

**AUSTRALIAN INSTITUTE FOR
TEACHING AND SCHOOL
LEADERSHIP**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL LEADERSHIP

SECTION 1: OVERVIEW AND RESOURCES	128
1.1 Strategic direction statement	128
1.2 Entity resource statement	129
SECTION 2: OUTCOMES AND PLANNED PERFORMANCE	130
2.1 Budgeted expenses and performance for Outcome 1	131
SECTION 3: BUDGETED FINANCIAL STATEMENTS	134
3.1 Budgeted financial statements	134
3.2 Budgeted financial statements tables	135

AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL LEADERSHIP

Section 1: 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 (TEMAG) 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 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, while the 'Budgeted expenses by Outcome' table 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 2017–18 as at Budget May 2017

	<i>2016–17 estimated actual \$'000</i>	2017–18 estimate \$'000
Opening balance/cash reserves at 1 July	1,195	983
Funds from Government		
Amounts received from related entities		
Amounts from portfolio department (a)	12,061	11,861
<i>Total amounts received from related entities</i>	<i>12,061</i>	<i>11,861</i>
Total funds from Government	12,061	11,861
Funds from other sources		
Interest	70	70
Sale of goods and services	1,181	1,202
Other	99	104
Total funds from other sources	1,350	1,376
Total net resourcing for AITSL	14,606	14,220
	<i>2016–17</i>	<i>2017–18</i>
Average staffing level (number)	56	56

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 reporting – 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.

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
Program 1.1: Assistance for Quality Teaching and Learning					
Revenue from Government					
Payment from related entities	12,061	11,861	11,461	-	-
Revenues from other independent sources	1,350	1,376	1,400	-	-
Total expenses for Program 1.1	13,411	13,237	12,861	-	-
Outcome 1 totals by resource type					
Revenue from Government					
Payment from related entities	12,061	11,861	11,461	-	-
Revenues from other independent sources	1,350	1,376	1,400	-	-
Total expenses for Outcome 1	13,411	13,237	12,861	-	-
	2016–17	2017–18			
Average staffing level (number)	56	56			

Performance criteria for Outcome 1

This section details the performance criteria for each program associated with Outcome 1. It summarises how each program is delivered and where 2017–18 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	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	Targets
2016–17	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"> 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. <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.

Year	Performance criteria	Targets
		<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, including:</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	As per 2016–17	<p>As per 2016–17</p> <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 and implementing National Initial Teacher Education and Teacher Workforce Data Strategy. <p>Australian Professional Standards for Teachers</p> <ul style="list-style-type: none"> • Standards and support materials/research, including for strengthened guidance material for teacher professional learning, certification of Highly Accomplished and Lead teachers and teacher registration, promulgated effectively.
2018–19 and beyond	As per 2017–18	As per 2017–18

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2017–18 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 commits 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 commenced in 2015–16. 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. The additional funding includes \$3.7 million toward the Government’s response to the recommendations of TEMAG.

The funding for the 2017–18 Budget year will be \$11.861 million, a slight decrease from the 2016–17 year of \$12.061 million. The income from Overseas Skills Assessment is estimated to be \$1.0 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 2016–17. The budget for the 2017–18 financial year is a break even result.

The net asset position of \$4.7 million as at 30 June 2016 is expected to be unchanged at 30 June 2017. Total assets at 30 June 2017 are estimated to be \$6.7 million, comprising \$5.9 million of financial assets and \$0.8 million of non-financial assets.

Total liabilities at 30 June 2017 are estimated to be \$2.0 million of which \$0.6 million will be accrued employee entitlements, \$0.8 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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
EXPENSES					
Employee benefits	7,374	7,801	7,996	-	-
Suppliers	5,892	5,304	4,713	-	-
Depreciation and amortisation	145	132	152	-	-
Total expenses	13,411	13,237	12,861	-	-
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	1,181	1,202	1,222	-	-
Interest	70	70	70	-	-
Rental income	99	104	108	-	-
Other	12,061	11,861	11,461	-	-
Total own-source revenue	13,411	13,237	12,861	-	-
Total own-source income	13,411	13,237	12,861	-	-
Net (cost of)/contribution by services	-	-	-	-	-
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)

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,195	983	1,146	-	-
Trade and other receivables	3,430	3,375	3,265	-	-
Other investments	1,316	1,316	1,316	-	-
Total financial assets	5,941	5,674	5,727	-	-
Non-financial assets					
Land and buildings					
Property, plant and equipment	774	667	565	-	-
Investment property					
Intangibles	-	125	75	-	-
Total non-financial assets	774	792	640	-	-
Assets held for sale					
Total assets	6,715	6,466	6,367	-	-
LIABILITIES					
Payables					
Suppliers	750	500	400	-	-
Total payables	750	500	400	-	-
Provisions					
Employee provisions	648	664	680	-	-
Other provisions	624	609	594	-	-
Total provisions	1,272	1,273	1,274	-	-
Total liabilities	2,022	1,773	1,674	-	-
Net assets	4,693	4,693	4,693	-	-
EQUITY*					
Retained surplus (accumulated deficit)	4,693	4,693	4,693	-	-
Total parent entity interest	4,693	4,693	4,693	-	-
Total equity	4,693	4,693	4,693	-	-

Prepared on Australian Accounting Standards basis.

* Equity is the residual interest in assets after deduction of liabilities.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2017–18)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2017					
Balance carried forward from previous period	4,693	-	-	-	4,693
Adjusted opening balance	4,693	-	-	-	4,693
Comprehensive income					
Other comprehensive income	-	-	-	-	-
Surplus/(deficit) for the period	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Estimated closing balance as at 30 June 2018	4,693	-	-	-	4,693
Less: non-controlling interests	-	-	-	-	-
Closing balance attributable to the Australian Government	4,693	-	-	-	4,693

Prepared on Australian Accounting Standards basis.

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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Grants received	13,272	13,098	12,705	-	-
Sale of goods and rendering of services	1,219	1,222	1,242	-	-
Interest	70	70	70	-	-
Other	109	114	118	-	-
Total cash received	14,670	14,504	14,135	-	-
Cash used					
Employees	7,223	7,779	7,975	-	-
Suppliers	6,779	6,120	5,313	-	-
Net GST paid	631	667	684	-	-
Total cash used	14,633	14,566	13,972	-	-
Net cash from/(used by) operating activities	37	(62)	163	-	-
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	2	-	-	-	-
Total cash received	2	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	19	150	-	-	-
Total cash used	19	150	-	-	-
Net cash from/(used by) investing activities	(17)	(150)	-	-	-
Net increase/(decrease) in cash held	20	(212)	163	-	-
Cash and cash equivalents at the beginning of the reporting period	1,175	1,195	983	-	-
Cash and cash equivalents at the end of the reporting period	1,195	983	1,146	-	-

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 budget therefore Table 3.5 is not presented

Table 3.6: Statement of asset movements (Budget year 2017–18)

	Other property, plant and equipment \$'000	Heritage and cultural \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2017				
Gross book value	1,808	12	-	1,820
Accumulated depreciation/ amortisation and impairment	(1,046)	-	-	(1,046)
Opening net book balance	762	12	-	774
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	-	-	150	150
Total additions	-	-	150	150
Other movements				
Depreciation/amortisation expense	(107)	-	(25)	(132)
Total other movements	(107)	-	(25)	(132)
As at 30 June 2018				
Gross book value	1,808	12	150	1,970
Accumulated depreciation/ amortisation and impairment	(1,153)	-	(25)	(1,178)
Closing net book balance	655	12	125	792

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2016–17, including CDABs.
- (b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2016–17 for depreciation/amortisation expenses, DCBs or other operational expenses.
- (c) Net proceeds may be returned to the OPA.

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.

AITSL Budget Statements

Table 3.11: Statement of administered asset movements (Budget year 2017–18)

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