

AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL LEADERSHIP

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AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL LEADERSHIP LIMITED

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

The Australian Institute for Teaching and School Leadership (AITSL) came into being on 1 January 2010.

AITSL is a public company limited by guarantee under the *Corporations Act 2001* and is subject to the *Commonwealth Authorities and Companies Act 1997*. The Minister for Education is the sole member of the company. AITSL operates under its own constitution, with priorities set by the Ministerial Council for Education, Early Childhood Development and Youth Affairs through a Letter of Expectation dated 14 December 2009 and by the Standing Council on School Education and Early Childhood (SCSEEC) through a Letter of Expectation dated 23 March 2012.

The number of Directors on the Board decreased from 17 to nine from 1 April 2012. Previously, the Board included nominees from jurisdictions, the Australian Government, the Catholic and independent school sectors, teacher unions, professional associations, principals' associations and the Deans of Education.

The current Board, appointed by the Australian Government Minister for School Education, includes a Chair and Deputy Chair nominated by the Australian Government and individuals from the Catholic and independent school sectors, teacher unions, principals' associations, state and territory regulatory authorities and AEEYSOC.

AITSL's primary purpose is to provide national leadership for the Commonwealth, state and territory governments in promoting excellence in the profession of teaching and school leadership.

AITSL has a significant role in delivering the reforms agreed to through the Council of Australian Governments (COAG) National Partnership on Improving Teacher Quality, which targets critical points in the teacher lifecycle to attract, train, place, develop and retain quality teachers and leaders in schools and classrooms.

AITSL has responsibility for rigorous national professional standards and fostering and driving high quality professional development for teachers and school leaders by working collaboratively across jurisdictions and engaging with key professional bodies.

Building on national professional standards for teachers and school leaders, AITSL will pursue reform in the areas of professional learning for teachers and school leaders, teacher registration, accreditation of initial teacher education programs, certification of teachers at the highly accomplished and lead teacher levels and a national teacher performance and development framework, and will administer prestigious national awards for teachers and school leaders.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: Australian Institute for Teaching and School Leadership Resource Statement for 2012-13 as at Budget May 2012

Source	Estimate of prior year amounts available in 2012-13 \$'000	Proposed at Budget = 2012-13 \$'000	Total estimate 2012-13 \$'000	Actual available appropriation 2011-12 \$'000
Opening balance/Reserves at bank	8,511	-	8,511	-
REVENUE FROM GOVERNMENT				
Ordinary annual services¹				
Outcome 1	-	14,000	14,000	-
Total ordinary annual services	8,511	14,000	22,511	-
Other services²				
Non-operating	-	-	-	-
Total other services	-	-	-	-
Total annual appropriations	8,511	14,000	22,511	-
Total funds from Government	8,511	14,000	22,511	-
FUNDS FROM INDUSTRY SOURCES				
FUNDS FROM OTHER SOURCES				
Interest	-	300	300	-
Royalties	-	-	-	-
Sale of goods and services	-	600	600	-
Other	-	0	0	-
Total	-	900	900	-
Total net resourcing for agency	8,511	14,900	23,411	-

All figures are GST exclusive

CRF - Consolidated Revenue Fund

² Appropriation Bill (No.2) 2012-13

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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 agencies achieve the intended results of their outcome statements. Agencies 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, specifying the performance indicators and targets used to assess and monitor the performance of the Australian Institute for Teaching and School Leadership in achieving Government outcomes.

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

Outcome 1 Strategy

AITSL is working with education authorities, teacher unions, professional associations, teachers, principals and teacher educators to strengthen the profession. It will undertake a range of targeted activities, complementing the work of other education agencies, to enhance the quality of teaching and school leadership and to support the professionalism of teachers and school leaders.

Through the strategies adopted to achieve Outcome 1, AITSL is contributing to the objectives of the COAG National Partnership on Improving Teacher Quality leading to improved educational outcomes.

Key strategies in 2012-13 will be to:

- Support the implementation of the national professional standards for teachers.
- Support the implementation of the agreed national approach to accrediting initial teacher education programs.
- Monitor and support the implementation of elements of policy endorsed by Ministers for the nationally consistent registration of teachers, including renewal of registration.

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- Develop, consult on and gain Ministerial endorsement for a proposal for a national approach to certification of teachers at the Highly Accomplished and Lead teacher levels.
- Develop a proposal for a national teacher performance and development framework.
- Promulgate the national professional standard for principals.
- Develop and consult on a national professional learning framework.
- Develop, launch and maintain an online Clearinghouse repository of latest research and best-practice in the field of school leadership development.
- Develop two Professional Learning Flagship Programs: Leading Curriculum Change and Empowering Local Schools.
- Administer the annual national awards for teachers and school leaders.
- Undertake and engage with leading national and international research and innovative developments to support its work through a strong evidence base.
- Undertake the role of assessing authority under the Migration Regulations 1994 for the purposes of skilled migration to Australia as a pre-primary, primary, secondary, or special education school teacher.
- Effectively implement and maintain high standards of corporate governance.

AITSL's target group is the 250,000 teachers and school leaders across all educational jurisdictions and sectors. AITSL's strategic approach is to work collaboratively with jurisdictions and other key stakeholders including the profession itself and to complement the significant investment of school authorities in quality teaching and school leadership through targeted national activities.

Table 2.1: Budgeted Expenses and Resources 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.	2011-12 Estimated actual expenses \$'000	2012-13 Estimated expenses \$'000
Program 1: Assistance for quality teaching and learning		
Revenue from Government		
Payment from related entities	22,201	14,000
Revenues from other independent sources	778	900
Total for Program 1	22,979	14,900
Outcome 1 Totals by resource type		
Revenue from Government		
Payment from related entities	22,201	14,000
Revenues from other independent sources	778	900
Total expenses for Outcome 1	22,979	14,900
	2011-12	2012-13
Average Staffing Level (number)	34	50

Contributions to Outcome 1

Program 1.1 Assistance for Quality Teaching and Learning

Program 1.1 objective

- Support the implementation of the national professional standards for teachers.
- Support the implementation of the agreed national approach to accrediting initial teacher education programs.
- Monitor and support the implementation of elements of policy endorsed by Ministers for the nationally consistent registration of teachers, including renewal of registration.
- Develop, consult on and gain Ministerial endorsement for a proposal for a national approach to certification of teachers at the Highly Accomplished and Lead teacher levels.
- Develop a proposal for a national teacher performance and development framework.
- Promulgate the national professional standard for principals.
- Develop and consult on a national professional learning framework.
- Develop, launch and maintain an online Clearinghouse repository of latest research and best-practice in the field of school leadership development.
- Develop two Professional Learning Flagship Programs: Leading Curriculum Change and Empowering Local Schools.
- Administer the annual national awards for teachers and school leaders.
- Undertake and engage with leading national and international research and innovative developments to support its work through a strong evidence base.
- Undertake the role of assessing authority under the *Migration Regulations 1994* for the purposes of skilled migration to Australia as a pre-primary, primary, secondary, or special education school teacher.
- Effectively implement and maintain high standards of corporate governance.

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Program 1.1 expenses					
	2011-12 Revised budget \$'000	2012-13 Budget \$'000	2013-14 Forw ard year 1 \$'000	2014-15 Forw ard year 2 \$'000	2015-16 Forw ard year 3 \$'000
Annual departmental expenses:					
Departmental item	18,896	14,900	-	-	-
Expenses not requiring appropriation in the Budget year ¹	-	-	-	-	-
Total program expenses	18,896	14,900	-	-	-

¹ Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, Audit Fees.

Program 1.1 Deliverables	
Deliverable	2012–13 Target
National Professional Standards for Teachers	Materials developed to support the implementation of the National Professional Standards for Teachers
Teacher registration	Endorsement by Ministers of proposal for nationally consistent registration.
Certification of teachers at the Highly Accomplished and Lead teacher levels	Endorsement by Ministers of proposal for a national approach to certification of teachers at Highly Accomplished and Lead.
Teacher performance and development	Proposal developed for national teacher performance and development framework.
National Professional Standard for Principals	Endorsement and promulgation of Standard.
National approach to the Accreditation of Initial Teacher Education	Accreditation Guide developed and assessment panels trained to undertake first round of accreditation activities.
National Professional Learning Framework	Endorsement of exposure draft for consultation.
Online Clearinghouse on school leadership development	Clearinghouse developed, launched, promoted and maintained

Program 1.1 Deliverables (continued)	
Deliverable	2012-13 Target
Professional Learning Flagship Programs: Leading Curriculum Change and Empowering Local Schools	Online Leading Curriculum Change program developed and delivered; Empowering Local Schools program designed.
National awards for teachers and school leaders	Administer the annual national awards for teachers and school leaders and develop sabbatical programs for award recipients.
Fulfilling the role of assessing authority under the <i>Migration Regulations 1994</i> for the purposes of skilled migration to Australia as a pre-primary, primary or secondary, or special education school teacher.	Processing of applications undertaken to the satisfaction of relevant authorities.
Undertaking and engaging with national and international research and innovative developments in best practice.	Evidence base for AITSL's work enhanced by research undertaken, with national and international agencies and international experts.
Implementation of measures to ensure high standards of corporate governance.	Audit, risk management and financial advisory structures established and operating with transparency and rigour.

Program 1.1 Key performance indicators

AITSL provides national leadership for the Commonwealth, state and territory governments in promoting excellence in the profession of teaching and school leadership.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2012-13. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government Indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

AITSL has no administered funds. For this reason Table 3.1.1 is not presented.

3.1.2 Special Accounts

AITSL has no special accounts. For this reason Table 3.1.2 is not presented.

3.1.3 Australian Government Indigenous Expenditure

AITSL has no Indigenous specific expenses. For this reason Table 3.1.3 is not presented.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

There are no differences in agency resourcing and the financial statements.

3.2.2 Analysis of budgeted financial statements

In April 2010 MCEECDYA agreed to a total budget of \$41.8 million for the period 2009-10 to 2012-13. Over the same period, income from Overseas Skills Assessment is estimated to be \$2.3 million. Further funding variations have been agreed for subsequent years to enable AITSL to broaden its project base.

AITSL is budgeting for an underspend of its funding in the financial year 2011-12 resulting in a surplus of \$4.1 million. The budget for the 2012-13 financial year is break even.

The net asset position of \$8.5 million in at 30 June 2012 is expected to remain the same for 2012-13. Total assets at 30 June 2012 are estimated to be \$12.6 million comprising \$11.8 million of financial assets and \$0.8 million in non-financial assets.

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Total liabilities at 30 June 2012 are estimated to be \$4.1 million of which \$0.4 million being accrued employee entitlements and \$3.5 million towards supplier payables and \$0.2 of other provisions.

3.2.3 Budgeted financial statements tables

**Table 3.2.1: Comprehensive Income Statement (showing Net Cost of Services)
(for the period ended 30 June)**

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	5,933	7,040	-	-	-
Suppliers	12,573	7,500	-	-	-
Depreciation and amortisation	390	360	-	-	-
Total expenses	18,896	14,900	-	-	-
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	578	600	-	-	-
Interest	200	300	-	-	-
Other	22,201	14,000	-	-	-
Total own-source revenue	22,979	14,900	-	-	-
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	22,979	14,900	-	-	-
Net cost of (contribution by) services	4,083	-	-	-	-
Revenue from Government	-	-	-	-	-
Surplus (Deficit) attributable to the Australian Government	4,083	-	-	-	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus					
Total comprehensive income (loss)	4,083	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	4,083	-	-	-	-

**Table 3.2.1: Comprehensive Income Statement (showing Net Cost of Services)
(for the period ended 30 June) (continued)**

Note: Impact of Net Cash Appropriation Arrangements					
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) less heritage and cultural depreciation expenses previously funded through revenue appropriations	4,083	-	-	-	-
plus heritage and cultural depreciation expenses previously funded through revenue appropriations ¹	-	-	-	-	-
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	4,083	-	-	-	-

¹ From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB) provided through Bill 2 equity appropriations. For information regarding CDABs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Table 3.2.2: Budgeted Departmental Balance Sheet (as at 30 June)

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	8,438	8,131	-	-	-
Trade and other receivables	3,400	3,300	-	-	-
Other financial assets	65	59	-	-	-
Total financial assets	11,903	11,490	-	-	-
Non-financial assets					
Property, plant and equipment	663	407	-	-	-
Intangibles	-	21	-	-	-
Heritage and cultural	28	28	-	-	-
Total non-financial assets	691	456	-	-	-
Assets held for sale	-	-	-	-	-
Total assets	12,594	11,946			
LIABILITIES					
Payables					
Suppliers	2,750	2,035	-	-	-
Other payables	500	400	-	-	-
Total payables	3,250	2,435	-	-	-
Interest bearing liabilities					
Other interest bearing liabilities	-	-	-	-	-
Total interest bearing liabilities	-	-	-	-	-
Provisions					
Employee provisions	650	940	-	-	-
Other provisions	183	60	-	-	-
Total provisions	833	1,000	-	-	-
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities	4,083	3,435	-	-	-
Net assets	8,511	8,511	-	-	-
EQUITY*					
Parent entity interest					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surplus (accumulated deficit)	8,511	8,511	-	-	-
Total parent entity interest	8,511	8,511	-	-	-
Total Equity	8,511	8,511	-	-	-

Table 3.2.3: Departmental Statement of Changes in Equity — summary of movement (Budget year 2012-13)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2012					
Balance carried forward from previous period	8,511	-	-	-	8,511
Adjusted opening balance	8,511	-	-	-	8,511
Comprehensive income					
Surplus (deficit) for the period	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Transactions with owners					
Distributions to owners					
Other	-	-	-	-	-
Contributions by owners					
Other	-	-	-	-	-
Sub-total transactions with owners	-	-	-	-	-
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2013	8,511	-	-	-	8,511
Less: non-controlling interests *	-	-	-	-	-
Closing balance attributable to the Australian Government	8,511	-	-	-	8,511

**Table 3.2.4: Budgeted Departmental Statement of Cash Flows
(for the period ended 30 June)**

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	18,978	14,000	-	-	-
Sale of goods and rendering of services	650	606	-	-	-
Interest	200	300	-	-	-
Total cash received	19,828	14,906	-	-	-
Cash used					
Employees	5,737	6,750	-	-	-
Suppliers	11,371	8,338	-	-	-
Total cash used	17,108	15,088	-	-	-
Net cash from (used by) operating activities	2,720	(182)	-	-	-
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	119	125	-	-	-
Total cash used	119	125	-	-	-
Net cash from (used by) investing activities	(119)	(125)	-	-	-
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	2,601	(307)	-	-	-
Cash and cash equivalents at the beginning of the reporting period	5,837	8,438	-	-	-
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	8,438	8,131	-	-	-

**Table 3.2.4: Budgeted Departmental Statement of Cash Flows
(for the period ended 30 June) (continued)**

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	-	-	-	-	-
Net increase (decrease) in cash held	2,601	-307	-	-	-
Cash and cash equivalents at the beginning of the reporting period	5,837	8,438	-	-	-
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	8,438	8,131	-	-	-

Table 3.2.5: Departmental Capital Budget Statement

AITSL does not have a departmental capital budget. For this reason Table 3.2.5 is not presented.

Table 3.2.6: Statement of Asset Movements (2012-13)

	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 2012						
Gross book value	-	-	1,420	28	345	1,793
Accumulated depreciation/amortisation and impairment	-	-	(757)	-	(345)	(1,102)
Opening net book balance	-	-	663	28	-	691
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase - appropriation equity ¹	-	-	100	-	25	125
By purchase - appropriation ordinary annual services ²	-	-	-	-	-	-
Total additions	-	-	100	-	25	125
Other movements						
Depreciation/amortisation expense	-	-	(356)	-	(4)	(360)
Disposals ³	-	-	-	-	-	-
Total other movements	-	-	(356)	-	(4)	(360)
As at 30 June 2013						
Gross book value	-	-	1,520	28	370	1,918
Accumulated depreciation/amortisation and impairment	-	-	(1,113)	-	(349)	(1,462)
Closing net book balance	-	-	407	28	21	456

¹ "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Bill (No.2) 2012-13, including CDABs.

² "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2012-13 for depreciation / amortisation expenses, DCBs or other operational expenses.

³ Net proceeds may be returned to the OPA.

Table 3.2.7: 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. For this reason Table 3.2.7 is not presented.

Table 3.2.8: 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. For this reason Table 3.2.8 is not presented.

Table 3.2.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

AITSL has no administered cash flows. For this reason Table 3.2.9 is not presented.

Table 3.2.10: Schedule of Administered Capital Budget

AITSL has no administered capital budget. For this reason Table 3.2.10 is not presented.

Table 3.2.11: Schedule of Asset Movements - Administered

AITSL has no administered assets. For this reason Table 3.2.11 is not presented.