ministers, with international recognition of our work.

Our work

- We take a national approach to education through developing a robust and comprehensive national curriculum.
- We run the National Assessment Program (NAP), the national tests students sit in school, aligned to the national curriculum. This includes the National Assessment Program – Literacy and Numeracy (NAPLAN).
- We are responsible for collecting and publishing information on the *My School* website about the performance and resources of each Australian school.
- We publish a range of reports, including the NAPLAN national report and the National Report on Schooling in Australia.

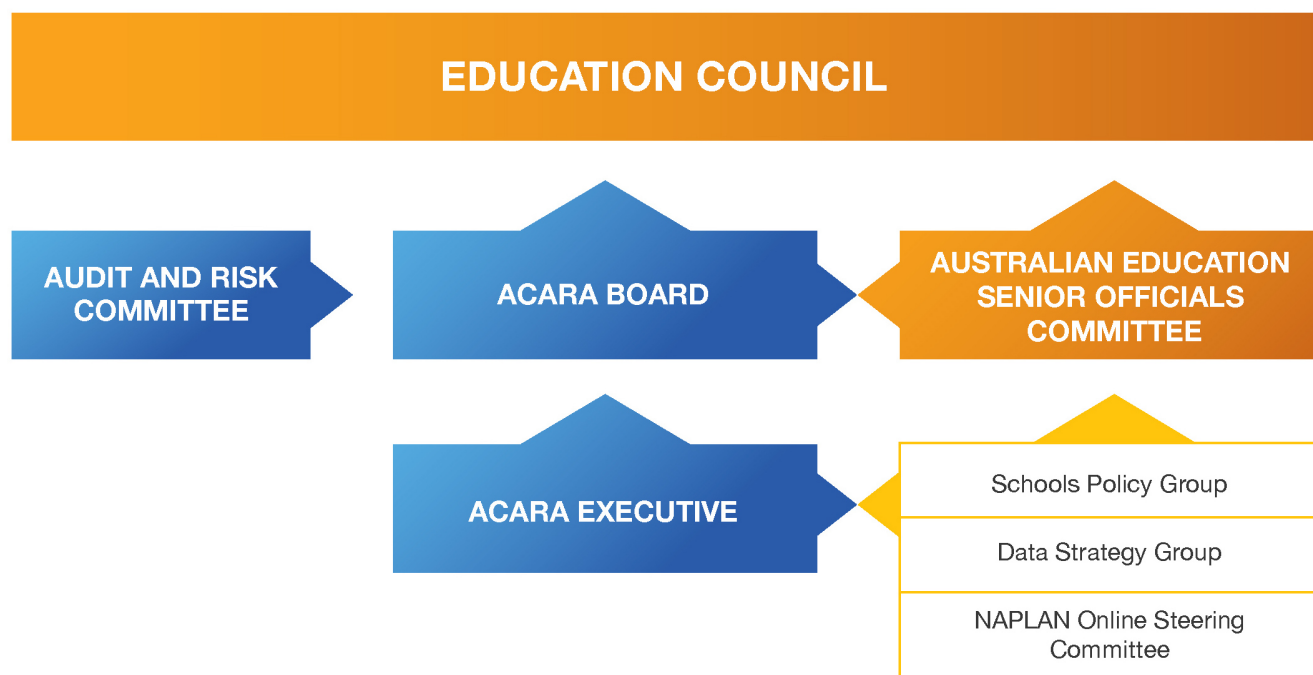
Our organisation

The ACARA Board is ACARA's accountable authority for the purposes of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). ACARA's operations are led by ACARA's Chief Executive Officer (CEO). The authority comprises five business units: Curriculum, Assessment and Reporting, Communications and Strategic Relations, Corporate Services and Office of the Chief Executive.

Our office locations

- ACARA's head office is located at Level 13, Tower B, Centennial Plaza, 280 Elizabeth Street, Sydney.
- ACARA's Perth office is located at Level 17, 140 St Georges Terrace, Perth.
- ACARA staff members are also located in other major capital cities, including Melbourne, Brisbane and Adelaide.

Our governance structure



Our advisory structure



2.0

Annual performance statements

2.1 National curriculum

Purpose: To provide a world-class curriculum from Foundation to Year 12 in specified learning areas as agreed to by Education Council, and assemble the evidence base required to review, develop and refine curriculum.

Criteria source: ACARA Corporate Plan 2019–20 and Portfolio Budget Statements (PBS) 2019–20: Education and Training – ACARA Budget Statements – Outcome 1 Program 1.1, pages 79–80.

Performance criterion	Measure
Activities related to maintaining and enhancing the curriculum support resources available on, and the online functionality of, the Australian Curriculum website, completed each year	Implementation support activities captured within ACARA's annual work plan for the ACARA Board, AESOC and Education Council's consideration and approval
Result Not achieved <input type="checkbox"/> Partially achieved <input type="checkbox"/> Achieved <input checked="" type="checkbox"/>	
Supporting statement During the reporting period, the resources published by ACARA to support the implementation of the Australian Curriculum were updated and expanded. Work samples were published to support 7–10 Science, 7–10 History and F–10 Languages. Additional elaborations were published to support the incorporation of Aboriginal and Torres Strait Islander Histories and Cultures in F–6 Science. An illustration of practice was published to exemplify the Framework for Aboriginal Languages and Torres Strait Islander Languages. Curriculum connections were updated and expanded. All new and revised resources were published on the Australian Curriculum website and communicated to state and territory authorities and relevant stakeholder groups.	

Performance criterion	Measure
Activities related to monitoring the national curriculum, international comparisons and research on developments in school curriculum design activities completed and the scope of the refinement of the Australian Curriculum ready for approval by the ACARA Board	The scope for refinement of the Australian Curriculum (informed by analysis of monitoring, comparative and research activities 2016–17 to 2019–20) submitted to Education Council for consideration by June 2020
Result Not achieved <input type="checkbox"/> Partially achieved <input type="checkbox"/> Achieved <input checked="" type="checkbox"/>	
Supporting statement The ACARA Board approved the latest Monitoring the Effectiveness of the Foundation – Year 10 Australian Curriculum report in December 2019 and the report was published on the ACARA website in January 2020. ACARA officers participated in, and contributed to, the second phase of the OECD Future of Education and Skills 2030 project. The Shape of the Australian Curriculum Paper (Version 5), incorporating the goals of the Alice Springs (Mparntwe) Declaration, was approved by the ACARA Board in April 2020 and Education Council in June 2020. ACARA prepared terms of reference for a review of the Foundation to Year 10 Australian Curriculum and these were approved by the ACARA Board in February 2020 and Education Council in June 2020.	

Analysis of performance

Monitoring, evaluation and research

On 12 June 2020, education ministers tasked ACARA to review the Foundation to Year 10 Australian Curriculum. ACARA is to complete the review by the end of 2021, with the revised Foundation to Year 10 Australian Curriculum released on a redesigned Australian Curriculum website by the start of 2022. In preparation for the review, ACARA has undertaken a program of research and consulted widely with key education stakeholders and groups to define the approach and scope of the review. This work informed the review's [terms of reference](#).

The [program of research](#) benchmarked the Australian Curriculum against the curricula of Singapore, Finland, British Columbia and New Zealand, and collated feedback from state and territory jurisdictions through ACARA's [annual monitoring process](#).

In January 2020, ACARA published the Monitoring the Effectiveness of the Foundation – Year 10 Australian Curriculum 2018–19 report. The report contains feedback from departmental, school and curriculum authorities in all Australian states and territories. Respondents were asked to comment on key themes emerging from the previous four monitoring reports and ACARA's program of research. The key findings in the report supported the refinement of the Australian Curriculum within its existing structure and design: three dimensions (learning areas, general capabilities, cross-curriculum priorities); content descriptions, elaborations and achievement standards; years/stages F–10; and informed the terms of reference for the review.

ACARA continued to lead Australia's participation in the next phase of the OECD Future of Education and Skills 2030 project and contributed to the finalisation of an international curriculum analysis report. OECD project discussions also explored and shared curriculum tensions, challenges and dilemmas in the midst of the COVID-19 pandemic. To gain further insights into emerging curriculum models, ACARA completed its collaboration with the Center for Curriculum Redesign to explore the implications of applying a conceptual framework to identifying essential content and skills in Mathematics.

Support and resources for implementation

The complete suite of F–10 content elaborations to support teachers to incorporate Aboriginal and Torres Strait Islander Histories and Cultures in the Science curriculum was published in November 2019. Work continues on the development of content elaborations for addressing Aboriginal and Torres Strait Islander Histories and Cultures in the F–10 Australian Curriculum: Mathematics. Additional work samples have been published to support the published curriculum in a range of learning areas. Work samples for 7–10 History and F–10 Korean were published in September 2019. Work samples for F–10 Vietnamese were published in October 2019. Work samples for F–10 Arabic and 7–10 Science were published in April 2020.

The Primary Matters publication provided targeted support for the teaching of The Arts (October 2019), the Aboriginal and Torres Strait Islander Histories and Cultures cross-curriculum priority and the general capabilities (December 2019), outdoor learning and curriculum connections (March 2020) and remote learning (May 2020). Links to resources in the Consumer and Financial Literacy curriculum connection were updated in February 2020 to maintain relevance and currency. A curriculum connection on online safety, with links to resources of the eSafety Office, was published in February 2020.

An illustration of practice demonstrating the implementation of the Framework for Aboriginal Languages and Torres Strait Islander Languages was published in May 2020. Refreshed content and resources, including new and revised illustrations of practice, to support student diversity, were published on the Australian Curriculum website in March 2020. In April 2020, resources for parents and carers were published via the ACARA website to support student learning.

Supporting the implementation of the Digital Technologies curriculum

ACARA continued to manage the National Innovation in Science Agenda, Digital Technologies in Focus project. Approximately 160 disadvantaged schools in urban, rural and remote locations across all states and territories, incorporating over 2,300 teachers and more than 30,000 students, are participating in this project. Curriculum specialist support is provided for each of the schools, with the integration of technology being showcased through the publication of school stories, resources and professional learning modules on the [Digital Technologies in Focus section](#) of the Australian Curriculum website.

Learning progressions and online formative assessment initiative

ACARA, along with ESA and AITSL, completed work on the initial discovery phase to explore how learning progressions and formative assessment can enhance the capacity of teachers to make evidence-based decisions about their students' learning. The discovery phase focused on three main areas: the development of learning progressions and aligned assessments; engagement with teachers to understand what they need and how they want to be able to work; and research into effective practices. At the end of the discovery phase, ACARA reviewed and improved its national learning progressions for literacy and numeracy, and also worked with Victorian Curriculum and Assessment Authority (VCAA) and Australian Council for Educational Research (ACER) to explore the elements required to develop a learning progression in critical and creative thinking.

A report on the findings from the discovery phase was presented to education ministers in December 2019. Education ministers accepted the recommendations from the report and agreed that the three agencies (ACARA, ESA and AITSL) continue to work together on the next alpha phase of the project, and report back on its completion by early 2021.

ACARA's work in the alpha phase of the initiative is focused on: developing a machine-readable form of the national literacy and numeracy learning progressions; constructing numerical measurement scales to underpin the progressions; providing indication of achievement expectations against the Australian Curriculum; developing student- and parent-friendly versions of the progressions; building the evidence base for the progressions and supporting teachers of students with diverse needs; and continuing research into the development of a learning progression for critical and creative thinking.

Linkage with the National Assessment Program

The National Assessment Program (NAP) is directly linked to Australian Curriculum content. Specific advice on using the Australian Curriculum: Science was included in the 2017 NAP Sample Assessment: Science Literacy report, published in November 2019. The curriculum specialist for Humanities and Social Sciences (HASS) completed an analysis of student results in the 2019 NAP Sample Assessment: Civics and Citizenship.

2.2 National assessment

Purpose: To provide a quality, comprehensive and cohesive suite of national assessments.

Criteria source: ACARA Corporate Plan 2019–20 and Portfolio Budget Statements (PBS) 2019–20: Education and Training – ACARA Budget Statements – Outcome 1 Program 1.2, page 81.

Performance criterion	Measure
National Assessment Program (NAP) – NAPLAN and NAP sample assessments delivered	ACARA's role in the delivery of NAP successfully undertaken (including NAPLAN Online, as determined by state and territory authorities) and related results reported
Result Not achieved <input type="checkbox"/> Partially achieved <input type="checkbox"/> Achieved <input type="checkbox"/> Impacted by COVID-19 <input checked="" type="checkbox"/>	
Supporting statement <p>On 20 March 2020, ministers agreed to not proceed with NAPLAN in May 2020. In June 2020, ministers agreed to postpone the NAP sample assessment for 2020. All of ACARA's responsibilities in delivery and reporting of the NAP have been achieved to the extent possible during the reporting year.</p> <p>NAPLAN 2020</p> <p>On 20 March 2020, education ministers made the decision not to proceed with NAPLAN in 2020 due to the ongoing COVID-19 pandemic. The decision was taken to assist school leaders, teachers and support staff to focus on the wellbeing of students and continuity of education, including potential online and remote learning.</p> <p>Subsequently, the NAPLAN 2020 equating study scheduled for April–May 2020 and the 2021 item trial scheduled for July–August 2020 were also cancelled.</p> <p>ACARA's activities in relation to the 2020 test development and preparation for online reporting of preliminary school results had already been completed as scheduled.</p> <p>NAPLAN 2019</p> <p>From August to September 2019, NAPLAN 2019 individual student reports were distributed by jurisdictions, providing parents and carers with an opportunity to identify their child's strengths and achievements in the areas of literacy and numeracy, and to identify any areas where attention is required. This included information on the mode of testing; that is, paper or online, as per the 2018 reports.</p> <p>The 2019 NAPLAN summary information (preliminary results) was published on 28 August 2019. The 2019 NAPLAN National Report and test incident report were both published on 25 February 2020. The 2019 technical report was published on 29 June 2020.</p> <p>NAP Sample – Science Literacy 2018</p> <p>The 2018 NAP Sample – Science Literacy (NAP–SL) public report was approved by Education Council and published on ACARA's NAP website on 27 February 2020, together with the 2018 NAP–SL technical report and public demonstration tests for Years 6 and 10.</p>	

NAP Sample – Civics and Citizenship 2019

Between October and November 2019, the sixth assessment cycle of the NAP Sample – Civics and Citizenship (NAP–CC) was successfully conducted online. As part of the development of NAP–CC 2019, a new set of assessment items was developed at each year level, with an additional focus on History as a component of the revised NAP–CC Assessment Framework.

Approximately 5,600 Year 6 students (in 332 schools) and 4,500 Year 10 students (in 295 schools) across all states and territories participated in the sample assessment. All participating schools received a summary report showing student responses compared with the national percentage of correct answers for each item together with links to the Australian Curriculum (AC).

NAP – Information and Communication Technology Literacy 2020

In the context of the COVID-19 pandemic, in light of schools needing to focus on student and staff safety, and the importance of attending to the education programs for students, education ministers agreed in June 2020 to postpone the NAP sample assessments by 12 months (including postponing the related field trial by 12 months).

Performance criterion	Measure
NAP for information and communication technology literacy (ICTL) revised, relative to the Australian Curriculum: Digital Technologies and ICT general capability	In accordance with the National STEM Strategy, the pilot study and trial of NAP–ICTL successfully undertaken in line with the revised definition of ICTL, relative to the Australian Curriculum and digital technology
Result Not achieved <input type="checkbox"/> Partially achieved <input type="checkbox"/> Achieved <input checked="" type="checkbox"/>	
Supporting statement Following extensive consultation, the NAP – ICT Literacy Assessment Framework was updated to explicitly document the alignment with the AC: ICT capability and the AC: Digital Technologies. The NAP – ICT Literacy construct definition was also revised in response to feedback and recommendations from the NAP – ICT Literacy Working Group and in consultation with ACARA's curriculum specialists. The revised construct continues to support the ongoing assessment and reporting of student achievement against the existing NAP–ICTL achievement scale, while ensuring that the assessment remains up to date in a world of rapid technological change.	

Analysis of performance

On 13 September 2019, Education Council agreed to establish the Australian Curriculum Assessment and Reporting Authority (ACARA) CEO as the senior responsible officer (SRO) for NAPLAN Online and commission additional technical support for the implementation of a single point of responsibility and accountability for the administration of NAPLAN Online in 2020.

As part of the revised governance arrangements, agreed to by the Australian Education Senior Officials Committee (AESOC) in October 2019, the NAPLAN Online Steering Committee (NOSC) was established to support the SRO in exercising responsibility for the implementation of the 2020 NAPLAN Online program of work. Membership of the NOSC includes representatives from all jurisdictions, with strengthened technical expertise, ACARA and Education Services Australia (ESA), and the Director of the Project Management Office (PMO), with Deloitte and non-government sector representatives as contributing observers.

During the reporting period, ACARA worked with NOSC and ESA (the agency responsible for the online assessment and delivery system, ‘the platform’) to ensure that the NAP tests are delivered to users as expected. ACARA undertook quality assurance and certification of items, the targeted test design and related platform functionalities, including the functionality delivered via the low/no bandwidth (LNB) solution.

A number of key school and student online readiness activities were conducted. ACARA developed items, constructed tests, provided supporting materials and undertook quality assurance testing for each event:

- The school readiness test (SRT) was conducted in schools between 18 August and 9 October 2019. ACARA provided omnibus tests for each year level, as well as a writing test. Over 3,100 schools across all states and territories participated in SRT.
- The platform readiness test (PRT) was conducted in a sample of schools between 7 October and 1 November 2019 and on 27–28 February 2020 as a full end-to-end test of the platform and post-test processes, including monitoring, reporting and quality assurance. ACARA provided branching tests for all domains for all year levels. In 2020, ACARA was also responsible for quality assurance of test delivery via the low bandwidth solutions.
- The school practice test (PT) was scheduled to occur between 17 March and 8 May 2020 in preparation for the May 2020 NAPLAN Online test event; however, as a result of the cancellation of NAPLAN tests for 2020, this event did not take place. ACARA provided omnibus tests for this event, which reflected the item types present in the NAPLAN tests.
- Demonstration tests on the NAP website are updated annually. These demonstration tests are available publicly, providing a valuable resource for schools and parents throughout the year.

Guidance materials for all readiness and assessment events are updated each year in consultation with jurisdictions. These include the National Protocols for Test Administration as well as information for principals, school NAPLAN coordinators and test administrators.

In November–December 2019, ACARA delivered a small-scale pilot study to braille users. The aim of the pilot was to identify the feasibility of making NAPLAN Online accessible to braille users, and the extent to which this is possible. The pilot study was built on previous ACARA research into options for braille students to undertake NAPLAN as it moves online.

Feedback from the pilot study has been constructive and positive, recognising that the work is a significant and innovative step forward in a complex area.

Stakeholders have noted that this work may have a broader strategic purpose in promoting the uptake of digital technologies in schools for this group of students.

On 12 June 2020, in light of the decision not to proceed with NAPLAN in 2020 and the impacts on schooling due to COVID-19, education ministers extended the timeline for full transition to NAPLAN Online from 2021 to 2022 and agreed the current governance arrangements for NAPLAN will continue through to 2021.

- 2019 NAPLAN summary information, national report, test incident report and technical report were all published, with individual students reports distributed to students from August 2019 onwards.
- 2018 NAP–SL public report published in February 2020.

2.3 National data and reporting

Purpose: To provide and apply a comprehensive and reliable national measurement framework, to facilitate the use and dissemination of data for research and policy development in accordance with agreed protocols, to present detailed, accessible, timely and meaningful school education performance information.

Criteria source: ACARA Corporate Plan 2019–20 Portfolio Budget Statements (PBS) 2019–20: Education and Training – ACARA Budget Statements – Outcome 1 Program 1.3, pages 82–83.

Performance criterion	Measure
The National Report on Schooling in Australia is published	The National Report on Schooling in Australia drafted and approved by the ACARA Board by the end of December of the following year; the data portal updated in December and April with the most up-to-date available data, allowing public access to the various agreed national data sets for schooling
Result Not achieved <input type="checkbox"/> Partially achieved <input type="checkbox"/> Achieved <input checked="" type="checkbox"/>	
Supporting statement The National Report on Schooling in Australia 2018 was reviewed by ACARA’s advisory groups and approved by the ACARA Board in December 2019. The report was published in May 2020, following endorsement by Education Council. The National Report on Schooling data portal was updated, as scheduled, in December 2019 and April 2020. The data portal provides interactive access to a number of national data sets for schooling, covering general statistics on schooling, and the nationally agreed key performance measures (KPMs) for schooling specified in the Measurement Framework for Schooling in Australia. The portal allows for a timely release of statistical data relating to the National Report on Schooling in Australia in advance of the annual report being published. The revised Measurement Framework for Schooling in Australia 2019 that dictates the key performance measures reported in the National Report on Schooling was published in January 2020, following endorsement by Education Council.	

Performance criterion	Measure
Enhancements to <i>My School</i> considered and agreed to by Education Council progressed	All enhancements to <i>My School</i> consulted on with key stakeholders and implemented as agreed
Result Not achieved <input type="checkbox"/> Partially achieved <input type="checkbox"/> Achieved <input checked="" type="checkbox"/>	
Supporting statement ACARA worked collaboratively with key stakeholders to implement recommendations of the NAPLAN Reporting Review, commissioned by Education Council, as these recommendations impact on <i>My School</i> . Recommendations of this review included that the number of NAPLAN displays on <i>My School</i> be reduced; that these displays should focus on student gain, not comparisons of statistically similar schools; that a technical review of the index of community socio-educational advantage (ICSEA) be undertaken; and that clear guidance be provided to schools, the public and students on the purposes and proper uses of NAPLAN and <i>My School</i> . The updated <i>My School</i> website now includes only two NAPLAN pages: 'Student progress' and 'Student results'. A new measure of student progress was introduced, taking into account prior student achievement and socio-educational advantage (parental occupation and education). In addition, 'similar schools results' were replaced with 'results for similar students', where the average school performance was compared with achievement of students with a similar background (parental occupation and education, Indigenous status and remoteness) as the students attending that school. From September 2019 to February 2020, ACARA consulted with the National Assessment, Data, Analysis and Reporting Reference Group, Measurement Advisory Group, Data Strategy Group, Schools Policy Group and parent peak bodies, and conducted market research with parents on the revised NAPLAN displays.	

Analysis of performance

The *My School* website was updated on 18 March 2020. It was released in accordance with Education Council approval of the updated displays of NAPLAN results as per the recommendations from the NAPLAN Reporting Review. ACARA worked with states and territories to finalise the presentation of NAPLAN results and student progress information on the website.

As with previous releases, the *My School* 2020 release included an additional year's data for existing fields. Based on advice from parents and stakeholders, data prior to 2014 was removed from the site. In summary, the data reported now includes:

- school profile data: 2014–2019
- NAPLAN data: 2014–2019
- attendance data: 2014–2019
- finance data: 2014–2018
- VET in schools data: 2014–2018
- senior secondary outcomes data: 2014–2018.

ACARA has expanded the collection of student background data from independent schools in order to support improvements to the quality of the Socio-Educational Advantage (SEA) data and Disadvantaged Language Background Other than English (DLBOTE) estimates. Both SEA and DLBOTE inform Australian Government funding to schools and are reported on *My School's* school profiles.

In 2020, nearly 700 schools have provided data, compared with 250 in 2019. The National Report on Schooling in Australia 2018 was prepared during 2019 and published, following Education Council endorsement, in May 2020. The National Report on Schooling data portal was updated in December 2019 and April 2020 with the latest data on schools and schooling, including:

- updates to the key performance measures for schooling for 2019
- counts of schools, students and staff for 2019 and other data from the National Schools Statistics Collection
- school attendance and retention rates
- school finance data.

In 2019 the Measurement Framework for Schooling in Australia was reviewed by ACARA in consultation with jurisdictions and school sectors and endorsed by Education Council in December 2019. The revised Measurement Framework for Schooling in Australia 2019 was published in January 2020.

During the reporting year, ACARA continued to provide access to the data collected by ACARA to third parties under the Data Access Protocols 2015.

- The Australian Schools List website was updated quarterly.

2.4 National collaboration and leadership

Purpose: To provide effective national leadership in curriculum development, educational assessment and national reporting, and closely collaborate with jurisdictions, the non-government education sectors and relevant stakeholders in pursuing the national education agenda.

Criteria source: Portfolio Budget Statements (PBS) 2019–20: Education and Training – ACARA Budget Statements – Outcome 1 Program 1.4, pages 83–88.

Performance criterion	Measure
An advisory structure that is fit for purpose is in place	Advisory structure published (strong level of satisfaction received as measured through surveys in 2019, 2021 and 2023)
Result Not achieved <input type="checkbox"/> Partially achieved <input type="checkbox"/> Achieved <input checked="" type="checkbox"/>	
Supporting statement ACARA reviewed its advisory structure during the reporting period and published it in the 2019–20 Corporate Plan and on ACARA's website. The advisory structure is broken into four key categories – reference groups, advisory groups, specialist groups and information-sharing groups – all contributing advice to support ACARA's work. A stakeholder perception survey undertaken in 2019 found members of the advisory structure widely agreed that: <ul style="list-style-type: none"> • Information presented by ACARA is of good quality, timely and consistent (84 per cent). • ACARA provides sufficient opportunities to engage with its work (71 per cent). • Agendas and papers are delivered in a timely manner, allowing for adequate consideration of items and an appropriate level of input (72 per cent). • ACARA adequately explains when actions or suggestions cannot be implemented (78 per cent). • ACARA's governance and advisory structure is clear and fit for purpose (61 per cent). 	

Performance criterion	Measure
A transparent and timely reporting process and structure are maintained	Progress reports against the annual workplan submitted to Education Council and/or AESOC each year and at each meeting of the ACARA Board. All advice provided on time and of high quality
Result Not achieved <input type="checkbox"/> Partially achieved <input type="checkbox"/> Achieved <input checked="" type="checkbox"/>	
Supporting statement During 2019–20, ACARA submitted a progress report against its 2019–20 work plan to the Australian Education Senior Officials Committee (AESOC) in November 2019 and to Education Council in December 2019, in accordance with ACARA's Charter. Progress reports on all work undertaken during the reporting period were provided to the ACARA Board at each scheduled meeting of the Board. In addition, throughout the year, ACARA provided Education Council and AESOC with fortnightly reports on key planned work to be undertaken within the fortnight ahead.	

Performance criterion	Measure
Collaboration with partners (government and non-government school sectors), national stakeholders and international education bodies is clearly maintained	Evidence of collaboration through scheduled meetings of ACARA's key advisory groups, ACARA's attendance at key working groups and peak body opportunities, and evidence of communication with international education bodies
Result Not achieved <input type="checkbox"/> Partially achieved <input type="checkbox"/> Achieved <input checked="" type="checkbox"/>	
Supporting statement During 2019–20, ACARA convened four meetings with its Foundation – Year 12 Curriculum Reference Group and four meetings with its National Assessment, Data, Analysis and Reporting Reference Group. These two groups provided high-level advice on issues, options and solutions to ACARA's executive in support of ACARA's strategic objectives. In addition to the reference groups, a range of other key advisory and specialist groups met, either face-to-face or through video-conferencing arrangements to progress ACARA's work. ACARA attended all relevant Education Council and AESOC meetings and spoke to specific items as required. ACARA representatives attended meetings of the government-run Schools Policy Group and Data Strategy Group as observers. As the Senior Responsible Officer for NAPLAN Online, ACARA's CEO took on the chairing role of the NAPLAN Online Steering Committee. ACARA worked throughout the year with its consultative bodies: the Curriculum Directors Group, the NAP National Communications Group and the National Peak Parents and Principals Forum. ACARA held stakeholder briefings in advance of major releases for those not formally participating in ACARA-run groups and consulted widely on a range of issues, including via a series of parent focus groups on changes to the display of <i>My School</i> information to prioritise student progress.	

With the advent of COVID-19, ACARA's executive presented to the boards of key non-government sector agencies and 11 national peak parent and principal associations on impending changes to the scheduling of NAPLAN 2020 and review of the Foundation – Year 10 Australian Curriculum. ACARA made COVID-19 related information available across its websites, direct mail and social media channels, and released a range of parent and carer resources to support those teaching from home.

Throughout 2019–20, ACARA led and managed national communication initiatives for NAPLAN Online and produced communication resources for use by jurisdictions, the non-government schooling sectors and a range of peak bodies.

ACARA continued its involvement with the national learning progressions and online formative assessment initiative, collaborating with Education Services Australia, the Australian Institute for Teaching and School Leadership and key government partners. We continued to consult with experts from around the world to ensure ACARA's work is informed by best practice and continued to take part in the OECD's 2030 global initiative.

Analysis of performance

Stakeholder engagement

In keeping with the goal of enhancing ACARA's reputation as a national and international leader in curriculum development and national assessment, ACARA contributed to a number of reviews and enquiries, including the Review of the National Architecture for Schooling in Australia, the NSW Curriculum Review (mathematics committee) and the Australian Skills Quality Authority's Vocational Education and Training in Schools Scoping Study (technologies input).

We also hosted visiting delegations from South Korea, Indonesia, Saudi Arabia, India and Bangladesh, and participated as a speaker or panelist in over 27 conferences and seminars during the reporting period:

- Australian Literacy Educators' Associations National Conference, Melbourne, July 2019
- Australian Association of Mathematics Teachers Conference, Brisbane, July 2019
- Digital Technologies Conference, Tasmania, July 2019
- Australian Federation of Modern Language Teachers Associations International Language Conference, July 2019
- Grace Hopper Down Under Conference, Brisbane, July 2019
- Science Technology Engineering Mathematics (STEM) Education Conference, Sydney, August 2019
- Research ED Conference, August 2019
- Educator's South Australia Literacy and Numeracy Festival, August 2019
- Australian Association for Special Education National Conference, Tasmania, September 2019
- Australian Curriculum Studies Association Conference, Melbourne, September 2019
- Mathematical Association of NSW Conference, Terrigal, September 2019
- Australian Council for Health, Physical Education and Recreation's Primary HPE Conference, Adelaide, September 2019
- Marsden Road Primary School Sharing Best Practice Event, Sydney, September 2019
- Tech in the Tropics, Cairns, October 2019
- Primary English Teacher Association of Australia, National Conference, Brisbane, October 2019
- The Age Schools Summit, Melbourne, October 2019

- Australian College of Educators 60th Anniversary Gala Dinner and Awards, Sydney, November 2019
- Australian College of Educators Sutherland Chapter World Teachers Day Awards, Sydney, November 2019
- Association of Independent Schools of SA Conference, Australian Curriculum workshop, November 2019
- Mathematical Association of WA Primary and Secondary Conference, Perth, November 2019
- Drama Victoria Conference, Melbourne, December 2019
- Australian Association for Research in Education Conference, Brisbane, December 2019
- Australian Council for Health, Physical Education and Recreation's Secondary HPE Conference, Adelaide, December 2019
- Early Learning Languages Australia F–2 school's trial professional learning workshop, February 2020
- Sydney Morning Herald Schools Summit, Sydney, February 2020
- National Schools Resourcing Board, Canberra, February 2020
- Virtual Science Technology Engineering Mathematics (STEM) Summit, June 2020.

- 2,354,127 page views on the ACARA website
- 21,976 subscribers to the ACARA Update newsletter
- 21,326 followers on Facebook
- 22,439 followers on Twitter
- 1,986 responses to public enquiries

2.5 Operational capability

Purpose: ACARA will recruit, develop and retain high-performing staff and will foster a positive and agile work culture. Its people will reflect the diversity and dynamism of the education community and will have the skills and values needed to support ACARA's ongoing responsibilities as well as advance the authority's strategic proposals.

Criteria source: ACARA Corporate Plan 2019–20.

Performance criterion	Measure
Staff turnover rate	Staff turnover rate consistent with turnover and retention benchmarks
Result Not achieved <input type="checkbox"/> Partially achieved <input type="checkbox"/> Achieved <input checked="" type="checkbox"/>	
Supporting statement For 2019–20, ACARA's turnover rate of 6.0 per cent for ongoing employees is considerably lower than previous years and below the Australian Public Service (APS) separation rate for ongoing staff of 7.8 per cent (December 2019), which is used as a benchmark.	

Performance criterion	Measure
Level of Aboriginal and Torres Strait Islander employment within the workplace	Increase in level of Aboriginal and Torres Strait Islander employees
Result Not achieved <input type="checkbox"/> Partially achieved <input checked="" type="checkbox"/> Achieved <input type="checkbox"/>	
Supporting statement ACARA continues to work with Aboriginal and Torres Strait Islander people to support an increased level of employment of Aboriginal and Torres Strait Islander people. Commitments as part of our Innovate Reconciliation Action Plan include cultural awareness training for the entire workforce and will include an Aboriginal and Torres Strait Islander employment strategy in 2020–21. ACARA also commenced using ATSIjobs.com.au as part of our recruitment strategy.	

Performance criterion Level of staff satisfaction and/or engagement (inclusive of ratings for effective leadership)	Measure Strong level of staff satisfaction and/or engagement and strong ratings for effective leadership
Result Not achieved <input type="checkbox"/> Partially achieved <input type="checkbox"/> Achieved <input checked="" type="checkbox"/>	
Supporting statement ACARA continues to build on previous years' staff satisfaction and engagement levels, with our 2019 engagement score of 73 per cent, on par with our 2019 survey results. The leadership rating for 2019 was 72 per cent (an increase of 18 per cent on the previous survey).	

3.0

Management and accountability

3.1 Corporate governance

Enabling legislation and functions

ACARA is an independent statutory authority and a corporate Commonwealth entity established under Section 5 of the *Australian Curriculum, Assessment and Reporting Authority Act* (the ACARA Act) on 8 December 2008.

The ACARA Act outlines the authority's functions, which are to:

- develop and administer a national school curriculum, including curriculum content and achievement standards, for school subjects specified by the Education Council's Charter for ACARA
- develop and administer national assessments
- collect, manage and analyse student assessment data and other data relating to schools and comparative school performance
- facilitate information-sharing arrangements between Australian government bodies in relation to collection, management and analysis of school data
- publish information relating to school education, including information relating to comparative school performance
- provide school curriculum resource services, education research services and other related services
- provide information, resources, support and guidance to the teaching profession, and perform other related functions.

There were no changes to ACARA's enabling legislation in 2019–20.

Directions and reporting

Section 7 (3) of the ACARA Act requires ACARA to perform its functions and exercise its powers in line with the Charter set by the ministerial council. ACARA's strategic directions are set by its Charter and any other written instructions from the Education Council. ACARA reports to the ministerial council on progress against its Charter each year. ACARA reports to the federal Minister for Finance and the federal Minister for Education about requirements under the *Public Governance, Performance and Accountability Act 2013* (the PGPA Act).

Responsible minister

The Australian Government Minister for Education (the Minister) is the responsible minister for ACARA. During this reporting period, the Minister for Education was the Hon Dan Tehan MP.

Governance framework

ACARA's governance framework provides the structure for informed decision-making, risk management and accountability. The framework has its foundation in the ACARA Act, which establishes a 13-member governing body. The ACARA Board (the Board) includes a chair, a deputy chair and other members nominated by states, territories, the Independent Schools Council of Australia (now known as Independent Schools Australia) and the National Catholic Education Commission. Each member is appointed by the Minister by written instrument, with the agreement of the ministerial council.

Among other responsibilities, ACARA Board members are required to disclose to their fellow directors any material personal interest they may have in matters relating to the affairs of the authority. Information about procurement undertaken by ACARA is tabled at each meeting so that Board members can disclose potential or actual conflicts. A record of all disclosures is maintained by ACARA.

The Board is accountable to the Parliament of Australia through the Minister. The Board is responsible for ensuring the proper and efficient performance of ACARA and is the accountable authority under the PGPA Act.

Further information about the Board, including membership, can be seen at 3.2 The Board.

ACARA must undertake its work in accordance with any directions given to it by the ministerial council and in accordance with the Charter, which is agreed to by the ministerial council. In progressing its work, ACARA collaborates with the Schools Policy Group, the Data Strategy Group and the NAPLAN Online Steering Committee, which, in turn, report to the Australian Education Senior Officials Committee. ACARA's CEO is the Senior Responsible Officer for NAPLAN Online and is the Chair of the NAPLAN Online Steering Committee.

ACARA's advisory structure allows for input and advice from key stakeholder groups and experts. This advice assists the executive in making recommendations to the ACARA Board and to the Education Council. It also supports ACARA in achieving the objectives of its Charter in a consultative and collaborative way.

An overview of ACARA's advisory groups in 2019–20 can be seen on the following pages.

Chief Executive Officer

The Chief Executive Officer (CEO) is responsible for the operations of ACARA and is accountable to the ACARA Board. The CEO consults the Board on matters of strategic significance and provides information necessary for the Board members to fulfil their governance responsibilities.

For the financial year to 30 June 2020, ACARA's CEO was Mr David de Carvalho.

Executive Leadership Team

The Executive Leadership Team is a standing committee that supports the CEO in managing the day-to-day administration of ACARA. Responsibilities include, but are not limited to, the performance of ACARA in achieving the outcomes of the Portfolio Budget Statements; in fulfilling the mission, purposes and objectives outlined in ACARA's Corporate Plan 2019–20; in allocating resources; and in managing enterprise-wide risks, legislative compliance, stakeholder relations and corporate governance. In 2019–20, the Executive Leadership Team met fortnightly.

Advisory structure

ACARA is supported by an advisory structure made up of reference, advisory and specialist groups that provide input and expertise across ACARA's work priorities.

Reference groups

ACARA has two key reference groups that ensure jurisdictions and a range of stakeholder organisations have regular and meaningful opportunities to provide advice and feedback to ACARA. Members represent the high-level views of their jurisdiction or organisation and, as far as practicable, communicate information back to their jurisdiction or organisation.

F–12 Curriculum Reference Group

The F–12 Curriculum Reference Group gives high-level expert advice to the ACARA executive in support of strategic initiatives that enhance the development, implementation and improvement of the Australian Curriculum. Members of this group bring a range of jurisdictional perspectives that reflect national, state and territory priorities. The group has representatives from each state and territory and federal government, nominated by the relevant member of the Australian Education Senior Officials Committee (AESOC), one nominee from the National Catholic Education Commission (NCEC), and one nominee from the Independent Schools Council of Australia.

National Assessment, Data, Analysis and Reporting Reference Group

The National Assessment, Data, Analysis and Reporting Reference Group (NADAR) provides ACARA's executive with high-level advice on the appropriateness, opportunities and potential risks associated with the work proposed and undertaken by ACARA within the scope of its remit. The group ensures that jurisdictions and organisations have regular and meaningful opportunities to provide advice and feedback to ACARA on its assessment and reporting work program. The group has representatives from all departments of education, test administration authorities (where these are separate from the department), the Catholic and independent school sectors and other relevant stakeholders.

Advisory groups

Advisory groups provide expert advice and development input throughout the year. Membership is granted through a nomination process by jurisdictions and organisations and/or based on expertise in a particular field.

Aboriginal and Torres Strait Islander Advisory Group

The Aboriginal and Torres Strait Islander Advisory Group provides ACARA with expert guidance and advice about the representation of Aboriginal and Torres Strait Islander histories and cultures in the Australian Curriculum. It also advises ACARA on the protocols and cultural sensitivities that need to be considered by ACARA business units as ACARA proceeds with its curriculum, assessment and reporting programs. The group comprises individuals with demonstrated expertise in Aboriginal and Torres Strait Islander education and community engagement.

Measurement Advisory Group

The Measurement Advisory Group provides ACARA's executive with expert and independent educational measurement and assessment advice and input for the National Assessment Program (NAP) and the National Assessment Program – Literacy and Numeracy (NAPLAN). It also provides input into all other assessment and educational measurement activities defined by ACARA's Charter, work plan and priorities. The group comprises nationally and/or internationally recognised independent experts in the field of educational measurement.

National Testing Working Group

The National Testing Working Group is a forum for information-sharing and collaboration among ACARA, testing authorities and stakeholders about NAPLAN. The group provides advice on operational processes and products of NAPLAN, test development and national operational policy, and administration and reporting activities; and provides quality assurance to achieve high-quality tests in a nationally consistent framework. The group has representatives from all test administration authorities, and the Catholic and independent school sectors.

Students with Disability Advisory Group

The Students with Disability Advisory Group provides ACARA with high-level advice and expertise regarding the needs of students with disability in relation to ACARA's curriculum, assessment and reporting programs. The group has representatives from each state and territory and federal government education department or curriculum authority, the National Catholic Education Commission, the Independent Schools Council of Australia (ISCA), the Australian Association of Special Education, Children and Young People with Disability Australia, and peak national principals' associations. The advisory group also includes two individuals with relevant research expertise in the area of students with disability.

Specialist groups

Specialist groups provide expert advice and development input on an as-needs basis. Many are time-bound, formed for a specific purpose and retired at the end of a project. Membership is granted through a nomination process by jurisdictions and organisations and/or is based on expertise in a particular field.

Aboriginal and Torres Strait Islander Education Taskforce

The Aboriginal and Torres Strait Islander Education Taskforce was established to oversee a project to strengthen the representation of the Aboriginal and Torres Strait Islander Histories and Cultures cross-curriculum priority in the Australian Curriculum. The group consists of three ACARA Board members and four members of the Aboriginal and Torres Strait Islander Advisory Group.

Finance Data Working Group

The Finance Data Working Group gives advice and assistance to ACARA's executive on ACARA's national responsibilities associated with financial reporting on schooling and Australia's schools. This helps ACARA in the collection and reporting of school finance data for *My School*. The group has representatives from all departments of education, the Catholic and independent school sectors and other relevant stakeholders.

Marking Quality Team

The Marking Quality Team participates in the development and review of NAPLAN writing prompts. Members develop consensus scores for the training and control materials used to ensure national consistency of marking for the NAPLAN writing tests. The group also advises on required changes to marking guide exemplars. Members attend training on delivering a common marker training package to the state and territory markers in their jurisdiction. The group also advises on required changes to marking guide exemplars. The Marking Quality Team works closely with the National Testing Working Group. The group has representatives from all departments of education, the Catholic and independent school sectors.

NAP sample assessment learning area working groups

NAP sample assessment learning area working groups give ACARA advice about proposed assessment materials from curriculum, psychometric and equity perspectives for their learning area. They examine draft assessment instruments to make sure these instruments are of appropriate difficulty and are valid, free of bias and accessible to all participating students.

National Framework for Assessing English Language Proficiency Project Working Group

National Framework for Assessing English Language Proficiency Project Working Group first met in March 2020. The working group was established to provide advice on options for a nationally consistent approach to measuring and reporting on the English language proficiency levels of students for whom English is an additional language or dialect (EAL/D students). The group includes representatives from all education departments, and the Catholic and independent school sectors.

National Report on Schooling Working Group

The National Report on Schooling Working Group helps develop the planning framework/format for the annual National Report on Schooling in Australia and contributes to reviews of the draft report. The group has representatives from all departments of education, the Catholic and independent school sectors and other relevant stakeholders.

Online Accessibility Expert Advisory Group

The Online Accessibility Expert Advisory Group provides ACARA with advice and expertise on accessibility improvements on the online assessment platform. The group provides expert advice on options to provide more open access to NAPLAN tests, and advice and feedback on the development and implementation of the accessibility provisions on the platform. The group has representatives from all test administration authorities, and the Catholic and independent school sectors.

Research and Data Committee

The Research and Data Committee considers data requests for research from third parties (other than requests from education ministers) for unpublished or sensitive data. The committee uses the framework set by the Data Access Protocols 2012, and the Principles and protocols for reporting on schooling in Australia 2009 to make its decisions.

The committee comprises the chair of ACARA's Measurement Advisory Group, from one to three members of the ACARA Board, the CEO or his delegate, a nominee of the Australian Education Senior Officials' Committee, an independent expert in research and school data, and ACARA's General Manager, Assessment and Reporting.

Senior Secondary Outcomes Working Group

Senior Secondary Outcomes Working Group provides advice on a nationally consistent dataset, using administrative sources of data, for reporting of attainment of senior secondary certificates of education (SSCEs) and Australian Qualifications Framework (AQF) certifications. The group has representatives from education departments and senior secondary certifying authorities from all states and territories, the Catholic school sector, the Productivity Commission, and the Australasian Curriculum, Assessment and Certification Authorities (ACACA).

Student Attendance Data Working Group

The Student Attendance Data Working Group gives advice and assistance to ACARA's national responsibilities associated with student attendance reporting. This helps ACARA in the collection and reporting of school attendance data for *My School* and national student attendance for the National Report on Schooling in Australia. The group has representatives from all departments of education, the Catholic and independent school sectors, the Australian Bureau of Statistics and the Productivity Commission.

Information-sharing groups

In addition to its formal advisory structure, ACARA convenes a number of information-sharing groups that help disseminate messages and materials, identify potential issues and provide feedback on key topics.

Curriculum Directors Group

The Curriculum Directors Group facilitates information-sharing, collaboration and support for the Australian Curriculum between ACARA and representatives of state and territory curriculum and school authorities. Members are drawn from government, Catholic and independent school sectors across all jurisdictions, bringing to the group high-level curriculum implementation expertise.

NAP National Communications Group

The NAP National Communications Group helps facilitate implementation of the NAPLAN Online communications and engagement strategy and allows group members to be informed about ACARA's NAP communications activities. The group comprises representatives from each jurisdiction and sector through nomination by the relevant organisation. The group acts as a conduit for coordinating communications and engagement activities concerning NAPLAN and NAPLAN Online within their organisation or jurisdiction.

National Peak Parents and Principals Forum

The National Peak Parents and Principal Forum facilitates dialogue, collaboration and support between ACARA, school principals and parents. It comprises the national peak parent and principal bodies that represent state-level members and constituents, and cascades information down through their networks. Significant out-of-session collaboration occurs between ACARA and group members to distribute news and resources, cooperate on media initiatives and exchange advice on specific topics.

Accountability and reporting

ACARA has a range of mechanisms to ensure transparency and accountability in its operations. Key documents for 2019–20 included:

- ACARA Charter – endorsed by Education Council in November 2016, providing the council’s strategic directions for ACARA
- ACARA Corporate Plan 2019–20 – a requirement of section 35 of the PGPA Act
- Portfolio Budget Statements (PBS) – annual statements informing members of the Australian parliament on proposed allocation of resources to government outcomes and programs
- ACARA Quadrennial Work Plan 2017–18 to 2020–21 – endorsed by the Education Council in January 2018
- ACARA Annual Work Plan 2019–20 – a detailed work plan endorsed by the Education Council and against which progress is monitored and reported on
- ACARA Annual Report 2019–20 – provided to the Minister for Education for presentation to the Australian parliament, required by section 46 of the PGPA Act.

3.2 Our Board

The [ACARA Act](#) 2008 defines the structure of the ACARA Board (the Board). The Board comprises 13 members including nominees of state and territory ministers for education, the Australian Government, the Independent Schools Council of Australia (ISCA), the National Catholic Education Commission, the Board chair and deputy chair. Members are appointed by the Commonwealth Minister for Education, subject to agreement by the ministerial council.

During the reporting period, the appointment of three members ended, in accordance with section 18 of the ACARA Act. In line with sections 13 and 14 of the ACARA Act, the maximum of a six-year appointment of two of these members came to an end. There were three appointments to the Board during 2019–20.

Board membership

Membership of the ACARA Board is established under section 13 of the ACARA Act. The ACARA Board held eight meetings during the 2019–20 reporting period.

Chair – Ms Belinda Robinson FAICD

Ms Robinson has extensive experience as a company director on ASX-listed, not-for-profit and government boards, and is a Fellow of the Australian Institute of Company Directors.

Ms Robinson is currently Non-executive Director of Online Education Services Ltd, and she chairs the boards of Western Sydney University Enterprises and the Cooperative Research Centres Association in addition to the Board of the Australian Curriculum, Assessment and Reporting Authority. She is also Vice-president, University Relations and Strategy, at the University of Canberra.

Ms Robinson spent almost seven years as the chief executive of Universities Australia, the peak body representing Australia's 39 comprehensive universities, and has 20 years' experience as a CEO of peak industry representative bodies, prior to which she held executive positions in the departments of the Prime Minister and Cabinet, and Environment and Heritage. She was also a member of the government's International Education Coordinating Council and has held board and advisory positions with the CSIRO, the Institute for Minerals & Energy Resources and a range of government and community organisations.

Qualifications held: BA (UNE), MEnvLaw (ANU)

Deputy Chair – Mr Norm Hart

Mr Hart is former president of the Australian Primary Principals Association (APPA), appointed to APPA in January 2011. He began his teaching career on Palm Island, Queensland, in 1975 and was appointed as a primary school principal in 1978. Over a thirty-year period, Mr Hart led small one-teacher schools through to large schools with over 700 students. He has also held the positions of president of the Queensland Association of State School Principals and the Australian Government Primary Principals Association. Until his retirement on 31 December 2014 as APPA president, Mr Hart represented principals in government, Catholic and independent primary schools across Australia.

Qualifications held: B Ed St, Dip Teach., M Ed, MAICD

Mr Allan Blagaich

Mr Allan Blagaich is Executive Director, School Curriculum and Standards, Western Australia Department of Education, and nominee of the WA education minister.

Qualifications held: BA, Dip Ed

Ms Meg Brighton

Ms Meg Brighton is Deputy Director-General, ACT Health Directorate, ACT Government, and nominee of the ACT education minister.

Qualifications held: BA, MCom

Appointed to the Board on 5 March 2020

Ms Susan Cameron

Ms Susan Cameron is Executive Director, Learning Improvement, Department for Education, South Australia, and nominee of the SA education minister.

Qualifications held: Dip.T., B.Ed.

Appointment term ended 18 June 2020 (subsequently reappointed)

Ms Deb Efthymiades

Ms Deb Efthymiades is Deputy Director-General, ACT Education Directorate, and nominee of the ACT education minister.

Qualifications held: BEd, MEd, MIM

Appointment to the Board ended 7 November 2019

Ms Valerie Gould

Ms Valerie Gould is Executive Director of the Association of Independent Schools, Western Australia, and nominee of the Independent Schools Council of Australia. She is also a Fellow of the Australian Council for Education Leadership (ACEL) and the Australian College of Educators (FACE).

Qualifications held: BEc, DipEd

Appointment to the Board ended 18 June 2020

Mayor Michael Hewitson AM

Mayor Michael Hewitson AM is an author and the retired foundation principal of Trinity College, Gawler, Mayor of Unley, South Australia, and nominee of the federal education minister.

Qualifications held: BSc (Hons) Dip Ed B.Ed, FACE

Dr David Howes

Dr David Howes is Deputy Secretary, Schools and Regional Services, Department of Education and Training, Victoria, and nominee of the Victorian education minister.

Qualifications held: BA (Hons), Dip Ed, MEd, EMPA, PhD

Mr Peter Kelly

Mr Peter Kelly is the Deputy Director-General, State Schools at the Department of Education, Queensland, and nominee of the Queensland education minister.

Qualifications held: B Ed, Dip Teach

Dr Sofia Kesidou

Dr Sofia Kesidou is Executive Director, Assessment Standards, NSW Education Standards Authority, and nominee of the NSW education minister.

Qualifications held: BSc (Hons), PhD

Appointed to the Board on 24 November 2019

Mr Tony Luttrell

Mr Tony Luttrell is the Director, Strategic Data Management, Department of Education, Tasmania, and nominee of the Tasmanian education minister.

Qualifications held: B Com., FCPA

Dr Neil McGoran

Dr Neil McGoran is Director of Catholic Education, South Australia, and nominee of the National Catholic Education Commission.

Qualifications held: BA, GradDipEd, GradCertRE, MEd(Curric), EdD, MBA

Ms Leanne Nixon

Ms Nixon is Deputy Chief Executive, Department of Education, Northern Territory, and nominee of the Northern Territory education minister.

Qualifications held: BA, GradDipEd, MEdStudies

Appointed to the Board on 2 October 2019

Board member appointments

Members 2019–20	Initial appointment starting	Appointment ending
Ms Belinda Robinson, FAICD, Chair	3 August 2018	3 August 2021
Mr Norm Hart Deputy Chair	24 May 2018	24 May 2021
Mr Allan Blagaich	22 May 2018	22 May 2021
Ms Meg Brighton	5 March 2020	5 March 2023
Ms Susan Cameron	18 June 2017	18 June 2020
Ms Deb Efthymiades	22 November 2016	7 November 2019
Ms Valerie Gould	7 July 2014	18 June 2020
Mayor Michael Hewitson AM	7 July 2014	30 November 2020
Dr David Howes	16 June 2015	3 August 2021
Mr Peter Kelly	10 April 2019	10 April 2022
Dr Sophia Kesidou	24 November 2019	24 November 2022
Mr Tony Luttrell	31 March 2019	31 March 2022
Dr Neil McGoran	22 May 2018	22 May 2021
Ms Leanne Nixon	2 October 2019	2 October 2022

Meetings of the Board

Date	Meeting	Apologies	Location
5 July 2019	83	Belinda Robinson David Howes	Level 13, Tower B, 280 Elizabeth Street, Sydney 2000
23 August 2019	84	Neil McGoran	Level 13, Tower B, 280 Elizabeth Street, Sydney 2000
18 October 2019	85	Nil	Level 13, Tower B, 280 Elizabeth Street, Sydney 2000
6 November 2019	86	Neil McGoran	Tele/videoconference
4 December 2019	87	Nil	Level 13, Tower B, 280 Elizabeth Street, Sydney 2000
13 and 14 February 2020	88	Leanne Nixon	Level 13, Tower B, 280 Elizabeth Street, Sydney 2000
24 April 2020	89	Sophia Kesidou David Howes	Tele/videoconference
11 June 2020	90	David Howes	Tele/videoconference

Committees of the Board

Audit and Risk Committee

The Audit and Risk Committee provides assurance and assistance to the ACARA Board on governance arrangements, financial reporting, systems of risk management, oversight of systems of internal control and performance monitoring. The [Audit and Risk Committee Charter](#)¹ is published to ACARA's website.

Audit and Risk Committee membership

ACARA's Audit and Risk Committee comprises five–six members (including the chair), with a minimum of two members of the ACARA Board. During the reporting period, the committee provided independent assurance and advice to the Board on ACARA's governance, risk control and compliance framework, and financial statement responsibilities. In 2019–20, the Audit and Risk Committee met four times.

The Audit and Risk Committee comprises:

- Mayor Michael Hewitson AM (Committee Chair), BSc (Hons) Dip Ed B.Ed, FACE
- Associate Professor Lisa Barnes (Deputy Chair and independent member), B.Ec, JP, FTIA, FCPA, MBA, DBA, GAICD, FTIA, FGIA, FCIA, CAANZ
- Mr Norm Hart, B Ed St, Dip Teach., M Ed, MAICD
- Mr Gil Smith (independent member. Appointment to the committee ended 4 September 2019), BSc, CISA, CGEIT, MISACA, MIIA
- Mr Dennis Clark (independent member), B Ec, Dip Ed, FCPA, FCA, FCIS, FGIA, FAICG (Dip), FAIM, MIIA (Aust), MIMC, MIPAA, MRMIA, MGRCI
- Ms Leanne Nixon (appointment to the committee commenced 5 July 2019), BA, GradDipEd, MEdStudies.

Audit and Risk Committee meetings

Date	Meeting	Apologies	Location
13 August 2019	Meeting 46	Dennis Clark	Level 13, Tower B, 280 Elizabeth Street, Sydney 2000
12 November 2019	Meeting 47	Leanne Nixon	Level 13, Tower B, 280 Elizabeth Street, Sydney 2000
4 February 2020	Meeting 48		Level 13, Tower B, 280 Elizabeth Street, Sydney 2000
5 May 2020	Meeting 49		Tele/videoconference

¹ <https://acara.edu.au/docs/default-source/corporate-publications/audit-and-risk-committee-charter1.pdf>

3.3 Risk management

ACARA has a risk management framework in place, which sets guidelines for risk management at all levels of the organisation, including stipulating ACARA's risk appetite in various domains.

The aims of ACARA's risk management framework are to:

- enable ACARA to proactively identify and manage its risks in a systematic and structured way
- integrate risk management processes into strategic and business planning
- promote risk awareness and attention to the ongoing review, treatment, monitoring and reporting of risks throughout the organisation.

The structure of ACARA's documents and the corresponding implementation process, including terminology, assessment and evaluation criteria, are based on the standard for risk management ISO 31000 and align with guidance material issued by the Australian Government Department of Finance.

Fraud control

Under the Australian Government legislation, there is a requirement for all agencies to have a fraud control plan. To satisfy this requirement, ACARA has a fraud control policy and plan in place, which were reviewed and endorsed during 2019–20.

The core objectives of ACARA's fraud control policy are to identify potential fraud risk categories to which ACARA is exposed and to outline responsibilities for fraud control.

ACARA has also undertaken fraud risk assessments and has in place appropriate mechanisms that meet the specific needs of ACARA for preventing, detecting, investigating and dealing with fraud. In the 2019–20 period, ACARA took all reasonable measures to prevent fraud and have systems in place to appropriately deal with any detected instances of fraud relating to the entity.

3.4 Financial management

ACARA is an independent statutory authority and a corporate Commonwealth entity that manages funding in accordance with its Charter. Its funding is approved by Education Council, which has endorsed a 50 per cent contribution by the Commonwealth and 50 per cent contributions by state and territory governments.

ACARA also delivers priority projects on behalf of the Commonwealth government, which provides a separate revenue source above its Charter funding.

ACARA manages all funding in compliance with government policy, guidelines and legislative requirements, where applicable. ACARA's financial accountability and reporting responsibilities are set out in section 46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and are based on efficient, effective and ethical use of allocated resources. ACARA works within a financial control framework, which ensures that ACARA administers its responsibilities appropriately and effectively.

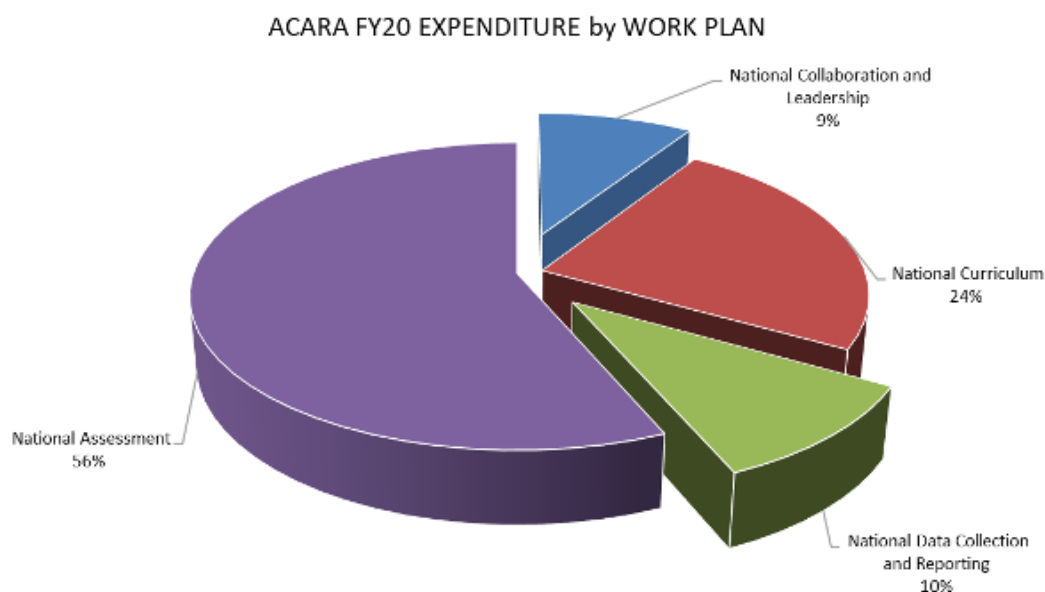
Analysis of financial performance

ACARA reported a surplus of \$1.34m for the year ended 30 June 2020.

Of the \$1.34m surplus, \$0.86m is attributable to timing differences (recognition of revenue for which work is yet to be completed) created as a result of the first time adoption of AASB 15 (a technical surplus). The remaining \$0.48m is predominantly attributable to underspend in travel and headcount as a result of COVID-19 impacts.

At 30 June 2020, the cash and cash-equivalent balance of ACARA was \$11.45 million. Where cash and cash-equivalents exceeded ACARA's at call requirements, they were transferred to investments in accordance with ACARA's investment strategy.

The following pie graph provides a breakdown of ACARA Program Expenditure for the year ended 30 June 2020.



Factors that have affected or may affect operations

No major financial factors have impacted ACARA's operations to date. ACARA's operations are dependent on funding from state, territory and federal governments.

Reportable decisions or issues

Under paragraph 19(1)(c), (d) or (e) of the PGPA Act, ACARA must notify the federal Minister for Education of any significant decisions or issues. There were no significant decisions or issues reportable under these provisions for the year ended 30 June 2020.

3.5 Workforce management

Staff profile

As at 30 June 2020, ACARA's employees comprised 98.57 full-time equivalent (FTE) staff, in addition to seven staff members engaged as secondees from state/territory agencies.

All ongoing employees current report period (2019–20)

	Male			Female			Indeterminate			Total
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indeterminate	
NSW	15	-	15	18	6	24	-	-	-	39
Qld	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	1	1	-	-	-	1
Tas.	-	-	-	-	-	-	-	-	-	-
Vic.	-	-	-	1	-	1	-	-	-	1
WA	2	-	2	3	2	5	-	-	-	7
ACT	-	-	-	-	-	-	-	-	-	-
NT	-	-	-	-	-	-	-	-	-	-
External territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
Total	17	-	17	22	9	31	-	-	-	48

All non-ongoing employees current report period (2019–20)

	Male			Female			Indeterminate			Total
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indeterminate	
NSW	14	-	14	17	2	19	-	-	-	33
Qld	1	-	1	1	-	1	-	-	-	2
SA	-	-	-	3	-	3	-	-	-	3
Tas.	1	-	1	-	-	-	-	-	-	1
Vic.	3	-	3	3	-	3	-	-	-	6
WA	4	-	4	6	-	6	-	-	-	10
ACT	1	-	1	-	-	-	-	-	-	1
NT	-	-	-	-	-	-	-	-	-	-
External territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
Total	24	-	24	30	2	32	-	-	-	56

All ongoing employees previous report period (2018–19)

	Male			Female			Indeterminate			Total
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indeterminate	
NSW	17	-	17	15	3	18	-	-	-	35
Qld	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	1	-	1	-	-	-	1
Tas.	-	-	-	-	-	-	-	-	-	-
Vic.	-	-	-	1	-	1	-	-	-	1
WA	2	-	2	4	2	6	-	-	-	8
ACT	-	-	-	-	-	-	-	-	-	-
NT	-	-	-	-	-	-	-	-	-	-
External territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
Total	19	-	19	21	5	26	-	-	-	45

All non-ongoing employees previous report period (2018–19)

	Male			Female			Indeterminate			Total
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indeterminate	
NSW	12	-	12	20	2	22	-	-	-	34
Qld	1	-	1	3	-	3	-	-	-	4
SA	1	-	1	3	-	3	-	-	-	4
Tas.	-	1	1	-	-	-	-	-	-	1
Vic.	2	-	2	2	-	2	-	-	-	4
WA	3	-	3	2	-	2	-	-	-	5
ACT	1	-	1	-	-	-	-	-	-	1
NT	-	-	-	-	-	-	-	-	-	-
External territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
Total	20	1	21	30	2	32	-	-	-	53

ACARA's diverse workforce brings to the organisation a valuable range of skills and expertise, helping foster productive relationships within the education sector. Many staff members are considered experts in their fields, bringing to their roles important local and international experience. They have been recruited or seconded from positions within state or territory education departments, curriculum, assessment and certification authorities, non-government school sector, federal and state government agencies, and private sector. This means that ACARA's workforce reflects the complexity and dynamism of Australia's education community.

A key aspect of ACARA's work involves collaboration with a broad network of advisory and reference groups from states and territories. Although members of these groups are not represented in ACARA's staff profile, they make a significant national contribution to ACARA's work and achievement.

Leadership

As part of the people strategy, greater emphasis has been placed on talent management development, engagement at ACARA. Leadership remains a key capability for our managers, and ACARA has actively supported a specific focus on developing the leadership capability through our leadership program. The program uses a blended learning approach in its delivery and impact.

In 2019–20, all managers and executives continued to participate in training, coaching and forums each quarter. The Executive Leadership Team (ELT) and all managers were invited to participate in a 360-feedback process in March 2020. This feedback, while anonymous, is highly valuable for our ELT and their managers to further build their leadership capability.

Improvements in leadership at ACARA are evident with the Leadership Program, in conjunction with conversation-based performance reviews, changing both perception and demonstrated leadership amongst managers. The Leadership Forum content and delivery are owned and driven by the CEO and executive, engaging all leaders at ACARA across all locations on a range of topics from strategic to operational leadership.

Reconciliation Action Plan (RAP)

During National Reconciliation Week 2019, ACARA launched its second RAP – 'Innovate'. The creation of the RAP was a joint effort with all business units contributing under the guidance of the RAP Working Group, and with the support of Reconciliation Australia. It is built on the learnings, challenges and achievements from ACARA's previous 'Reflect' RAP, which ACARA launched in 2017.

The Innovate RAP is aligned to ACARA's strategic plan, and made up of a number of clear, tangible and practical actions that will drive ACARA's contribution to reconciliation. It supports ACARA's vision of improving the learning of all young Australians by supporting ACARA to ensure the Australian Curriculum is inclusive of Aboriginal and Torres Strait Islander perspectives, the National Assessment Program provides high-quality, culturally inclusive assessment that is respectful of Aboriginal and Torres Strait Islander historical and contemporary realities, and that reporting provides an evidence base to inform policymakers and governments, and assist with ensuring equitable outcomes for Aboriginal and Torres Strait Islander students.

Over the course of 2019–20, ACARA made progress on a number of RAP deliverables, including:

- marking dates of cultural significance for Aboriginal and Torres Strait Islander peoples, including the anniversary of the Apology to the Stolen Generations, National Reconciliation Week, NAIDOC week, Indigenous Literacy Day and the anniversary of Paul Keating's 1992 Redfern Park Speech
- presenting an Acknowledgment of Country or Place at the beginning of all-staff meetings and at other ACARA events, both internal and external
- developing a range of documents to support ACARA staff and the RAP Working Group, including the protocols document to assist with delivering Acknowledgement of Country or Place and a strategy for engaging with Aboriginal and Torres Strait Islander peoples. All documents are created under guidance and advice from ACARA's Aboriginal and Torres Strait Islander Advisory Group and Reconciliation Australia, or their state affiliation
- updating internal documents to further support our reconciliation efforts and ensure that ACARA is responsive to cultural needs. These include our procurement policy and procedure, which have been revised to increase opportunities to procure goods and services from Aboriginal and Torres Strait Islander businesses, and various People & Culture policies, such as our Diversity & Inclusion policy, which has been revised to ensure there are opportunities for Aboriginal and Torres Strait Islander staff to participate in cultural events and fulfil cultural responsibilities. These documents are developed in collaboration with ACARA's Aboriginal and Torres Strait Islander Advisory Group

- offering to all ACARA staff the opportunity to complete cultural competency training delivered by Arrilla Indigenous Consulting, resulting in a large percentage of staff participating. This offer will continue for all new staff to ACARA.

ACARA is currently completing the 2020 Workplace RAP Barometer, which is a survey to monitor reconciliation at the workplace level and managed by Polity Research & Consulting. The data collected will aid significantly in our 'Innovate' action plans and assist us in planning the next 'Stretch' RAP, with drafting to start in 2021.

Executive Leadership Team

The Executive Leadership Team (ELT) is responsible for ACARA's day-to-day operations and contributing to ACARA's strategic direction. The team has evolved with ACARA and comprised the following staff over the course of the financial year:

- Chief Executive Officer, Mr David de Carvalho (from 4 March 2019)
- General Manager, Assessment and Reporting, Mr Peter Titmanis (from 29 January 2019)
- Director, Curriculum, Ms Janet Davy (from April 2018)
- Director, Communications and Strategic Relations, Ms Ann-Maree Ashburn (from July 2016)
- Interim Director, Corporate Services and Chief Financial Officer, Mr Wayne Evans (from 1 July 2019 to 25 October 2019)
- Director, Corporate Services and Chief Financial Officer, Mr Thomas Begeng (from 8 October 2019).

Chief Executive Officer

Mr David de Carvalho joined ACARA in March 2019, bringing to ACARA a wealth of leadership experience from the education sector and from the public sector at both the Commonwealth and state government level.

Mr de Carvalho was chief executive officer of the NSW Education Standards Authority from January 2017 until February 2019. Prior to that, he was deputy secretary at the NSW Department of Family and Community Services.

Mr de Carvalho has also led the National Catholic Education Commission and was head of the Higher Education Division in the federal government Department of Education. He started his career as a secondary school teacher and has served on the boards of the Australian Council for Educational Research and the Curriculum Corporation (now Education Services Australia).

General Manager, Assessment and Reporting

Mr Peter Titmanis joined ACARA in January 2019. His most recent position has been executive director, strategic initiatives and performance, at the Western Australian Department of Education.

Mr Titmanis began his career as a secondary science teacher, then a university lecturer in education. He has extensive experience on national initiatives, including NAPLAN and NAPLAN Online, and has wide-ranging experience in school accountability and reporting.

Mr Titmanis holds a Postgraduate Diploma in Science Education from Curtin University, a Diploma of Education from the University of WA, and a Bachelor's Degree in Science from the University of WA.

Director, Curriculum

Ms Janet Davy joined ACARA in April 2018. She was previously deputy secretary within the NSW Department of Education, which followed her role as group manager for curriculum, assessment and teaching in the Australian Government Department of Education, Employment and Workplace Relations and prior to that, secretary of the ACT Department of Education. As with many of ACARA's staff, Ms Davy began her career as a teacher, teaching Personal Development, Health and Physical Education (PDHPE) to Sydney secondary students.

Ms Davy held various senior curriculum roles in the department and the NSW Board of Studies. She also worked with AusAID (Papua New Guinea and the Solomon Islands), undertaking high-level change management roles, including a position of program manager for the Papua New Guinea Education Capacity Building Program.

Director, Communications and Strategic Relations

Ms Ann-Maree Ashburn joined ACARA in July 2016 with over 20 years' experience in government, communications and stakeholder relations. Ms Ashburn has worked at a senior level in government, including as a ministerial adviser, and has held senior corporate affairs and communications roles in the corporate and not-for-profit sectors, including at Oil States International, Insurance Australia Group, the American Chamber of Commerce in Singapore, and Hill and Knowlton.

Director, Corporate Services

Mr Wayne Evans was engaged by ACARA for a short period while a recruitment process was underway for the role. The position was taken up by **Mr Thomas Begeng** in October 2019.

Immediately prior to joining ACARA, Mr Begeng was managing director of a consulting practice specialising in technology transformation projects. Mr Begeng has over 20 years' experience in a range of board, senior finance and operations roles in the corporate, government and not-for-profit sectors, including CFO and board member of Medibank Health Solutions, director of corporate services for Lifeline Australia and chief operating officer of HealthShare NSW.

Mr Begeng has a Bachelor's Degree in Commerce (Accounting) and is a member of the Institute of Public Accountants (Australia), Institute of Financial Accountants (UK) and CEO institute.

3.6 Reporting on other requirements

Evidence to parliamentary committees

ACARA attended the following hearings of the Senate Education and Employment Legislation Committee to give evidence:

- Supplementary Budget Estimates (24 October 2019)
- Additional Estimates (5 March 2020).

Judicial decisions and reviews by outside bodies

There was no decision by the Administrative Appeals Tribunal (AAT) in relation to ACARA's operations during this reporting period.

There were no reports made about ACARA's performance or ACARA's officers or employees by the Auditor-General, parliamentary committees, the Commonwealth Ombudsman, or the Office of the Australian Information Commissioner.

Compliance with the PGPA Act

During 2019–20, ACARA maintained appropriate internal controls and processes to review its compliance with the finance law, including to ensure that instances of significant non-compliance were notified to the responsible minister in accordance with section 19 of the PGPA Act. ACARA identified no instances of significant non-compliance and did not report any non-compliance to the Minister for Education in the reporting period.

Work health and safety (WHS)

ACARA is committed to providing a workplace that enables all activities to be executed in a healthy and safe environment, where employees feel safe and are not at risk of physical or mental injury.

ACARA's training program is a key area of how the organisation ensures staff understand their obligations and ACARA's role in providing and maintaining a safe workplace. This training program takes the form of workplace inductions and e-learning activities, including refresher courses, where workers learn about ACARA's WHS policy; their legal WHS responsibilities; emergency evacuation instructions; how to report hazards, incidents and injury; workstation ergonomics and manual handling.

WHS information is provided to staff on the importance of maintaining understanding of work-related risks. Presentation themes include mental health, being active at work and travelling to and from work. Emphasis is placed on mitigating work-related risks to avoid physical or mental injury.

ACARA's commitment to providing a safe workplace is implemented through its national WHS Committee with a representative from each key location. The committee promotes awareness of WHS in the workplace and meets every three months to discuss health and safety issues identified by staff, or hazards that have been identified during workplace inspections.

WHS performance

During 2019–20, no new claims were submitted to Comcare. No provisional improvement notices (section 90, *Work Health and Safety Act 2011*), prohibition notices (section 195) or improvement notices (section 191) were issued. There were no investigations undertaken by Comcare arising out of ACARA's responsibility in 'conducting a business or undertaking', in accordance with the Act.

ACARA's Audit and Risk Committee is advised of any issues arising and the actions carried out to mitigate WHS risks.

In 2019–20, consistent with the legislative requirements of the *Work Health and Safety Act 2011*, ACARA aimed to provide and promote a safe and healthy workplace by:

- eliminating or reducing the risk of hazards
- encouraging health initiatives; for example, by providing fruit to all staff, implementation of a wellbeing program offering discounted gym memberships and installing sit-to-stand desks in the Sydney office
- arranging for influenza vaccinations to be available for all staff at no charge
- providing access to the Employee Assistance Program
- introducing a functional first aid room with amenities to support staff, including those returning from parental leave
- conducting a training program to cover laws and regulations around workplace bullying and harassment, as well as to educate staff on their responsibilities
- conducting regular workplace inspections and encourage reporting of any incidents or hazards
- in March 2020 ACARA implemented a comprehensive COVID-19 response plan that included the option for all staff to work from home, regular health and safety updates and significant additional sanitation practices for all ACARA office locations. These measures have remained in place throughout the pandemic.

Insurance and indemnities

During 2019–20, ACARA held insurance protecting directors and officers from liability for the consequences of managerial misconduct or negligence, to the extent that the provision of the indemnity is not prevented by applicable legislation.

Ministerial directions and government policy orders

No policy orders or ministerial directions under the Act or instrument have been issued by the Australian Government under the PGPA Act during the year.

Ecologically sustainable development and environmental performance

ACARA continues its commitment to ecological sustainability across its operations. During 2019–20, ACARA continued to embed the use of new technologies and to improve flexible workplace practices. This was enabled by means of initiatives:

- ACARA's Sydney office commenced collecting plastic bottle caps for Envision, an Australian organisation that recycles plastic bottle tops to make prosthetics for hands and arms, and mobility aids, for people in need.
- Sydney and Perth offices use video-conferencing facilities as a preference to travel, wherever possible.
- ACARA continued its recycling program through its Sydney office tenancy. Items that are recycled include glass, paper, metal, plastics and printer cartridges.

4.0

Financial statements

Statement by the Accountable Authority, Chief Executive Officer and Acting Chief Financial Officer

Statement by the Accountable Authority, Chief Executive Officer and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2020 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41 (2) of the PGPA Act.

In our opinion, at the date of this statement, there were reasonable grounds to believe that ACARA, the Australian Curriculum, Assessment and Reporting Authority, has sufficient funds to meet its debts and will be able to pay its debts as and when they fall due.

This Statement is made in accordance with a resolution of the directors.

Belinda Robinson

Ms. Belinda Robinson
Chair, Accountable Authority
Dated this 20th day of August 2020

David de Carvalho

Mr. David de Carvalho
Chief Executive Officer
Dated this 20th day of August 2020

Thomas Begeng

Mr. Thomas Begeng
Chief Financial Officer
Dated this 20th day of August 2020

Independent auditor's report



INDEPENDENT AUDITOR'S REPORT

To the Minister for Education

Opinion

In my opinion, the financial statements of the Australian Curriculum, Assessment and reporting Authority (the Entity) for the year ended 30 June 2020:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2020 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2020 and for the year then ended:

- Statement by the Accountable Authority, Chief Executive Officer and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate 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 Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other 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.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Board is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act. The Board is also responsible for such internal control as the Board determines 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 Board is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is 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 the Australian National Audit Office 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.

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

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

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Mark Vial
Senior Director

Delegate of the Auditor-General

Canberra

20 August 2020

Statement of Comprehensive Income for the year ended 30 June 2020

Statement of Comprehensive Income For the Year Ended 30 June 2020

	Note	2020 \$'000	2019 \$'000	Original Budget \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	2.1(a)	16,214	14,500	15,827
Supplier expenses	2.1(b)	15,794	15,914	12,284
Depreciation and amortisation	3.2	1,542	708	665
Finance costs	2.1(c)	71	-	-
Write-down of assets	2.1(d)	100	-	-
Total expenses		33,721	31,122	28,776
Own Source Income				
Revenue				
Revenue from Jurisdictions – States and Territories	2.2(a)	11,930	13,082	12,050
Other revenue – Projects	2.2(a)	10,321	4,192	2,350
Interest – Bank deposits	2.2(b)	180	260	180
Total own source revenue		22,431	17,534	14,580
Net cost of / (contribution by) services		11,290	13,588	14,196
Revenue from Government – Australian Government		12,626	12,982	14,196
Surplus / (deficit) attributable to the Australian Government		1,336	(606)	-
Other Comprehensive Income				
Changes in asset revaluation		-	-	-
Total comprehensive income / (deficit) attributable to the Australian Government		1,336	(606)	-

Budget Variances Commentary

- Supplier expenses – The use of secondees, casual staff and contractors to service short term project engagements and specialised work.
- Depreciation and amortisation – The adoption of AASB 16 has resulted in increased depreciation expenses.
- Other revenue – Additional funding from the Australian Government, States & Territories, and industry bodies for additional project work in Curriculum, Assessment and Reporting.
- Other revenue – The application of amended AASB 15 and AASB 1058 resulted in additional revenue being recognised in 2019-20, for contributions and funded project work in 2020-21.
- Other revenue - The result of NAPLAN not occurring (\$800k) was refunded to the jurisdictions in 2019-20 FY

Variances are considered to be “major” based on the following:

- The variance between budget and actual is greater than 10%; and
- An item below this threshold but which is considered important for the readers understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of ACARA.

The above statement should be read in conjunction with the accompanying notes

Statement of Financial Position as at 30 June 2020

Statement of Financial Position As at 30 June 2020

Assets

Financial Assets

Cash and cash equivalents	
Trade and other receivables	
Accrued revenue	
Other assets	

Total financial assets

Non-financial assets

Fixtures and fittings	
Plant and equipment	
Right-of-use assets	

Total non-financial assets

Total Assets

Liabilities

Payables

Suppliers	
Grants in advance (deferred revenue)	
Other payables	

Total payables

Interest-bearing liabilities

Leases

Total interest-bearing liabilities

Provisions

Make-good provision	
Employee provisions	

Total provisions

Total Liabilities

Net Assets

Equity

Retained surplus	
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Total Equity

Note	2020 \$'000	2019 \$'000	Original Budget \$'000
	11,454	7,953	7,065
3.1(a)	401	15,449	9,019
	53	18	36
3.1(b)	423	130	280
	12,331	23,550	16,400
	76	538	543
3.2(a)	114	100	120
3.2(a)	5,505	-	-
	5,695	638	663
	18,026	24,188	17,063
3.3(a)	3,480	2,377	1,907
3.3(b)	1,003	17,884	10,468
3.3(c)	284	103	-
	4,767	20,364	12,375
3.4	5,866	-	-
	5,866	-	-
3.5	386	375	364
4.1	2,723	2,120	2,389
	3,109	2,495	2,753
	13,742	22,859	15,128
	4,284	1,329	1,935
	4,284	1,329	1,935
	4,284	1,329	1,935

The above statement should be read in conjunction with the accompanying notes

Budget Variances Commentary

1. Cash and cash equivalent deposits – The increased cash represents the surplus for the year, as well the result of high June expenses, that are not paid until July.
2. Trade and other receivables – FY21 revenue invoices were raised in July 2020. This is a change in process from the previous year where invoices for FY20 invoices were raised in June 2019, and the reason receivables was substantially lower than budget in FY20.
3. Other assets – The increase reflects changes in prepayments.
4. Suppliers – Increase reflects end of year creditors accrual for business as usual activities, as well as (\$800k) relating to FY20 underspend, that was reimbursed to the jurisdictions in July. The underspend was the result of NAPLAN 2020 not going ahead, and the amount was agreed to with the jurisdictions.
5. Grants in advance – FY21 revenue invoices were raised in July 2020. This is a change in process from the previous year where invoices for FY20 invoices were raised in June 2019, and the reason receivables was substantially lower than budget in FY20.
6. Right-of-use assets and Leases -The entity has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.
7. Employee provisions – Portability of employee entitlements from qualifying institutions has increased entitlements, as well as reduced leave over the past 3 months due to restricted travel options for employees.
8. Retained surplus – Increase reflects the surplus as shown in 2019-20 Statement of Comprehensive Income.

Variances are considered to be “major” based on the following:

- The variance between budget and actual is greater than 10%; and
- An item below this threshold but which is considered important for the readers understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of ACARA.

The above statement should be read in conjunction with the accompanying notes

Statement of Changes in Equity for the year ended 30 June 2020

Statement of Changes in Equity For the Year Ended 30 June 2020

	Retained earnings			Total equity		
	2020 \$'000	2019 \$'000	Original Budget \$'000	2020 \$'000	2019 \$'000	Original Budget \$'000
Opening Balance	1,329	1,935	1,935	1,329	1,935	1,935
Adjustment for changes in accounting policies	1,619	-	-	1,619	-	-
Adjusted opening balance	2,948	1,935	1,935	2,948	1,935	1,935
Comprehensive Income						
Surplus / (deficit) for the period	1,336	(606)	-	1,336	(606)	-
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	1,336	(606)	1,935	1,336	(606)	1,935
Closing balance as at 30 June	4,284	1,329	1,935	4,284	1,329	1,935

Budget Variances Commentary

1. Surplus / (deficit) for the period – In the time since the budget was set, the implementation of AASB 15 impacted ACARA for the 2020 financial year. Additionally, savings were made with changed working conditions in the latter half of the year. This is being treated as a technical surplus, and there is an expectation that the FY21 year will deliver a technical deficit to account for the changed treatment.

Variances are considered to be “major” based on the following:

- The variance between budget and actual is greater than 10%; and
- An item below this threshold but which is considered important for the readers understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of ACARA.

The above statement should be read in conjunction with the accompanying notes

Cash flow statement for the year ended 30 June 2020

Cash Flow Statement For the Year Ended 30 June 2020

OPERATING ACTIVITIES

Cash Received

Receipts from Government – Australian Government

Receipts from Jurisdictions – States and Territories

Interest

Net GST received

Other cash received

Total cash received

Cash used

Employees

Suppliers

Net GST paid

Total cash used

Net cash received from operating activities

INVESTING ACTIVITIES

Cash used

Purchase of Property, Plant and Equipment

Disposal of Property, Plant and Equipment

Total cash used

Net cash used by investing activities

FINANCING ACTIVITIES

Payment of Lease Liabilities

Total cash used

Net cash used by financing activities

Net increase in cash held

Cash and cash equivalents at the beginning of the reporting period

Cash and cash equivalents at the end of the reporting period

	2020 \$'000	2019 \$'000	Original Budget \$'000
OPERATING ACTIVITIES			
Cash Received			
Receipts from Government – Australian Government	19,201	17,389	13,678
Receipts from Jurisdictions – States and Territories	16,641	13,426	13,748
Interest	165	297	180
Net GST received	1,178	1,121	-
Other cash received	79	123	-
Total cash received	37,264	32,356	27,606
Cash used			
Employees	(15,479)	(14,314)	(15,757)
Suppliers	(17,495)	(17,431)	(12,284)
Net GST paid	-	-	-
Total cash used	(32,974)	(31,745)	(28,041)
Net cash received from operating activities	4,290	611	(435)
INVESTING ACTIVITIES			
Cash used			
Purchase of Property, Plant and Equipment	(208)	(10)	(450)
Disposal of Property, Plant and Equipment	100	-	-
Total cash used	(108)	(10)	(450)
Net cash used by investing activities	(108)	(10)	(450)
FINANCING ACTIVITIES			
Payment of Lease Liabilities	(681)	-	-
Total cash used	(681)	-	-
Net cash used by financing activities	(681)	-	-
Net increase in cash held	3,501	601	(885)
<i>Cash and cash equivalents at the beginning of the reporting period</i>	<i>7,953</i>	<i>7,352</i>	<i>7,950</i>
<i>Cash and cash equivalents at the end of the reporting period</i>	<i>11,454</i>	<i>7,953</i>	<i>7,065</i>

The above statement should be read in conjunction with the accompanying notes

Budget Variances

1. Receipts from Government – Australian Government - Funding from the Australian Government and industry bodies for project work in Curriculum, Assessment and Reporting. There was additional project work completed in FY20 compared to when the budget was set, resulting in increased receipts.
2. Receipts from Jurisdictions – States and Territories - Funding from the Australian Government and industry bodies for project work in Curriculum, Assessment and Reporting. There was additional project work completed in FY20 compared to when the budget was set, resulting in increased receipts.
3. Other cash received – Receipt of royalties, expense reimbursements and sale of data to government agencies and schools
4. Suppliers – The majority of expenses from the additional funded projects in the period, were for third party consultancy and contractors.
5. Purchase of property, plant and equipment – Anticipated purchases of new computer and office equipment was not required.

Variances are considered to be “major” based on the following:

- The variance between budget and actual is greater than 10%; and
- An item below this threshold but which is considered important for the readers understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of ACARA.

The above statement should be read in conjunction with the accompanying notes

Index to the notes to and forming part of the financial statements for the year ended 30 June 2020

Index to the Notes to and forming part of the Financial Statements for the year ended 30 June 2020

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1. Overview

1. Overview

1.1 Objectives of the Entity

The entity is a corporate not for profit Australian Commonwealth controlled entity. The entity is structured to meet the following outcome:

Outcome 1: Improved quality and consistency of school education in Australia through a national curriculum, national assessment, data collection and performance reporting system.

The continued existence of the entity in its present form and current programs is dependent on Education Council policy, and on continued funding by Commonwealth, State and Territory governments.

1.2 Basis of Preparation of the Financial Report

The financial statements are general purpose financial statements and are required by section 42 of the Public Governance, Performance and Accountability Act 2013.

The financial statements and notes have been prepared in accordance with:

- Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR); and
- Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and are in accordance with the historical cost convention, except for certain assets and liabilities at fair value.

Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars and values and are rounded to the nearest thousand dollars unless otherwise specified.

1.3 Critical Estimates and Judgements

Due to the impacts of covid-19, it is the opinion of management that ACARA would not take up the option of the Perth lease extension from December 2022. This differs from the opinion held by management on the 1st July 2019, upon adoption of the new AASB 16 lease accounting standard.

The impact of the new lease standard on adoption is noted in section 1.4.

1.4 New Australian Accounting Standards

No accounting standard has been adopted earlier than the application date as stated in the standard.

All new/revised/amending standards and/or interpretations that were issued prior to the sign-off date and are applicable to the current reporting period, and had a material effect on the entity's financial statements, have been disclosed below.

1. Overview

Standard/Interpretation	Nature of change in accounting policy, transitional provisions, and adjustment to financial statements
AASB 15 Revenue from Contracts with Customers / AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities and AASB 1058 Income of Not-For-Profit Entities	<p>AASB 15, AASB 2016-8 and AASB 1058 became effective 1 July 2019.</p> <p>AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 Revenue, AASB 111 Construction Contracts and Interpretation 13 Customer Loyalty Programmes. The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.</p> <p>AASB 1058 is relevant in circumstances where AASB 15 does not apply. AASB 1058 replaces most of the not-for-profit (NFP) provisions of AASB 1004 Contributions and applies to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable the entity to further its objectives, and where volunteer services are received.</p> <p>The details of the changes in accounting policies, transitional provisions and adjustments are disclosed below and in the relevant notes to the financial statements.</p>
AASB 16 Leases	<p>AASB 16 became effective on 1 July 2019.</p> <p>This new standard has replaced AASB 117 Leases, Interpretation 4 Determining whether an Arrangement contains a Lease, Interpretation 115 Operating Leases—Incentives and Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.</p> <p>AASB 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, together with options to exclude leases where the lease term is 12 months or less, or where the underlying asset is of low value. AASB 16 substantially carries forward the lessor accounting in AASB 117, with the distinction between operating leases and finance leases being retained. The details of the changes in accounting policies, transitional provisions and adjustments are disclosed below and in the relevant notes to the financial statements.</p>

Application of AASB 15 Revenue from Contracts with Customers / AASB 1058 Income of Not-For-Profit Entities

The Entity adopted AASB 15 and AASB 1058 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019. Accordingly, the comparative information presented for 2019 is not restated, that is, it is presented as previously reported under the various applicable AASBs and related interpretations.

Under the new income recognition model, the Entity shall first determine whether an enforceable agreement exists and whether the promises to transfer goods or services to the customer are 'sufficiently specific'. If an enforceable agreement exists and the promises are 'sufficiently specific' (to a transaction or part of a transaction), the Entity applies the general AASB 15 principles to determine the appropriate revenue recognition. If these criteria are not met, the Entity shall consider whether AASB 1058 applies.

1. Overview (Cont'd)

In relation to AASB 15, the Entity elected to apply the new standard to all new and uncompleted contracts from the date of initial application. The Entity is required to aggregate the effect of all of the contract modifications that occur before the date of initial application.

In terms of AASB 1058, the entity is required to recognise volunteer services at fair value, if those services would have been purchased if not provided voluntarily, and the fair value of those services can be measured reliably.

Impact on Transition

The impact on transition is summarised below:

Assets

Receivables

Total assets

Liabilities

Grants in Advance – Contributions States & Territories

Grants in Advance – Contributions Commonwealth

Total liabilities

Total adjustment recognised in retained earnings

1 July 2019
\$'000
-
-
(719)
(900)
(1,619)
(1,619)

Set out below are the amounts by which each financial statement line item is affected as at and for the year ended 30 June 2020 as a result of the adoption of AASB 15 and AASB 1058. The first column shows amounts prepared under AASB 15 and AASB 1058 and the second column shows what the amounts would have been had AASB 15 and AASB 1058 not been adopted:

Transitional disclosure

Revenue

Revenue from Jurisdictions - States & Territories

Other revenue - Projects

Total Revenue

Assets

Receivables

Total Assets

Liabilities

Grants in advance

Total Liabilities

Retained earnings

AASB 15/ AASB 1058	Previous AAS	Increase / (decrease)
\$'000	\$'000	\$'000
11,930	12,649	(719)
10,321	8,743	1,578
22,251	17,274	859
-	-	-
-	-	-
1,003	3,481	(2,478)
1,003	3,481	(2,478)
4,284	2,525	1,759

1. Overview (Cont'd)

Transitional disclosure

Revenue

Revenue 2019 Adjustment

Revenue 2020 Adjustment

Total Revenue Adjustment

FY2019 \$'000	FY2020 \$'000	Total \$'000
1,619	(719)	900
-	1,578	1,578
1,619	859	2,478

Application of AASB 16 Leases

The Entity adopted AASB 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings in July 2019. Accordingly, the comparative information presented for 2019 is not restated, that is, it is presented as previously reported under AASB 117 and related interpretations.

The Entity elected to apply the practical expedient to not reassess whether a contract is, or contains a lease at the date of initial application. Contracts entered into before the transition date that were not identified as leases under AASB 117 were not reassessed. The definition of a lease under AASB 16 was applied only to contracts entered into or changed on or after 1 July 2019.

AASB 16 provides for certain optional practical expedients, including those related to the initial adoption of the standard. The Entity applied the following practical expedients when applying AASB 16 to leases previously classified as operating leases under AASB 117:

- Exclude initial direct costs from the measurement of right-of-use assets at the date of initial application for leases where the right-of-use asset was determined as if AASB 16 had been applied since the commencement date,
- Reliance on previous assessments on whether leases are onerous as opposed to preparing an impairment review under AASB 136 Impairment of assets as at the date of initial application, and
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term remaining as of the date of initial application.

As a lessee, the Entity previously classified leases as operating, or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under AASB 16, the Entity recognises right-of-use assets and lease liabilities for most leases. However, the Entity has elected not to recognise right-of-use assets and lease liabilities for some leases of low value assets based on the value of the underlying asset when new or for short-term leases with a lease term of 12 months or less.

On adoption of AASB 16, the Entity recognised right-of-use assets and lease liabilities in relation to leases of office space, which had previously been classified as operating leases.

The lease liabilities were measured at the present value of the remaining lease payments, discounted using the Entity's incremental borrowing rate as at 1 July 2019. The Entity's incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions. The weighted-average rate applied for the Sydney Lease was 0.979%, and 1.007% for the Perth lease.

1. Overview (Cont'd)

Impact on Transition

On transition to AASB 16, the Entity recognised additional right-of-use assets and additional lease liabilities, recognising the difference in retained earnings. The impact on transition is summarised below:

	Sydney lease	Perth lease	July 2019
	\$'000	\$'000	\$'000
Departmental			
Right-of-use assets – property, plant and equipment	6,116	715	6,831
Lease Liability	(6,116)	(715)	(6,831)
Retained earnings	-	-	-

The following table reconciles the Departmental minimum lease commitments disclosed in the entity's 30 June 2019 annual financial statements to the amount of lease liabilities recognised on 1 July 2019:

	1 July 2019
	\$'000
Minimum operating lease commitment at 30 June 2019	1,147
Plus: effect of extension options reasonably certain to be exercised	6,042
Undiscounted lease payments	7,189
Less: short term operating leases	(50)
Less: effect of discounting using the incremental borrowing rate as at the date of initial application	(308)
Lease liabilities recognised in July 2019	6,831

Lease note: Later in the financial year, there was a change in circumstance when assessing the future lease renewals of ACARA, and a decision was made to limit exposure. The Perth lease extension and related assets, liabilities, and expenses were derecognised, and the final balance sheet reflects this.

1.5 Taxation

The entity is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

1.6 Events after Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the results of the financial statements as at 30 June 2020.

2. Financial performance

2. Financial Performance

2.1 Expenses

2.1(a): Employee benefits

Wages and salaries
Superannuation – defined contribution plans
Leave and other entitlements
Separation and redundancies
Total employee benefits

2020 \$'000	2019 \$'000
13,382	11,989
1,427	1,298
1,405	1,118
-	95
16,214	14,500

2.1(b): Supplier expenses

Goods and services supplied or rendered

Secondments, casual staff, contractors and consultants
NAPLAN item development and testing
Website development and maintenance
Travel and accommodation
Staff related expenses – payroll tax and recruitment
Consultants – Curriculum Development
Office infrastructure
IT expenses
Audit fees payable to the Australian National Audit Office
Legal Expenses
Other operational expenditure

Total goods and services supplied or rendered

Goods supplied
Services supplied

Total goods and services supplied or rendered

Other suppliers

Operating lease rentals (1)
Short term and low value leases
Workers compensation expense

Total other suppliers

Total Suppliers

2020 \$'000	2019 \$'000
4,546	3,562
4,428	5,296
203	208
802	1,239
950	1,152
1,387	651
352	86
1,577	1,259
43	47
175	196
1,052	1,047
15,515	14,743
525	910
14,990	13,833
15,515	14,743
-	959
112	-
167	213
279	1,171
15,794	15,914

Accounting Policy: Employee benefits: Accounting policies for employee related expenses is contained in the People and relationships section.

1. The Entity has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

The Entity has short-term lease commitments of \$0 as at 30 June 2020.

Accounting Policy: Short-term leases and leases of low-value assets: ACARA has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than \$10,000). ACARA recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.1(c): Finance costs

Interest on lease liability

Total finance costs

2020 \$'000	2019 \$'000
71	-
71	-

2. Financial Performance (cont.)

2.1(d): Write-down of assets

Loss on disposal

Total write-down of assets

2020 \$'000	2019 \$'000
100	-
100	-

2.2 Revenue

2.2(a): Revenue

Sales of goods

Rendering of services

Total revenue

Disaggregation of revenue

Major product / service line:

Operating Contributions – State and Territories

Funded Projects

Type of customer:

Australian Commonwealth entities

State and Territory Governments

Non-Government entities

2020 \$'000	2019 \$'000
-	-
22,251	17,274
22,251	17,274
11,930	13,082
10,321	4,192
22,251	17,274
7,809	3,848
14,422	13,362
20	64
22,251	17,274

Revenue from Jurisdictions and Government

Revenue from jurisdictions is recognised when the following applies.

- ACARA has obtained control of the revenue, and the revenue can be reliably measured.
- It is detailed in the contract agreement that economic benefits associated with the transaction will flow to the entity in full.
- The stage of completion of the transaction at the end of the reporting period, can be measured reliably, and is specifically referenced in the contract agreement.
- The costs incurred for the transaction and cost to complete the transaction can be measured reliably, and milestones are detailed in the contract agreement.
- When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised in full in the period.

The principal activities of ACARA are detailed in the objectives of the entity (S1.1). ACARA is funded to operate as a government entity, and also complete projects as required by the governing jurisdictions. Where a performance obligation is satisfied over time, it will be stipulated in the applicable agreement, if not recognition is determined upon funds transfer. Where no specific performance obligation is stipulated revenue is recognised on receipt in accordance with AASB 1058.

The transaction price is the total amount of consideration to which ACARA expects to be entitled in exchange for transferring services to a customer. The consideration promised in a contract with a jurisdiction may include fixed amounts, variable amounts, or both. ACARA has applied the practical expedient (AASB 15.121) to the financial statements, as all remaining performance obligations will be completed by June 2021.

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

2. Financial Performance (cont.)

2.2(b): Interest revenue

Interest revenue: Term deposits and bank accounts
Total interest revenue

2020 \$'000	2019 \$'000
180	260
180	260

Interest Revenue

Interest revenue is recognised using the effective interest method.

3. Financial Position

3.1(a) Trade and other receivables

Receivables for goods and services
 GST
Total trade and other receivables

2020 \$'000	2019 \$'000
241	15,266
160	183
401	15,449

All trade and other receivables are expected to be recovered in less than 12 months.

There are no trade and other receivables that are impaired at 30 June 2020 and 30 June 2019. A total of \$nil (2019: \$25,926) was past due and not impaired in the range of 31 – 60 days.

Accounting Policy

Financial assets

Trade receivables, loans and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

3.1(b) Other non-financial assets

Other clearing account
 Prepaid expenses
 Deposit Bond
Total other non-financial assets

2020 \$'000	2019 \$'000
-	3
416	120
7	7
423	130

No indications of impairment were found for other non-financial assets.

3. Financial position (continued)

3. Financial Position (cont.)

3.2 Non-Financial Assets

3.2(a) Reconciliation of Opening and Closing Balances Plant and Equipment 2020

	Fixtures & Fittings \$'000	Right-of-use asset \$'000	Plant and equipment \$'000	Total \$'000
As at 1 July 2019				
Gross book value	1,955	-	690	2,645
Accumulated depreciation and amortisation	(1,417)	-	(590)	(2,007)
Total as at 1 July 2019	538	-	100	638
Recognition of right of use asset on initial application of AASB 16	-	6,831	-	6,831
Adjusted total as at 1 July 2019	538	6,831	100	7,469
Additions – by purchase	87	-	139	226
Other movements of right of use assets (Perth lease)	-	(358)	-	(358)
Disposals	(42)	-	(58)	(100)
Depreciation and amortisation	(507)	-	(67)	(574)
Depreciation on right-of-use assets	-	(968)	-	(968)
Total as at 30 June 2020	76	5,505	114	5,695

No indications of impairment were found for plant and equipment.

Plant and Equipment

Accounting Policy

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

3. Financial Position (cont.)

Asset recognition threshold

Purchases of plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in Sydney taken up by the entity where there exists an obligation to return the leased space to its original condition.

These costs are included in the value of other operational expenses with a corresponding provision for the 'make good' recognised.

Lease Right of Use (ROU) Assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for as separate asset classes to corresponding assets owned outright.

On initial adoption of AASB 16 ACARA has adjusted the ROU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right of use lease asset that shows indicators of impairment and an impairment loss is recognised against any right of use lease asset that is impaired. Lease ROU assets continue to be measured at cost after initial recognition.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the entity using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2020	2019
Fixtures and fittings	4 years	4 years
Plant and Equipment	3 years	3 years
Right-of-use assets	Life of lease	-

Impairment

All assets were assessed for impairment at 30 June 2020.

Where indications of impairment exist, the asset's recoverable amount is estimated, and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the entity were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

3. Financial Position (Cont'd)

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

3.3 Payables

3.3 (a): Suppliers

Trade creditors and accruals – no more than 12 months

Total suppliers

2020 \$'000	2019 \$'000
3,480	2,377
3,480	2,377

Settlement are usually made net 30 days.

Payables are recognised to the extent that the goods or services have been received and not paid or where payments for services have been received in advance.

3.3 (b): Grants in advance (deferred revenue)

Commonwealth grants - contributions

States & Territories grants – contributions

Commonwealth project funds

Total Grants in advance

2020 \$'000	2019 \$'000
100	8,015
-	8,193
903	1,676
1,003	17,884

Grants Received in Advance

Where ACARA receives grants in advance of the period for which work is yet to be completed and the contract agreement states as such, the grant is recognised in the Statement of Financial Position as a liability. At 30 June 2020 the amount of deferred revenue was \$1,003,500 (2019: \$17,884,040) and primarily represents future annual contributions from the Commonwealth along with project work funding, for expenditure to be incurred in future financial years for the delivery of ACARA's Work Plan and project contracts.

3.3(c): Other payables

Salaries and wages

Superannuation

Payroll tax

Potential LSL transfer

Total Other payables

2020 \$'000	2019 \$'000
160	48
17	5
61	4
46	46
284	103

3. Financial Position (Cont'd)

3.4 Leases

Lease Liability – Sydney¹

Lease Liability – Perth¹

Total leases

2020 \$'000	2019 \$'000
5,605	-
261	-
5,866	-

¹ The Entity has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117. Total cash outflow for leases for the year ended 30 June 2020 was \$681k.

3.5 Make Good Provision

Total as at 1 July 2019

Amounts used

Amounts reversed

Present value entry for current year

Total as at 30 June 2020

Provision for restoration \$'000	Total \$'000
375	375
-	-
-	-
11	11
386	386

The entity currently has 1 agreement (2019: 1 agreement) for the leasing of premises which has a provision requiring the entity to restore the premises to their original condition at the conclusion of the lease. The entity has made a provision to reflect the present value of this obligation.

4. People and relationships

4. People and relationships

Leave - not more than 12 months
Leave - more than 12 months
Total employee provisions

2020	2019
\$'000	\$'000
1,519	1,051
1,204	1,069
2,723	2,120

Employee Benefits

Liabilities for 'short-term employee benefits and termination benefits expected within twelve months of the end of reporting period are measured at their nominal amounts.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

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

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including ACARA's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the Australian Government shorthand method. In applying this method, the accrued long service leave for each employee as at reporting date is probability weighted, based on the Australian Government probability profile. The amount obtained for each employee is then discounted, using the ten-year Treasury bond rate. The estimate of the present value of the liability reflects the attrition rates and pay increases through promotion and inflation.

Superannuation

Upon commencing of employment with ACARA, employees nominate an approved superannuation scheme of their choice.

ACARA contributes a minimum of 10.5% of superannuable salaries on behalf of its employees. The liability for superannuation recognised as at 30 June 2020 represents outstanding contributions for the final month of the year.

4. People and relationships (Cont'd)

4.2 Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of ACARA, directly or indirectly, including any director (whether executive or otherwise). ACARA has determined the key management personnel to be the Directors, Chief Executive Officer and the Executive staff reporting to the Chief Executive Officer.

Policies and procedures

The framework for determining the remuneration of Key Management Personnel (KMP) is set out below:

Position	Instrument to set remuneration determination by ACARA
ACARA Board Chair; Deputy Chair; Board Members	Remuneration Tribunal (Remuneration and Allowances for Holders of Part-time Public Office) Determination 2019. There were small increased determinations applicable to ACARA's Board.
ACARA CEO	Remuneration Tribunal (Remuneration and Allowances for Holders of Full-time Public Office) Determination 2019. There was small increased determination applicable to ACARA's CEO as the full-time office holder.
ACARA Executive	ACARA executives are appointed on independent contracts. ACARA has detailed position descriptions for all positions, incl. ACARA's executive. These positions are evaluated using the Mercer CED job evaluation methodology, determining the appropriate classification before advertising. Evaluations reflect expertise, complexity, overall impact and the level of authority the position is required by ACARA. Executive appointments are further assisted by third party executive search agencies, assessing market competitiveness, within the approved range and budget restraints. The CEO signs off all remuneration offers for executive appointments.
Highly paid ACARA employees	ACARA Enterprise Agreement 2017, Schedule A, Classification Levels and Salaries. ACARA has detailed position descriptions for all positions, incl. ACARA's highly paid employees. These positions are evaluated using the Mercer CED job evaluation methodology, determining the appropriate classification before advertising. Evaluations reflect expertise, complexity, overall impact and the level of authority the position is required by ACARA. For our most senior appointments, ACARA will consider the merits of further assistance by third party executive search agencies, assessing market competitiveness, within the approved classification range and budget restraints. The CEO or the relevant executive signs off all remuneration offers for appointment.

4. People and relationships (Cont'd)

Key Management Personnel Remuneration Disclosure

During the reporting period ended 30 June 2020, ACARA had eleven executives or board members who meet the definition of key management personnel, and were remunerated. Their names and the length of term as KMP are summarized below:

Name	Position	Term as KMP
David De Carvalho	CEO	Full year
Peter Titmanis	General Manager, Assessment and Reporting	Full year
Ann-Maree Ashburn	Director, Communications and Strategic Relations	Full year
Wayne Evans	Director, Corporate Services	Part year - Term: 1st July 2019 to 27th October 2019
Thomas Begeng	Director, Corporate Services	Part year - Appointed 8 October 2019
Janet Davy	Director, Curriculum	Full year
Edel David	Director, NAPLAN Online Project Management Office	Part year - Commenced 18th October 2019
Belinda Robinson	Board Chair	Full year
Norm Hart	Deputy Chair	Full year
Michael Hewitson	Board Member & Chair of Audit and Risk Committee	Full year
Tony Luttrell	Board Member	Part year - Appointed 15th January 2020

Key management personnel remuneration is reported in the table below:

	2020 \$'000	2019 \$'000
Short-term employee benefits:		
Director fees / salary	2,059	1,724
Total short-term employee benefits	2,059	1,724
Post-employment benefits:		
Superannuation	194	167
Total post-employment benefits	194	167
Other long-term benefits:		
Long-service leave	37	(92)
Total other long-term benefits	37	(92)
Termination benefits	0	209
Total senior executive remuneration expenses¹	2,290	2,008

4. People and relationships (Cont'd)

Key management personnel remuneration expense for the reporting period

The total number of key management personnel that are included in the table on page 26 is 24 individuals (14 Board Members, 3 independent ARC members and 7 ACARA Executive staff) in 2019: 22 individuals (15 Board Members and 7 ACARA Executive staff).

1. The above key management personnel remuneration excludes remuneration and other benefits of the Education Minister. The directors of ACARA are appointed by the Minister for Education. The remuneration of the Minister of Education and other benefits are set by the Remuneration Tribunal and are not paid by ACARA.

In accordance with the PGPA Rule, the above information has been disaggregated as follows:

Total Key management personnel remuneration expenses per above
Additional payment to ARC payments (Audit and Risk Committee) who
are not board members.
Total Key management personnel remuneration expenses per below

2020 \$'000
2,290 8
2,298

4. People and relationships (Cont'd)

Key Management Personnel and ARC Remuneration for 2019-20		Short-term benefits	Post-employment benefits	Other long-term benefits	Termination Benefits	Total Annual Remuneration 2020 \$'000
Name	Position Title	Base Salary	Super-annuation	Long Service Leave		
Belinda Robinson	Chair, ACARA Board; Chair, ACARA Board; Vice-President University Relations and Strategy, University of Canberra	110,852	10,531	0	0	121,383
Norm Hart	Deputy Chair, ACARA Board; ACARA ARC Board Representative	83,144	7,899	0	0	91,042
Allan Blagaich	Executive Director, School Curriculum and Standards Authority Western Australia	0	0	0	0	0
Meg Brighton	Deputy Director-General, Health Systems, Policy and Research, ACT Health Directorate ACT	0	0	0	0	0
Susan Cameron	Executive Director Learning Improvement Department of Education and Child Development SA	0	0	0	0	0
Deb Efthymiades	Deputy Director-General, ACT Directorate of Education and Training	0	0	0	0	0
Valerie Gould	Executive Director of the Association of Independent Schools, Western Australia	12,694	0	0	0	12,694
Michael Hewitson AM	Mayor of Unley; ACARA ARC Chair	16,197	1,433	0	0	17,630
David Howes	Deputy Secretary, Schools and Regional Services, Department of Education and Training, Victoria	0	0	0	0	0
Peter Kelly	Deputy Director-General, Queensland Department of Education	0	0	0	0	0
Sofia Kesidou	Executive Director, Education Standards, NSW Education Standards Authority	0	0	0	0	0
Tony Luttrell	Director Strategic Data Management, Department of Education, Tasmania	6,216	485	0	0	6,701
Neil McGoran	Director of Catholic Education South Australia	2,603	0	0	0	2,603
Leanne Nixon	Deputy Chief Executive, Northern Territory Department of Education; ACARA ARC Member	0	0	0	0	0
Lisa Barnes	ACARA ARC Deputy Chair	4,036	0	0	0	4,036
Gil Smith	ACARA ARC Member (ceased Sept'19)	1,009	0	0	0	1,009
Dennis Clark	ACARA ARC Member	3,431	0	0	0	3,431
Edel David*	ACARA Director, NAPLAN Online Project Management Office	178,187	14,540	4,136	0	196,864
Ann-Maree Ashburn	ACARA Director, Communications and Strategic Relations	238,031	23,426	4,850	0	266,307
Thomas Begeng*	ACARA Director, Corporate Services (commenced Oct'19)	186,928	18,274	4,189	0	209,390
Wayne Evans*	ACARA Director, Corporate Services (ceased Nov'19)	147,947	0	0	0	147,947
Janet Davy	ACARA Director, Curriculum	316,274	31,202	6,212	0	353,687
Peter Titmanis	ACARA General Manager, Assessment and Reporting	329,538	32,130	7,650	0	369,318
David deCarvalho	ACARA Chief Executive Officer	430,918	53,809	9,692	0	494,419
Total Annual Remuneration for ACARA KMP and ARC Remuneration		2,068,005	193,729	36,729	0	2,298,463

4. People and relationships (Cont'd)

* Part year Employment

1. The above table does not include any Annual Leave and Long Service Leave paid out on termination, which are accrued in the year.
2. ACARA did not pay any bonuses or any short or long term, other benefits and allowances during the 2019-20 year.
3. Some of ACARA's Board members do not receive remuneration for ACARA Board duty; in some cases this is due to the provisions of legislation, in other cases it is based on an individual decision regarding the effect of their employers' policies.

4.3. Related Party Disclosures

ACARA is an Australian Government controlled entity. Related parties to this entity are directors and key management personnel. Several directors of ACARA held directorships or senior roles with other companies or government agencies. All transactions between ACARA and entities with directors or key management personnel common to ACARA, are conducted using commercial and arm-length principles. Members are excluded from discussions on matters in which they may have a conflict of interest.

	2020 \$'000	2019 \$'000
Transactions with directors, key management personnel or their related entities	235	49

Details of companies and government agencies which ACARA has engaged for services and with which ACARA Directors are associated.

	2020 \$'000	2019 \$'000
Western Australia School Curriculum and Standards Authority	(2)	4
Association of Independent Schools, Western Australia	12	-
NSW Education Standards Authority	1	11
Australian Capital Territory Education Directorate	(2)	2
Victorian Curriculum and Assessment Authority	216	12
Northern Territory Department of Education	-	1
Tasmanian Department of Education	-	2
Catholic Education, South Australia	4	-
South Australian Department of Education and Child Development	6	17
	235	49

Prior Year Comparison Commentary

- 1) Western Australia School Curriculum and Standards Authority – Reversal of accrual in FY19 that did not eventuate as an expense.
- 2) Australian Capital Territory Education Directorate - Reversal of accrual in FY19 that did not eventuate as an expense.
- 3) Victorian Curriculum and Assessment Authority – \$216k was provided for the CCT Assessment Task Trial in FY20, that is not a consistent engagement each year. Additionally, the KMP involved took no part in the relevant executive decision and agreement.

5. Financial instruments

5. Financial Instruments

Financial assets

Bank
Term Deposits
Accrued Revenue
Trade Debtors

Total financial assets

2020	2019
\$'000	\$'000
1,954	5,953
9,500	2,000
53	18
241	15,266
11,908	23,237

Financial liabilities

Suppliers

Total financial liabilities

2020	2019
\$'000	\$'000
3,480	2,377
3,480	2,377

Accounting Policy

Financial assets

With the implementation of AASB 9 Financial Instruments for the first time in 2019, ACARA classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss.
- Financial assets measured at amortised cost.

The classification has depended on both ACARA's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the entity becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Comparatives have not been restated on initial application.

Financial Assets at Amortised Cost

Financial assets included in this category need to meet two criteria:

1. the financial asset is held in order to collect the contractual cash flows; and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective Interest Method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

5. Financial Instruments (cont.)

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses, using the general approach which measures the loss allowance based on an amount equal to *lifetime expected credit losses* where risk has significantly increased, or an amount equal to *12-month expected credit losses* if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Financial Liabilities at Amortised Cost

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

ACARA currently has no recognised financial liabilities.

Net gains or losses on financial assets

Interest revenue

Net gains / (losses) on financial assets

2020	2019
\$'000	\$'000
180	260
180	260

6. Managing uncertainties

6.1. Contingent Assets and Liabilities

There are no contingent assets or liabilities at 30 June 2020 (30 June 2019: nil).

7. Aggregate assets and liabilities

7. Aggregate Assets and Liabilities

7.1. Aggregate Assets and Liabilities

Assets expected to be recovered in:

No more than 12 months

More than 12 months

Total assets

2020 \$'000	2019 \$'000
877	15,597
-	-
877	15,597

Liabilities expected to be settled in:

No more than 12 months

More than 12 months

Total liabilities

2020 \$'000	2019 \$'000
6,286	21,415
1,204	1,069
7,490	22,484

Compliance index

Under the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule), ACARA is required to provide an index of the mandatory annual report requirements from section 28E. Below is an index that provides the location of these mandatory requirements within this annual report.

PGPA Rule Reference	Description	Part of report	Page
17BE(a)	Details of the legislation establishing the body.	1.3, 3.1	8, 29
17BE(b)(i)	A summary of the objects and functions of the entity as set out in legislation.	3.1	29
17BE(b)(ii)	The purposes of the entity as included in the entity's corporate plan for the reporting period.	1.3, 2.0	8, 11
17BE(c)	The names of the persons holding the position of responsible Minister or responsible Ministers during the reporting period, and the titles of those responsible Ministers.	3.1	29
17BE(d)	Directions given to the entity by the Minister under an Act or instrument during the reporting period.	3.6	50
17BE(e)	Any government policy order that applied in relation to the entity during the reporting period under section 22 of the Act.	3.6	50
17BE(f)	Particulars of noncompliance with: <ul style="list-style-type: none"> (a) a direction given to the entity by the Minister under an Act or instrument during the reporting period or (b) a government policy order that applied in relation to the entity during the reporting period under section 22 of the Act. 	3.6	n/a
17BE(g)	Annual performance statements in accordance with paragraph 39(1)(b) of the Act and section 16F of the rule.	2.0	11
17BE(h), 17BE(i)	A statement of significant issues reported to the Minister under paragraph 19(1)(e) of the Act that relates to noncompliance with finance law and action taken to remedy noncompliance.	3.6	49
17BE(j)	Information on the accountable authority, or each member of the accountable authority, of the entity during the reporting period.	1.3, 3.2	9, 36
17BE(k)	Outline of the organisational structure of the entity (including any subsidiaries of the entity).	1.3	8
17BE(ka)	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: <ul style="list-style-type: none"> (a) statistics on full time employees (b) statistics on part time employees (c) statistics on gender (d) statistics on staff location. 	3.5	44
17BE(l)	Outline of the location (whether or not in Australia) of major activities or facilities of the entity.	1.3	9

17BE(m)	Information relating to the main corporate governance practices used by the entity during the reporting period.	3.1	29
17BE(n), 17BE(o)	For transactions with a related Commonwealth entity or related company where the value of the transaction, or if there is more than one transaction, the aggregate of those transactions, is more than \$10,000 (inclusive of GST): (a) the decision-making process undertaken by the accountable authority to approve the entity paying for a good or service from, or providing a grant to, the related Commonwealth entity or related company and (b) the value of the transaction, or if there is more than one transaction, the number of transactions and the aggregate of value of the transactions.	n/a	
17BE(p)	Any significant activities and changes that affected the operation or structure of the entity during the reporting period.	n/a	
17BE(q)	Particulars of judicial decisions or decisions of administrative tribunals that may have a significant effect on the operations of the entity.	3.6	49
17BE(r)	Particulars of any reports on the entity given by: (a) the Auditor General (other than a report under section 43 of the Act) or (b) a Parliamentary Committee or (c) the Commonwealth Ombudsman or (d) the Office of the Australian Information Commissioner.	3.6	49
17BE(s)	An explanation of information not obtained from a subsidiary of the entity and the effect of not having the information on the annual report.	n/a	
17BE(t)	Details of any indemnity that applied during the reporting period to the accountable authority, any member of the accountable authority or officer of the entity against a liability (including premiums paid, or agreed to be paid, for insurance against the authority, member or officer's liability for legal costs).	3.6	50
17BE(taa)	The following information about the audit committee for the entity: (a) a direct electronic address of the Charter determining the functions of the audit committee (b) the name of each member of the audit committee (c) the qualifications, knowledge, skills or experience of each member of the audit committee (d) information about each member's attendance at meetings of the audit committee (e) the remuneration of each member of the audit committee.	3.2, 4.0	40, 78
17BE(ta)	Information about executive remuneration	4.0	76

acara

AUSTRALIAN CURRICULUM,
ASSESSMENT AND
REPORTING AUTHORITY