

**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 as a result of the review of Teaching Australia announced in the 2008-09 Budget and decisions made in 2009 by the Ministerial Council for Education, Early Childhood Development and Youth Affairs (MCEECDYA) (formerly the Ministerial Council for Employment, Training and Youth Affairs).

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. It operates under its own constitution, with priorities set by MCEECDYA through the Letter of Expectation dated 14 December 2009. The Board of Directors has a membership nominated by jurisdictions, the Australian Government, the Catholic and independent school sectors, teacher unions, professional associations principals associations and the Deans of Education.

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. Basing its work on the national professional standards for teaching, AITSL will guide reform in the areas of teacher registration, accreditation of pre-service teacher education, accreditation of teachers at the graduate, proficient, highly accomplished and lead teacher levels, and will deliver prestigious national awards for teachers and school leaders.

1.2 AGENCY RESOURCE STATEMENT

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

Table 1.1: Australian Institute for Teaching and School Leadership resource statement for 2010-11 as at Budget May 2010

Source	Estimate of prior year amounts available in 2010-11 \$'000	Proposed at Budget 2010-11 \$'000	Total estimate 2010-11 \$'000	Actual available appropriation 2009-10 \$'000
Opening balance/Reserves at bank	3,096	-	3,096	-
REVENUE FROM GOVERNMENT				
Ordinary annual services¹				
Outcome 1	-	13,002	13,002	-
Total ordinary annual services	-	13,002	16,098	-
FUNDS FROM OTHER SOURCES				
Interest	-	140	-	-
Sale of goods and services	-	650	-	-
Other	-	15	-	-
Total	-	805	805	-
Total net resourcing	-	13,807	16,903	-

¹ Appropriation Bill (No.1) 2010-11

AITSL is not directly appropriated as it is a CAC Act body. Appropriations are made to the Department of Education, Employment and Workplace Relations which are then paid to AITSL and are considered 'departmental' for all purposes.

All figures are GST exclusive

1.3 BUDGET MEASURES

AITSL does not have any new measures since the 2009-10 Budget. For this reason Table 1.2 is not presented.

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 will work with jurisdictions, education authorities, teacher unions and professional associations, principals and teacher educators to strengthen the teaching 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 will contribute to the objectives of the COAG National Partnership on Improving Teacher Quality leading to improved educational outcomes.

Key strategies in 2010–11 will be to:

- Finalise national professional standards for teachers, and develop national professional standards for school leaders.
- Use the standards as the basis for new, prestigious national awards for teachers and school leaders.
- Develop standards for professional learning activities, including criteria for Flagship, National and Affiliated programs.
- Develop and offer targeted, leading edge professional learning activities that build school leadership capacity and support teachers in achieving the lead teacher level of the national professional standards, with emphasis on delivering the new national curriculum.

AITSL Budget Statements – Outcomes & performance

- 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 or secondary school teacher.
- Through national teacher professional associations, strengthen the capacity of the teaching profession to influence and act in partnership with other education stakeholders to provide the best education for all school students.
- 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. The 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

	2009-10	2010-11
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.	Estimated actual expenses \$'000	Estimated expenses \$'000
Program 1.1: Assistance for quality teaching and learning		
Revenue from Government	-	-
Revenues from other independent sources	7,731	13,807
Total for Program 1.1	7,731	13,807
Outcome 1 Totals by resource type		
Revenue from Government	-	-
Revenues from other independent sources	7,731	13,807
Total expenses for Outcome 1	7,731	13,807
	2009-10	2010-11
Average Staffing Level (number)	20	32

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

Contributions to Outcome 1

Program 1.1 Assistance for quality teaching and learning

Program 1.1 objective

- Establish national standards for teachers at four levels and implement processes for assessment and certification of teachers at highly accomplished and lead teacher levels.
- Establish and promote national standards for school leaders.
- Establish national standards for pre-service teacher education programs and processes for accreditation of those programs.
- Establish a national professional learning system for teachers and school leaders including standards, flagship programs and processes for accrediting professional learning programs.
- Establish and administer annual national awards for teachers and school leaders.
- Fulfil 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 school teacher.
- Undertake and engage with national and international research and innovative developments in best practice.
- Implement measures to ensure high standards of corporate governance.
- Establish operations of AITSL in Queensland and Victoria.

Program 1.1 expenses

	2009-10 Revised budget	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
(‘000)					
Annual departmental expenses:					
Departmental item	7,731	13,807	12,840	12,854	-
Total program expenses	7,731	13,807	12,840	12,854	-

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Program 1.1 Deliverables	
Deliverable	2010–11 Target
Establishment of national standards for teachers at four levels and implementation of processes for accreditation of teachers at highly accomplished and lead teacher levels.	National professional standards for teachers established, validated and endorsed by MCEECDYA.
Establishment and promotion of national standards for school leaders.	Standards established and in use as a basis for professional learning.
Establishment of national standards for pre-service teacher education programs and processes for accreditation of those programs.	National program standards and accreditation processes agreed and pilot accreditation activities commenced.
Establishment of a national professional learning system for teachers and school leaders including standards, flagship programs and processes for accrediting professional learning programs.	National system, standards and accreditation processes established and endorsed and flagship programs developed.
Establishment and administration of annual national awards for teachers and school leaders.	New prestigious annual awards initiated.
Fulfilling 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 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.	Research base for AITSL's work enhanced by research undertaken in conjunction with national and international agencies and an international expert panel.
Implementation of measures to ensure high standards of corporate governance.	Audit, risk management and financial advisory structures established and operating with transparency and rigour.
Establishment of operations of AITSL in Queensland and Victoria.	Operations in Queensland and Victoria established and operating effectively, efficiently and cooperatively.

<p>Program 1.1 Key performance indicators</p> <p>AITSL provides national leadership for the Commonwealth, state and territory governments in promoting excellence in the profession of teaching and school leadership.</p>

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 2010-11. 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

The 2010-11 Australian Indigenous Statement is not applicable because 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.

AITSL is budgeting for a break-even result in 2010-11 and the two forward years.

The net asset position of \$3.3 million in 2010-11 is expected to remain the same for the two forward years.

Total assets for 2010-11 are estimated to be \$3.5 million comprising \$3.0 million of financial assets and \$0.5 million in non-financial assets.

Total liabilities for 2010-11 are estimated to be \$0.2 million of which \$0.1 million being accrued employee entitlements and \$0.1 million towards supplier payables.

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 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
EXPENSES					
Employee benefits	2,695	4,317	4,650	4,720	
Supplier expenses	4,868	9,370	8,064	8,003	
Depreciation and amortisation	128	120*	126*	131*	
Finance costs	-	-*	-*	-*	
Write-down and impairment of assets	40	-	-	-	
Losses from asset sales	-	-	-	-	
Total expenses	7,731	13,807	12,840	12,854	
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	540	650	675	685	
Fees and fines	-	-	-	-	
Interest	120	140	150	155	
Other	25	15	15	15	
Total revenue	685	805	840	855	
Gains					
Total gains	-	-	-	-	
Total own-source income	685	805	840	855	
Net cost of (contribution by) services	(7,046)	(13,002)	(12,000)	(11,999)	
Revenue from Government	7,550	13,002	12,000	11,999	
Surplus (Deficit)	504	-	-	-	
Surplus (Deficit) attributable to the Australian Government	504	-	-	-	

Prepared on Australian Accounting Standards basis.

AITSL Budget Statements – Budgeted financial statements

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
ASSETS					
Financial assets					
Cash and equivalents	3,096	2,962	3,100	3,244	
Trade and other receivables	-	15	30	45	
Total financial assets	3,096	2,977	3,130	3,289	
Non-financial assets					
Infrastructure, plant and equipment	60	167	148	118	
Intangibles	119	187	128	64	
Other	72	116	93	71	
Total non-financial assets	251	470	369	253	
Total assets	3,347	3,447	3,499	3,542	
LIABILITIES					
Payables					
Suppliers	50	65	77	95	
Total payables	50	65	77	95	
Provisions					
Employee provisions	25	110	150	175	
Total provisions	25	110	150	175	
Total liabilities	75	175	227	270	
Net assets	3,272	3,272	3,272	3,272	
EQUITY*					
Parent entity interest					
Reserves	4	4	4	4	
Retained surplus (accumulated deficit)	3,268	3,268	3,268	3,268	
Total parent entity interest	3,272	3,272	3,272	3,272	
Total equity	3,272	3,272	3,272	3,272	
Current assets	3,096	2,977	3,130	3,289	
Non-current assets	251	470	369	253	
Current liabilities	75	175	227	270	
Non-current liabilities	-	-	-	-	

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

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget year 2010-11)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2010					
Balance carried forward from previous period	3,268	4	-	-	3,272
Opening balance	3,268	4	-	-	3,272
Income and expense					
Surplus (deficit) for the period	-	-	-	-	-
Total income and expenses recognised directly in equity	-	-	-	-	-
Estimated closing balance as at 30 June 2011	3,268	4	-	-	3,272

Prepared on Australian Accounting Standards basis.

AITSL Budget Statements – Budgeted financial statements

Table 3.2.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	540	650	675	685	
Interest	281	140	150	155	
Other	7,721	13,002	12,000	11,999	
Total cash received	8,542	13,792	12,825	12,839	
Cash used					
Employees	2,777	4,192	4,567	4,651	
Suppliers	4,993	9,394	8,095	8,029	
Total cash used	7,770	13,586	12,662	12,680	
Net cash from (used by) operating activities	772	206	163	159	
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	
Total cash received	-	-	-	-	
Cash used					
Purchase of infrastructure, plant and equipment	-	214	20	15	
Purchase of Intangibles	-	126	5	-	
Total cash used	-	340	25	15	
Net cash from (used by) investing activities	-	(340)	(25)	(15)	
Net increase (decrease) in cash held	772	(134)	138	144	
Cash and cash equivalents at the beginning of the reporting period	2,324	3,096	2,962	3,100	
Cash and cash equivalents at the end of the reporting period	3,096	2,962	3,100	3,244	

Prepared on Australian Accounting Standards basis.

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 (2010-11)

	Other Infrastructure, plant and equipment \$'000	Heritage and cultural assets \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2010				
Gross book value	293	28	349	670
Accumulated depreciation/amortisation and impairment	(190)	-	(229)	(419)
Opening net book balance	103	28	120	251
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - donated funds	-	-	-	-
By purchase - other	187	25	126	338
By finance lease	-	-	-	-
Assets received as gifts/donations	-	-	-	-
From acquisition of entities or operations (including restructuring)	-	-	-	-
Total additions	187	25	126	338
Other movements				
Assets held for sale or in a disposal group held for sale	-	-	-	-
Depreciation/amortisation expense	(58)	-	(62)	(120)
Disposals [#]	-	-	-	-
Other	-	-	-	-
As at 30 June 2011				
Gross book value	480	53	475	1,008
Accumulated depreciation/amortisation and impairment	(248)	-	(290)	(538)
Closing net book balance	232	53	185	470

[#] Proceeds may be returned to the OPA

Prepared on Australian Accounting Standards basis.

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.