Office of the Board of Studies

AUDIT OPINION

The audit of the Office's financial statements for the year ended 30 June 2010 resulted in an unqualified Independent Auditor's Report.

OTHER INFORMATION

Human Resources

This year I reviewed the following areas relating to human resources:

- management of annual leave balances in excess of threshold policies
- extent of overtime.

Annual Leave Balances

The Office has actively managed employees with excessive annual leave balances in recent years. The number of employees with annual leave balances in excess of 40 days has declined from 29 employees at 30 June 2009 to 24 employees at 30 June 2010. At 30 June 2010 employees in this category represent 9.8 per cent (11.0 per cent at 30 June 2009) of total employees.

Overtime

Overtime payments in 2009-10 totalled $700,000 ($600,000) or 3.7 per cent (3.3 per cent) of base salary expense for the year. For two employees, overtime was more than 50.0 per cent of their base salary while 14 employees earned 20.0 per cent or more of their base salary in overtime.

The Office advised this is due to the combined impact of the annual examination program requirement for after-hours, usually weekend work at peak periods and the impact of the staffing freeze.

Australian Curriculum

In 2009-10, the Office continued to support the work of the Australian Curriculum, Assessment and Reporting Authority (ACARA) and has worked collaboratively with all States and Territories, and the education sectors in NSW to develop an Australian curriculum. NSW Treasury has provided an initial allocation of $6.0 million over two years to support the development and implementation of the Australian curriculum.

Subject to Federal, State and Territory Ministers of Education endorsement, ACARA advises substantial implementation of phase 1 subjects (English, Mathematics, Science and History) is expected by the end of 2013 for Kindergarten to Year 10.

FINANCIAL INFORMATION

Abridged Statement of Comprehensive Income

Year ended 30 June	2010 $'000	2009 $'000
Employee Related expenses	***80,686***	80,208
Other operating expenses	***23,957***	23,781
Depreciation and amortisation	***1,930***	1,954
TOTAL EXPENSES	***106,573***	105,943
Sales of goods and services	***7,718***	6,209
Grant and contributions	***937***	955
Other	***551***	488
TOTAL REVENUES	***9,206***	7,652
Loss on Disposal	***(1)***	(43)
NET COST OF SERVICES	***97,368***	98,334
Government contributions	***97,666***	98,351
SURPLUS	***298***	17
OTHER COMPREHENSIVE INCOME	***--***	--
TOTAL COMPREHENSIVE INCOME	***298***	17

The increase in sales of goods and services is primarily due to a bi-annual receipt of copyright fees from Copyright Agency Limited. There was also a general rise in fees for examinations.

Abridged Statement of Financial Position

At 30 June	2010 $'000	2009 $'000
Current assets	***7,699***	6,873
Non-current assets	***7,499***	8,141
TOTAL ASSETS	***15,198***	15,014
Current liabilities	***5,595***	5,710
Non-current liabilities	***248***	247
TOTAL LIABILITIES	***5,843***	5,957
NET ASSETS	***9,355***	9,057

Current assets increased due to a rise in cash and cash equivalents offset by a decrease in receivables and inventories.

Abridged Service Group Information

Office of the Board of Studies net cost of services on a service group basis is detailed below:

Year ended 30 June	Net Cost of Services			Net Assets	
	2010 Budget * $'000	2010 Actual $'000	2009 Actual $'000	2010 Actual $'000	2009 Actual $'000
Curriculum Development and Support	***9,128***	***7,736***	8,322	***766***	1,251
Examinations Assessments and Credentialing	***87,733***	***86,448***	86,755	***3,811***	4,376
Registration and Accreditation	***3,588***	***3,361***	3,513	***(200)***	(127)
Not Attributable **	***0***	***(177)***	(256)	***4,978***	3,557
Total all service groups	***100,449***	***97,368***	98,334	***9,355***	9,057

* Per the New South Wales 2009-10 Budget Papers
** Represents items that could not be reliably allocated to a 'service group'

OFFICE ACTIVITIES

The Office is responsible for developing and delivering professional and administrative services to the Minister for Education and Training, the Board of Studies and its committees. This includes developing and supporting New South Wales curriculum, registering and accrediting non-government schools, registering home schooling, and assessing and examining students for the New South Wales School Certificate and Higher School Certificate (HSC). The Office carries out functions delegated to it by the Board of Studies, including employing staff to run the HSC. The Office bears the cost of carrying out those functions and does not charge the Board for those services.

The Office also includes the Australian Music Examinations Board (NSW) and the Aboriginal Education Consultative Group. The Office is a department under the *Public Sector Employment and Management Act 2002*.

For further information on the Office of the Board of Studies, refer to www.boardofstudies.nsw.edu.au.