

**AUSTRALIAN INSTITUTE FOR  
TEACHING AND SCHOOL  
LEADERSHIP**

**ENTITY RESOURCES AND PLANNED  
PERFORMANCE**



# AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL LEADERSHIP

<b>SECTION 1: ENTITY OVERVIEW AND RESOURCES .....</b>	<b>96</b>
1.1 Strategic direction statement.....	96
1.2 Entity resource statement.....	97
<b>SECTION 2: OUTCOMES AND PLANNED PERFORMANCE .....</b>	<b>98</b>
2.1 Budgeted expenses and performance for Outcome 1 .....	99
<b>SECTION 3: BUDGETED FINANCIAL STATEMENTS.....</b>	<b>102</b>
3.1 Budgeted financial statements .....	102
3.2 Budgeted financial statements tables .....	103

# 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 is the owner and sole member of the company. AITSL operates under its own constitution, with priorities set through instruction from the Minister. 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, 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; Quality Teaching; and School Leadership.

## 1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to AITSL 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 AITSL'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 2019–20 as at Budget April 2019**

	<i>2018–19 Estimated actual \$'000</i>	2019–20 Estimate \$'000
<b>Opening balance/cash reserves at 1 July</b>	<b>5,979</b>	<b>3,376</b>
<b>Funds from Government</b>		
Amounts received from related entities		
Amounts from portfolio department (a)	17,747	13,644
Total amounts received from related entities	17,747	13,644
<b>Total funds from Government</b>	<b>17,747</b>	<b>13,644</b>
<b>Funds from other sources</b>		
Interest	75	230
Sale of goods and services	2,666	2,475
Other	100	-
<b>Total funds from other sources</b>	<b>2,841</b>	<b>2,705</b>
<b>Total net resourcing for AITSL</b>	<b>26,567</b>	<b>19,725</b>
	<i>2018–19</i>	2019–20
<b>Average staffing level (number)</b>	<b>72</b>	<b>69</b>

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](http://www.aitsl.edu.au)

The most recent performance reporting for AITSL can be found in the Annual Report at: [www.aitsl.edu.au](http://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 AITSL 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**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>Program 1.1: Assistance for Quality Teaching and Learning</b>					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	-	-	-	-	-
Payment from related entities	13,725	15,618	16,482	12,723	-
Revenues from other independent sources	2,795	2,706	2,680	1,460	-
<b>Total expenses for Program 1.1</b>	<b>16,520</b>	<b>18,324</b>	<b>19,162</b>	<b>14,183</b>	-
<b>Outcome 1 totals by resource type</b>					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	-	-	-	-	-
Payment from related entities	13,725	15,618	16,482	12,723	-
Revenues from other independent sources	2,795	2,706	2,680	1,460	-
<b>Total expenses for Outcome 1</b>	<b>16,520</b>	<b>18,324</b>	<b>19,162</b>	<b>14,183</b>	-
	2018–19	2019–20			
<b>Average staffing level (number)</b>	72	69			

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

### 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 2019-20 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 School Learning

<b>Objective</b>	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.
<b>Delivery</b>	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.
<b>Purposes</b>	AITSL plays a key role in leading significant national educational reform for the Australian, state and territory governments to promote excellence in initial teacher education, teaching and school leadership to achieve maximum impact on student learning in all Australian schools.

#### Performance information 1.1 – Assistance for Quality Teaching and Learning

Year	Performance criteria	Expected achievement
2018–19	AITSL continues to promote excellence in the profession of teaching and school leadership.	<p><b>Initial Teacher Education (ITE) Programs in Australia–On Track</b></p> <p>Implemented relevant elements of the Government response to the recommendations of Teacher Education Ministerial Advisory Group (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><b>Australian Professional Standard for Principals–On Track</b></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><b>Assessment for Migration–On Track</b></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>



Year	Performance criteria	Targets
2019–20	As per 2018–19	<p><b>Initial Teacher Education Programs in Australia</b></p> <p>Implement Education Council decisions on national quality assurance, consistency and transparency of initial teacher education.</p> <p>Monitor and evaluate the implementation of the strengthened approach to the Accreditation of Initial Teacher Education programs and implement the Australian Teacher Workforce Data collection.</p> <p><b>Quality Teaching</b></p> <p>Improve access to high quality professional learning aligned to the <i>Australian Professional Standards for Teachers</i> (Teacher Standards).</p> <p>Improve consistency in the implementation of the national teacher registration framework and Teacher Standards.</p> <p>Support and promote the National Certification of Highly Accomplished and Lead Teachers.</p> <p>Evaluate teacher effectiveness.</p> <p><b>School Leadership</b></p> <p>Support improvements to the quality of preparation and professional learning of school leaders aligned to the <i>Australian Professional Standard for Principals</i>, and promote access to key tools and resources.</p> <p><b>Undertake and engage with national and international research and innovation developments in best practice</b></p> <p>Strengthen the evidence base for AITSL's work through enhanced research and involvement with national and international agencies and experts.</p> <p><b>Assessment for Migration</b></p> <p>Perform 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>
2020–21 and beyond	As per 2019–20.	As per 2019–20.

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of AITSL finances for the 2019–20 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 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. 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 December 2018 the Department agreed to provide further funds of \$0.54 million for expanded work in cultural competency and professional learning.

In February 2019 the Department of Education and Training provided AITSL with a funding agreement of \$44.896 million for the financial years 2018–19 to 2021–22. The purpose of the funding is to enable AITSL to continue to pursue its objectives in teaching and school leadership.

The funding for the 2019–20 budget year will be \$13.644 million. The comparative funding in the 2018–19 year will be \$17.747 million. In the 2019–20 year the income from Overseas Skills Assessment is estimated to be \$1.1 million. Income for AITSL to create a national data platform for the teaching workforce is budgeted to be \$1.2 million and income for other services provided to third parties is estimated to be \$0.2 million.

AITSL is budgeting for a surplus of \$4.0 million in the financial year 2018–19. The surplus will arise as a result of revenue recognised in regard to work and expenses that will be incurred in subsequent years. The budgeted result for the 2019–20 financial year is a deficit of \$2.0 million.

The net asset position of \$6.3 million as at 30 June 2018 is expected to increase to \$10.3 million at 30 June 2019. Total assets at 30 June 2019 are estimated to be \$12.4 million, comprising \$11.5 million of financial assets and \$0.9 million of non-financial assets.

Total liabilities at 30 June 2019 are estimated to be \$2.1 million, of which \$0.8 million will be accrued employee provisions, \$1.0 million being supplier payables and \$0.3 million of other provisions.

### 3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	8,559	10,215	10,470	7,756	-
Suppliers	7,758	7,801	8,405	6,172	-
Depreciation and amortisation	203	308	287	255	-
<b>Total expenses</b>	<b>16,520</b>	<b>18,324</b>	<b>19,162</b>	<b>14,183</b>	<b>-</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	2,666	2,476	2,530	1,360	-
Interest	75	230	150	100	-
Rental income	54	-	-	-	-
Other	17,747	13,644	12,782	12,723	-
<b>Total own-source revenue</b>	<b>20,542</b>	<b>16,350</b>	<b>15,462</b>	<b>14,183</b>	<b>-</b>
<b>Total own-source income</b>	<b>20,542</b>	<b>16,350</b>	<b>15,462</b>	<b>14,183</b>	<b>-</b>
<b>Net (cost of)/contribution by services</b>	<b>4,022</b>	<b>(1,974)</b>	<b>(3,700)</b>	<b>-</b>	<b>-</b>
Revenue from Government					
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>4,022</b>	<b>(1,974)</b>	<b>(3,700)</b>	<b>-</b>	<b>-</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation surplus	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss)</b>	<b>4,022</b>	<b>(1,974)</b>	<b>(3,700)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>4,022</b>	<b>(1,974)</b>	<b>(3,700)</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

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

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	3,376	3,744	3,526	3,343	-
Trade and other receivables	149	152	160	139	-
Other investments	7,987	6,000	3,000	3,000	-
<b>Total financial assets</b>	<b>11,512</b>	<b>9,896</b>	<b>6,686</b>	<b>6,482</b>	-
<b>Non-financial assets</b>					
Property, plant and equipment	783	678	446	221	-
Intangibles	138	85	31	-	-
<b>Total non-financial assets</b>	<b>921</b>	<b>763</b>	<b>477</b>	<b>221</b>	-
<b>Total assets</b>	<b>12,433</b>	<b>10,659</b>	<b>7,163</b>	<b>6,703</b>	-
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	974	1,045	1,158	895	-
<b>Total payables</b>	<b>974</b>	<b>1,045</b>	<b>1,158</b>	<b>895</b>	-
<b>Total interest bearing liabilities</b>	-	-	-	-	-
<b>Provisions</b>					
Employee provisions	793	923	1,013	816	-
Other provisions	344	344	344	344	-
<b>Total provisions</b>	<b>1,137</b>	<b>1,267</b>	<b>1,357</b>	<b>1,160</b>	-
<b>Total liabilities</b>	<b>2,111</b>	<b>2,312</b>	<b>2,515</b>	<b>2,055</b>	-
<b>Net assets</b>	<b>10,322</b>	<b>8,347</b>	<b>4,648</b>	<b>4,648</b>	-
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	-	-	-	-	-
Retained surplus (accumulated deficit)	10,322	8,348	4,648	4,648	-
<b>Total parent entity interest</b>	<b>10,322</b>	<b>8,348</b>	<b>4,648</b>	<b>4,648</b>	-
<b>Total non-controlling interest</b>	-	-	-	-	-
<b>Total equity</b>	<b>10,322</b>	<b>8,348</b>	<b>4,648</b>	<b>4,648</b>	-

\* 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 2019–20)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2019</b>					
Balance carried forward from previous period	10,322	-	-	-	10,322
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>10,322</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,322</b>
<b>Comprehensive income</b>					
Other comprehensive income	-	-	-	-	-
Surplus/(deficit) for the period	(1,974)	-	-	-	(1,974)
<b>Total comprehensive income</b>	<b>(1,974)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,974)</b>
<b>Estimated closing balance as at 30 June 2020</b>	<b>8,348</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,348</b>
Less: non-controlling interests	-	-	-	-	-
<b>Closing balance attributable to the Australian Government</b>	<b>8,348</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,348</b>

Prepared on Australian Accounting Standards basis.

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

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	-	-	-	-	-
Receipts from Government	17,747	13,644	12,782	12,723	-
Sale of goods and rendering of services	2,824	2,612	2,668	1,378	-
Interest	75	230	150	100	-
Net GST received	639	594	636	604	-
Other	97	-	-	-	-
<b>Total cash received</b>	<b>21,382</b>	<b>17,080</b>	<b>16,236</b>	<b>14,805</b>	<b>-</b>
<b>Cash used</b>					
Employees	8,451	9,993	10,330	7,974	-
Suppliers	8,551	8,556	9,124	7,014	-
<b>Total cash used</b>	<b>17,002</b>	<b>18,549</b>	<b>19,454</b>	<b>14,988</b>	<b>-</b>
<b>Net cash from/(used by) operating activities</b>	<b>4,380</b>	<b>(1,469)</b>	<b>(3,218)</b>	<b>(183)</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Investments	-	1,987	3,000	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>1,987</b>	<b>3,000</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	332	150	-	-	-
Investments	6,651	-	-	-	-
Other	-	-	-	-	-
<b>Total cash used</b>	<b>6,983</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) investing activities</b>	<b>(6,983)</b>	<b>1,837</b>	<b>3,000</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>					
<b>Net cash from/(used by) financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash held</b>	<b>(2,603)</b>	<b>368</b>	<b>(218)</b>	<b>(183)</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	5,979	3,376	3,744	3,526	-
Effect of exchange rate movements on cash and cash equivalents at the beginning of reporting period	-	-	-	-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>3,376</b>	<b>3,744</b>	<b>3,526</b>	<b>3,343</b>	<b>-</b>

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 2019–20)**

	Other property, plant and equipment \$'000	Heritage and cultural \$'000	Computer software and intangibles \$'000	Total \$'000
<b>As at 1 July 2019</b>				
Gross book value	2,105	12	160	2,277
Accumulated depreciation/ amortisation and impairment	(1,334)	-	(22)	(1,356)
<b>Opening net book balance</b>	<b>771</b>	<b>12</b>	<b>138</b>	<b>921</b>
<b>Capital asset additions</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - other	150	-	-	150
<b>Total additions</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>150</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(255)	-	(53)	(308)
<b>Total other movements</b>	<b>(255)</b>	<b>-</b>	<b>(53)</b>	<b>(308)</b>
<b>As at 30 June 2020</b>				
Gross book value	2,255	12	160	2,427
Accumulated depreciation/ amortisation and impairment	(1,589)	-	(75)	(1,664)
<b>Closing net book balance</b>	<b>666</b>	<b>12</b>	<b>85</b>	<b>763</b>

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 2019–20)**

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