

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 sets out a major role for AITSL in actioning the recommendations accepted by Government.

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, refer to Budget Paper No. 4 – Agency Resourcing.

Information in this table is presented on a resourcing (i.e. 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 2016–17 as at Budget May 2016

	<i>2015–16 estimated actual \$'000</i>	2016–17 estimate \$'000
Opening balance/cash reserves at 1 July	4,687	4,687
Funds from Government		
Annual appropriations - ordinary annual services		
Outcome 1	-	-
<i>Total annual appropriations</i>	-	-
Amounts received from related entities		
Amounts from portfolio department ^(a)	11,866	12,061
Amounts from other entities	-	-
<i>Total amounts received from related entities</i>	11,866	12,061
Total funds from Government	11,866	12,061
Funds from other sources		
Interest	60	70
Sale of goods and services	1,377	900
Total funds from other sources	1,437	970
Total net resourcing for agency	17,990	17,718
	<i>2015–16</i>	<i>2016–17</i>
Average staffing level (number)	56	59

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

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

(a) Funding provided by the Department of Education and Training.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. This document identifies the programs which contribute to government outcomes over the Budget and forward years.

The outcome and its related programs are described below. The following tables provide information on outcomes and programs by funding source.

From 1 July 2015, performance reporting requirements in the Portfolio Budget Statements sit alongside those required under the enhanced Commonwealth Performance Framework. The performance criteria described in these Portfolio Budget Statements should be read with broader information provided in AITSL's corporate plan and annual reports to provide the complete performance story.

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

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					
	2015–16 Estimated actual \$'000	2016–17 Budget \$'000	2017–18 Forward estimate \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000
Program 1.1: Assistance for Quality Teaching and Learning					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)					
Payment from related entities	11,866	12,061	11,861	-	-
Revenues from other independent sources	1,437	970	900	-	-
Total expenses for Program 1.1	13,303	13,031	12,761	-	-
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)					
Payment from related entities	11,866	12,061	11,861	-	-
Revenues from other independent sources	1,437	970	900	-	-
Total expenses for Outcome 1	13,303	13,031	12,761	-	-
Average staffing level (number)					
	2015–16	2016–17			
	56	59			

Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2016–17 Budget measures have created new programs or materially changed existing programs.

Table 2.1.2: Performance criteria 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		
Program 1.1 – Assistance for Quality Teaching and Learning. 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.	
Performance information		
Year	Performance criteria	Targets
2015–16	AITSL continues to promote excellence in the profession of teaching and school leadership AITSL expected to achieve all targets	<p>Initial Teacher Education (ITE) Programs in Australia</p> <ul style="list-style-type: none"> strengthened ITE accreditation standards and procedures agreed and implementation arrangements in place in line with the Government response to the recommendations of TEMAG <p>Australian Professional Standard for Principals</p> <ul style="list-style-type: none"> Standard and support materials/research promulgated effectively <p>Australian Professional Standards for Teachers</p> <ul style="list-style-type: none"> 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, promulgated effectively <p>Assessment for Migration</p> <ul style="list-style-type: none"> the role of assessing authority under the Migration Regulations 1994 for the purposes of skilled migration to Australia as a pre-primary, primary or secondary, or special education school teacher successfully fulfilled <p>Undertaking and engaging with national and international research and innovative developments in best practice</p> <ul style="list-style-type: none"> evidence base for AITSL’s work enhanced by research, involvement with national and international agencies and experts <p>Implementation of measures to ensure high standards of corporate governance</p> <ul style="list-style-type: none"> effective board governance arrangements maintained audit, risk management and financial advisory structures operating with transparency and rigour

AITSL Budget Statements

Performance information		
Year	Performance criteria	Targets
2016–17	AITSL continues to promote excellence in the profession of teaching and school leadership.	<p>Initial Teacher Education (ITE) Programs in Australia</p> <ul style="list-style-type: none"> 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 <p>Australian Professional Standard for Principals</p> <ul style="list-style-type: none"> Standard and support materials/research promulgated effectively as per 2015–16 <p>Australian Professional Standards for Teachers</p> <ul style="list-style-type: none"> 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, promulgated effectively <p>Assessment for Migration</p> <ul style="list-style-type: none"> the role of assessing authority under the Migration Regulations 1994 for the purposes of skilled migration to Australia as a pre-primary, primary or secondary, or special education school teacher successfully fulfilled <p>Undertaking and engaging with national and international research and innovative developments in best practice</p> <ul style="list-style-type: none"> evidence base for AITSL's work enhanced by research, involvement with national and international agencies and experts <p>Implementation of measures to ensure high standards of corporate governance</p> <ul style="list-style-type: none"> effective board governance arrangements maintained audit, risk management and financial advisory structures operating with transparency and rigour
2017–18	AITSL continues to promote excellence in the profession of teaching and school leadership.	<p>Initial Teacher Education (ITE) Programs in Australia</p> <ul style="list-style-type: none"> 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 <p>Australian Professional Standard for Principals</p> <ul style="list-style-type: none"> Standard and support materials/research promulgated effectively <p>Australian Professional Standards for Teachers</p> <ul style="list-style-type: none"> 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, promulgated effectively

Performance information		
Year	Performance criteria	Targets
		<p>Assessment for Migration</p> <ul style="list-style-type: none"> the role of assessing authority under the Migration Regulations 1994 for the purposes of skilled migration to Australia as a pre-primary, primary or secondary, or special education school teacher successfully fulfilled <p>Undertaking and engaging with national and international research and innovative developments in best practice</p> <ul style="list-style-type: none"> evidence base for AITSL's work enhanced by research, involvement with national and international agencies and experts <p>Implementation of measures to ensure high standards of corporate governance</p> <ul style="list-style-type: none"> effective board governance arrangements maintained audit, risk management and financial advisory structures operating with transparency and rigour
Purposes	AITSL plays a key role in leading national educational reform for the Commonwealth, 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.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of AITSL's finances for the 2016-17 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 differences between the agency resourcing table 1.1 and 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 provides committed funding of \$35.8 million for the three years. The funding includes \$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 is in addition to AITSL's core funding and was commenced in the 2015-16 year.

The funding for the 2016-17 budget year will be \$12.061 million, a slight increase from the 2015-16 year of \$11.866 million. In the same year the income from Overseas Skills Assessment is estimated to be \$0.7 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 2015-16. The budget for the 2016-17 financial year is a break even result.

The net asset position of \$4.7 million as at 30 June 2015 is expected to be unchanged at 30 June 2016. Total assets at 30 June 2016 are estimated to be \$7.6 million, comprising \$6.7 million of financial assets and \$0.9 million of non-financial assets.

Total liabilities at 30 June 2016 are estimated to be \$2.9 million of which \$0.7 million will be accrued employee entitlements, \$1.6 million being supplier payables and \$0.6 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

	2015–16 Estimated actual \$'000	2016–17 Budget \$'000	2017–18 Forward estimate \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000
EXPENSES					
Employee benefits	6,605	7,133	7,276	-	-
Suppliers	6,498	5,773	5,380	-	-
Depreciation and amortisation	200	125	105	-	-
Total expenses	13,303	13,031	12,761	-	-
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	1,377	900	800	-	-
Interest	60	70	100	-	-
Other	11,866	12,061	11,861	-	-
Total own-source revenue	13,303	13,031	12,761	-	-
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	13,303	13,031	12,761	-	-
Net (cost of)/contribution by services	-	-	-	-	-
Revenue from Government	-	-	-	-	-
Surplus/(deficit) attributable to the Australian Government	-	-	-	-	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	-	-	-	-	-
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)

	2015–16 Estimated actual \$'000	2016–17 Budget \$'000	2017–18 Forward estimate \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,953	2,203	2,272	-	-
Trade and other receivables	3,460	3,447	3,392	-	-
Other investments	1,316	1,316	1,316	-	-
Other financial assets	-	-	-	-	-
Total financial assets	6,729	6,966	6,980	-	-
Non-financial assets					
Land and buildings	-	-	-	-	-
Property, plant and equipment	888	763	658	-	-
Other non-financial assets	-	-	-	-	-
Total non-financial assets	888	763	658	-	-
Assets held for sale					
Total assets	7,617	7,729	7,638	-	-
LIABILITIES					
Payables					
Suppliers	1,637	1,670	1,530	-	-
Other payables	-	-	-	-	-
Total payables	1,637	1,670	1,530	-	-
Interest bearing liabilities					
Other interest bearing liabilities	-	-	-	-	-
Total interest bearing liabilities	-	-	-	-	-
Provisions					
Employee provisions	652	746	810	-	-
Other provisions	641	626	611	-	-
Total provisions	1,293	1,372	1,421	-	-
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities	2,930	3,042	2,951	-	-
Net assets	4,687	4,687	4,687	-	-
EQUITY*					
Parent entity interest					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surplus (accumulated deficit)	4,687	4,687	4,687	-	-
Total parent entity interest	4,687	4,687	4,687	-	-
Attributed to non-controlling interest					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surplus (accumulated deficit)	-	-	-	-	-
Total non-controlling interest	-	-	-	-	-
Total equity	4,687	4,687	4,687	-	-

* 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 2016–17)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2016					
Balance carried forward from previous period	4,687	-	-	-	4,687
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	4,687	-	-	-	4,687
Comprehensive income					
Other comprehensive income	-	-	-	-	-
Surplus/(deficit) for the period	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
of which:					
Attributable to the Australian Government	-	-	-	-	-
Transactions with owners					
Distributions to owners					
Other	-	-	-	-	-
Contributions by owners					
Other	-	-	-	-	-
Sub-total transactions with owners	-	-	-	-	-
Transfers between equity					
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2017	4,687	-	-	-	4,687
Closing balance attributable to the Australian Government	4,687	-	-	-	4,687

Prepared on Australian Accounting Standards basis.

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

	2015–16 Estimated actual \$'000	2016–17 Budget \$'000	2017–18 Forward estimate \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations					
Receipts from Government	11,374	12,066	11,911	-	-
Sale of goods and rendering of services	1,377	900	800	-	-
Interest	60	70	100	-	-
Other	-	-	-	-	-
Total cash received	12,811	13,036	12,811	-	-
Cash used					
Employees	6,775	7,046	7,222	-	-
Suppliers	6,535	5,740	5,520	-	-
Other	-	-	-	-	-
Total cash used	13,310	12,786	12,742	-	-
Net cash from/(used by) operating activities	(499)	250	69	-	-
INVESTING ACTIVITIES					
Cash received					
Investments	1,055	-	-	-	-
Other	-	-	-	-	-
Total cash received	1,055	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from/(used by) investing activities	1,055	-	-	-	-
FINANCING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from/(used by) financing activities	-	-	-	-	-
Net increase/(decrease) in cash held	556	250	69	-	-
Cash and cash equivalents at the beginning of the reporting period	1,397	1,953	2,203	-	-
Effect of exchange rate movements on cash and cash equivalents at the beginning of reporting period	-	-	-	-	-
Cash and cash equivalents at the end of the reporting period	1,953	2,203	2,272	-	-

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 2016–17)

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2016						
Gross book value	-	-	1,783	12	-	1,795
depreciation/amortisation and impairment	-	-	(907)	-	-	(907)
Opening net book balance	-	-	876	12	-	888
Capital asset additions						
Estimated expenditure on new or replacement assets	-	-	-	-	-	-
Other movements	-	-	-	-	-	-
Depreciation/amortisation expense	-	-	(125)	-	-	(125)
Other	-	-	-	-	-	-
Total other movements	-	-	(125)	-	-	(125)
As at 30 June 2017						
Gross book value	-	-	1,783	12	-	1,795
Accumulated depreciation/ amortisation and impairment	-	-	(1,032)	-	-	(1,032)
Closing net book balance	-	-	751	12	-	763

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 2016–17)

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