

**AUSTRALIAN INSTITUTE FOR
TEACHING AND SCHOOL
LEADERSHIP**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL LEADERSHIP

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AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL LEADERSHIP

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Institute for Teaching and School Leadership (AITSL) commenced operations on 1 January 2010. AITSL is a public company limited by guarantee under the *Corporations Act 2001* and is subject to the *Public Governance, Performance and Accountability Act 2013*. The Minister for Education and Training is the owner and sole member of the company. AITSL operates under its own constitution, with priorities set through letters from the Minister from time to time. Its primary purpose is to promote excellence in the profession of teaching and school leadership.

The eleven-member Board, appointed by the Minister for Education and Training, includes a Chair and Deputy Chair and nine further Directors nominated by the Australian Government for their educational expertise.

AITSL plays a key role in leading significant national educational reform so that teachers and school leaders have the maximum impact on student learning in all Australian schools.

AITSL's policy direction and work priorities give particular attention to three key areas: Initial Teacher Education; School Leadership; and Quality Teaching.

The Teacher Education Ministerial Advisory Group reported to the Australian Government early in 2015. The Government response set out a major role for AITSL in actioning the recommendations accepted by Government, which remains a focus for the final year of work in 2018-19.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome 1' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: AITSL resource statement — Budget estimates for 2018–19 as at Budget May 2018

	<i>2017–18 Estimated actual \$'000</i>	2018–19 Estimate \$ 000
Opening balance/cash reserves at 1 July	4,235	4,267
Funds from Government		
Amounts received from related entities		
Amounts from portfolio department (a)	12,661	11,761
Total amounts received from related entities	12,661	11,761
Total funds from Government	12,661	11,761
Funds from other sources		
Interest	60	60
Sale of goods and services	2,472	2,756
Other	104	108
Total funds from other sources	2,636	2,924
Total net resourcing for AITSL	19,532	18,952
	<i>2017–18</i>	2018–19
Average staffing level (number)	64	66

Prepared on a resourcing (i.e. appropriations available) basis.

Note: All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

(a) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that corporate entity (for example, a grant awarded to a corporate entity from one of its portfolio department's administered programs).

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide an entity's complete performance story.

The most recent corporate plan for AITSL can be found at: www.aitsl.edu.au

The most recent performance reporting for AITSL can be found in the Annual Report at: www.aitsl.edu.au

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Enhance the quality of teaching and school leadership through developing standards, recognising teaching excellence, providing professional development opportunities, and supporting the teaching profession.

Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: Enhance the quality of teaching and school leadership through developing standards, recognising teaching excellence, providing professional development opportunities and supporting the teaching profession.

	2017–18 Estimated actual \$ 000	2018–19 Budget \$ 000	2019–20 Forward estimate \$ 000	2020–21 Forward estimate \$ 000	2021–22 Forward estimate \$ 000
Program 1.1: Assistance for Quality Teaching and Learning					
Revenue from Government					
Payment from related entities	12,661	11,761	7,823	7,886	7,950
Revenues from other independent sources	2,636	2,924	2,591	2,610	1,410
Total expenses for Program 1.1	15,297	14,685	10,414	10,496	9,360
Outcome 1 totals by resource type					
Revenue from Government					
Payment from related entities	12,661	11,761	7,823	7,886	7,950
Revenues from other independent sources	2,636	2,924	2,591	2,610	1,410
Total expenses for Outcome 1	15,297	14,685	10,414	10,496	9,360
	2017–18	2018–19			
Average staffing level (number)	64	66			

Performance criteria for Outcome 1

This section details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018-19 Budget measures have created new programs or materially changed existing programs.

Outcome 1: Enhance the quality of teaching and school leadership through developing standards, recognising teaching excellence, providing professional development opportunities, and supporting the teaching profession.

Program 1.1 – Assistance for Quality Teaching and Learning

Objective	This program enables AITSL to work collaboratively with the eight state and territory education departments and their Ministers, the Catholic and independent school sectors, teacher educators, teacher regulatory authorities, teacher unions, professional and community organisations and teachers and principals throughout Australia to strengthen the profession.
Delivery	The program includes a range of targeted initiatives which lead, shape and complement the work of other education agencies, to enhance the quality of initial teacher education, teaching and school leadership.
Purposes	<p>AITSL Corporate Plan 2017–2018</p> <p>AITSL plays a key role in leading significant educational reform across Australian governments, and its work program is set in accordance with directions received from the Minister for Education and Training. Our key areas of focus include:</p> <ul style="list-style-type: none"> • Placing impact of initial teacher education, teaching and leadership at the centre of our work. • Building, enhancing and sustaining effective teaching and leadership at every level. • Advocating for quality and rigour in the design and implementation of national policies, tools and resources. • Supporting the professional education community to make evidence-based decisions. • Affirming the status of the profession.

Performance information 1.1 – Assistance for Quality Teaching and Learning

Year	Performance criteria	Expected achievement
2017–18	AITSL continues to promote excellence in the profession of teaching and school leadership.	<p>Initial Teacher Education (ITE) Programs in Australia</p> <p>Implemented relevant elements of the Government response to the recommendations of TEMAG including monitoring and maintaining the agreed strengthened approach to the Accreditation of Initial Teacher Education programs and implementing National Initial Teacher Education and Teacher Workforce Data Strategy.</p> <p>Australian Professional Standards for Teachers</p> <p>Developed standards and support materials/research, including for Australian Teacher Performance and Development Framework and the Australian Charter for the Professional Learning of Teachers and School Leaders, certification of Highly Accomplished and Lead teachers and teacher registration, promulgated effectively.</p>

Year	Performance criteria	Targets
2018–19 and beyond	As per 2017–18	<p>Initial Teacher Education (ITE) Programs in Australia</p> <p>Continue to implement relevant elements of the Government response to the recommendations of TEMAG including monitoring and maintaining the agreed strengthened approach to the Accreditation of Initial Teacher Education programs and implementing Australian Teacher Workforce Data Strategy.</p> <p>Australian Professional Standards for Teachers</p> <p>Standards and support materials/research, including for Australian Teacher Performance and Development Framework and the Australian Charter for the Professional Learning of Teachers and School Leaders, certification of Highly Accomplished and Lead teachers and teacher registration, promulgated effectively and a national review of teacher registration.</p> <p>Australian Professional Standard for Principals</p> <p>Standard and support materials/ research, including Leadership Development Guidelines and Principal Profiles, promulgated effectively. Development of a process for pre-appointment certification of principals.</p> <p>Assessment for Migration</p> <p>The role of assessing authority under the Migration Regulations 1994 for the purpose of skilled migration to Australia, or special education school teacher successfully fulfilled.</p>

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

There are no material variances between the entity resources table and the budgeted financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

In November 2015 the Department of Education and Training agreed to a funding arrangement for the three year period 2015–16 to 2017–18. The agreement provided committed funding of \$35.8 million for the three years, including \$12.7 million to enable AITSL to implement the government’s response to the recommendation of the Teacher Education Ministerial Advisory Group (TEMAG). The TEMAG funding was in addition to AITSL’s core funding. In February 2017, the Department of Education and Training agreed to provide additional funding of \$11.46 million to enable AITSL to continue to pursue its work through the 2018–19 year.

In February 2018 the Department of Education and Training agreed to provide further funding of \$0.6 million to enable AITSL to deliver Australian guidelines for school leadership development and \$0.5 million to enable AITSL to undertake a national review of teacher registration. Funding of \$0.8 million was provided in the year ending 30 June 2018 and \$0.3 million will be provided in the year ending 30 June 2019.

The funding for the 2018–19 budget year will be \$11.761 million, a slight decrease from the 2017–18 year of \$12.661 million. In the same year the income from Overseas Skills Assessment is estimated to be \$1.2 million. Income for AITSL to create a national data platform for the teaching workforce is budgeted to be \$1.4 million and income earned for other services provided to third parties is estimated to be \$0.2 million.

AITSL is budgeting for a break even result in the financial year 2017–18. The budget for the 2018–19 financial year is a break even result.

The net asset position of \$4.7 million as at 30 June 2017 is expected to be unchanged at 30 June 2018. Total assets at 30 June 2018 are estimated to be \$6.3 million, comprising \$5.8 million of financial assets and \$0.5 million of non-financial assets.

Total liabilities at 30 June 2018 are estimated to be \$1.6 million of which \$0.6 million will be accrued employee entitlements, \$0.7 million being supplier payables and \$0.3 million of other provisions.

AITSL Budget Statements

Additional funding of \$7.823 million for 2019–20, \$7.886 million for 2020–21 and \$7.950 million for 2021–22 is provided to AITSL predominantly for operational purposes and continued implementation of national frameworks. It does not include funding for any future work which may be directed by the Minister for Education and Training.

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2017–18 Estimated actual \$ 000	2018–19 Budget \$ 000	2019–20 Forward estimate \$ 000	2020–21 Forward estimate \$ 000	2021–22 Forward estimate \$ 000
EXPENSES					
Employee benefits	7,335	7,930	8,088	8,250	8,168
Suppliers	7,653	6,407	2,176	2,125	1,167
Depreciation and amortisation	309	348	150	121	25
Total expenses	15,297	14,685	10,414	10,496	9,360
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	2,472	2,756	2,531	2,550	1,350
Fees and fines					
Interest	60	60	60	60	60
Rental income	104	108	-	-	-
Other	12,661	11,761	7,823	7,886	7,950
Total own-source revenue	15,297	14,685	10,414	10,496	9,360
Total own-source income	15,297	14,685	10,414	10,496	9,360
Net (cost of)/contribution by services	-	-	-	-	-
Revenue from Government					
Surplus/(deficit) attributable to the Australian Government	-	-	-	-	-
OTHER COMPREHENSIVE INCOME					
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss)	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2017–18 Estimated actual \$ 000	2018–19 Budget \$ 000	2019–20 Forward estimate \$ 000	2020–21 Forward estimate \$ 000	2021–22 Forward estimate \$ 000
ASSETS					
Financial assets					
Cash and cash equivalents	4,267	4,466	4,029	4,161	4,137
Trade and other receivables	235	238	138	136	116
Other financial assets	1,316	1,316	1,316	1,316	1,316
Total financial assets	5,818	6,020	5,483	5,613	5,569
Non-financial assets					
Property, plant and equipment	506	183	83	12	12
Intangibles	-	125	75	25	-
Total non-financial assets	506	308	158	37	12
Assets held for sale					
Total assets	6,324	6,328	5,641	5,650	5,581
LIABILITIES					
Payables					
Suppliers	658	560	190	185	102
Total payables	658	560	190	185	102
Provisions					
Employee provisions	640	742	756	770	784
Other provisions	331	331	-	-	-
Total provisions	971	1,073	756	770	784
Total liabilities	1,629	1,633	946	955	886
Net assets	4,695	4,695	4,695	4,695	4,695
EQUITY*					
Parent entity interest					
Retained surplus (accumulated deficit)	4,695	4,695	4,695	4,695	4,695
Total parent entity interest	4,695	4,695	4,695	4,695	4,695
Total equity	4,695	4,695	4,695	4,695	4,695

* Equity is the residual interest in assets after the deduction of liabilities.
Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2018–19)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Opening balance as at 1 July 2018					
Balance carried forward from previous period	4,695	-	-	-	4,695
Adjusted opening balance	4,695	-	-	-	4,695
Comprehensive income					
Surplus/(deficit) for the period	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Estimated closing balance as at 30 June 2019	4,695	-	-	-	4,695
Less: non-controlling interests	-	-	-	-	-
Closing balance attributable to the Australian Government	4,695	-	-	-	4,695

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2017–18 Estimated actual \$ 000	2018–19 Budget \$ 000	2019–20 Forward estimate \$ 000	2020–21 Forward estimate \$ 000	2021–22 Forward estimate \$ 000
OPERATING ACTIVITIES					
Cash received					
Grants received	13,927	12,937	8,605	8,675	8,745
Sale of goods and rendering of services	2,622	2,912	2,667	2,690	1,368
Interest	60	60	60	60	60
Other	114	119	-	-	-
Total cash received	16,723	16,028	11,332	11,425	10,173
Cash used					
Employees	7,290	7,826	8,074	8,236	8,154
Suppliers	8,687	7,120	2,982	2,330	1,340
Net GST paid	657	733	713	727	703
Total cash used	16,634	15,679	11,769	11,293	10,197
Net cash from/(used by) operating activities	89	349	(437)	132	(24)
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	3	-	-	-	-
Total cash received	3	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	60	150	-	-	-
Total cash used	60	150	-	-	-
Net cash from/(used by) investing activities	(57)	(150)	-	-	-
Net increase/(decrease) in cash held	32	199	(437)	132	(24)
Cash and cash equivalents at the beginning of the reporting period	4,235	4,267	4,466	4,029	4,161
Cash and cash equivalents at the end of the reporting period	4,267	4,466	4,029	4,161	4,137

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

AITSL does not have a departmental capital budget therefore Table 3.5 is not presented.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Other property, plant and equipment \$ 000	Heritage and cultural \$ 000	Computer software and intangibles \$ 000	Total \$ 000
As at 1 July 2018				
Gross book value	1,837	12	-	1,849
Accumulated depreciation/ amortisation and impairment	(1,343)	-	-	(1,343)
Opening net book balance	494	12	-	506
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	-	-	150	150
Total additions	-	-	150	150
Other movements				
Depreciation/amortisation expense	(323)	-	(25)	(348)
Total other movements	(323)	-	(25)	(348)
As at 30 June 2019				
Gross book value	1,837	12	150	1,999
Accumulated depreciation/ amortisation and impairment	(1,666)	-	(25)	(1,691)
Closing net book balance	171	12	125	308

Prepared on Australian Accounting Standards basis.

Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

AITSL has no income and expenses administered on behalf of Government therefore Table 3.7 is not presented.

Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

AITSL has no assets and liabilities administered on behalf of Government therefore Table 3.8 is not presented.

Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

AITSL has no administered cash flows therefore Table 3.9 is not presented.

Table 3.10: Administered capital budget statement (for the period ended 30 June)

AITSL has no administered capital budget therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2018–19)

AITSL has no administered asset movements therefore Table 3.11 is not presented.