

# TEACHING AUSTRALIA

## AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL LEADERSHIP LIMITED

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# TEACHING AUSTRALIA

## Section 1: Overview

Teaching Australia – Australian Institute for Teaching and School Leadership Limited was established by the Australian Government to support and enhance the teaching profession for the benefit of all Australians.

It is the national body for the teaching profession and has been established by the Government, in partnership with the profession, with the objective that the Institute be conducted by teachers and school leaders.

In the lead up to the establishment of Teaching Australia, the Australian Government launched an interim body, the National Institute for Quality Teaching and School Leadership, under the auspices of the ANU in June 2004. A Chair, Interim Board, and Advisory Council were appointed with the task of establishing the institute as an operational entity and making recommendations to the Government on legal structure, governance and a program of work.

Teaching Australia was incorporated on 30 November 2005 as a Commonwealth company limited by guarantee. Teaching Australia is subject to the Commonwealth Authorities and Companies Act 1997. Decisions are made by an independent Board of Directors.

Teaching Australia seeks to build the standing of the profession by developing a common sense of professional identity and unity of professional purpose, by sharing professional knowledge and by sustaining professionalism

**Table 1.1: Agency outcomes and output groups**

<b>Outcome</b>	<b>Output groups</b>
<b>Outcome 1</b> Individuals achieve high quality foundation skills and learning from schools and other providers	<b>Output Group 1.1</b> Assistance for quality Teaching and Learning

## Section 2: Resources for 2006-07

### 2.1 APPROPRIATIONS AND OTHER RESOURCES

Table 2.1 shows the total resources from all origins for 2006-07, including appropriations. The table summarises how resources will be applied by outcome, administered and departmental classification.

The total appropriation for Teaching Australia in the 2006-07 Budget is \$0 million. The total budgeted revenue is \$8.1 million, of which \$5.8 million is provided through funding from DEST.

**Table 2.1: Appropriations and other resources 2006-07 ('000)**

Outcome	Appropriations			Revenues	Total
	Bill No. 1 \$'000	Bill No. 2 <sup>1</sup> \$'000	Special <sup>2</sup> \$'000	(a)	\$'000
<b>Outcome 1</b>					
Departmental	-	-	-	8,125	8,125
<b>Total Outcome 1</b>	-	-	-	8,125	8,125
<b>Total</b>	-	-	-	<b>8,125</b>	<b>8,125</b>

<sup>1</sup> Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPPs), new agency Outcomes (NAOs), administered capital and departmental capital via departmental injections and loans.

<sup>2</sup> Estimated expenses from individual Special Appropriations are shown in Section 2, Tables 2.5.

(a) Departmental revenues from other sources (i.e. other than appropriation amounts) that is available to be used.

### 2.2 2006-07 BUDGET MEASURES

#### Table 2.2 measures

Teaching Australia is not subject to any measures in the 2006 – 07 Budget, therefore Table 2.2 is not included.

## 2.3 OTHER RESOURCES AVAILABLE TO BE USED

Table 2.3 provides details of resources obtained by Teaching Australia for provision of goods or services. These resources are approved for use by Teaching Australia and are included in Table 2.1.

**Table 2.3: Other resources available to be used<sup>1</sup>**

	<b>Estimated Receipts 2005-06 \$'000</b>	<b>Budget Estimate 2006-07 \$'000</b>
<b>Departmental other resources</b>		
Funding Agreement with the Department of Education, Science and Training	1,800	<b>5,800</b>
Interest	0	<b>118</b>
Other	6,150	<b>2,207</b>
<b>Total departmental other resources available to be used</b>	<b>7,950</b>	<b>8,125</b>

Notes:

1. This table replaces the former table 'Receipts from other sources'. It represents own source revenues available for spending on departmental purposes.

## **2.4 MOVEMENT OF ADMINISTERED FUNDS FROM 2005-06 TO 2006-07**

### **Table 2.4: Movement of administered funds from 2005-06 to 2006-07**

Teaching Australia does not receive administered funds therefore Table 2.4 is not included.

## **2.5 SPECIAL APPROPRIATIONS**

### **Table 2.5: Estimates of expenses from special appropriations**

Teaching Australia does not receive any special appropriations therefore Table 2.5 is not included.

## **2.6 SPECIAL ACCOUNTS**

### **Table 2.6: Estimates of special account flows and balances**

Teaching Australia has no special accounts therefore Table 2.6 is not included.

## **2.7 ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS**

Teaching Australia has no administered capital, departmental equity injections or loans therefore no information is provided.

## Section 3: Outcomes

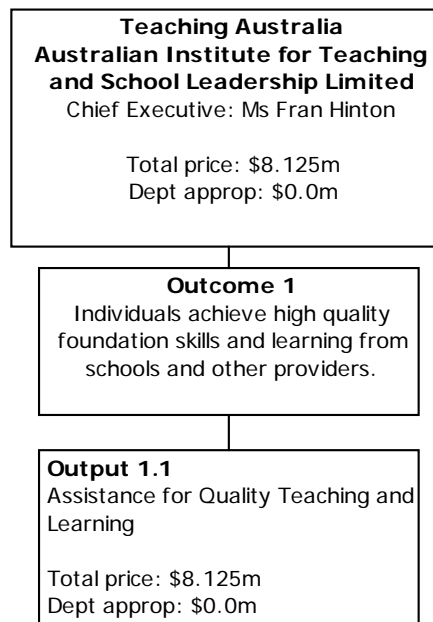
General government sector (GGS) agencies are required to plan, budget and report under an outcomes structure. GGS agencies produce outputs (departmental items) and also administer activities and programmes on behalf of the Government (administered items). This section explains how the resources identified in Section 2 will be used to deliver outputs to contribute to the single outcomes for Teaching Australia.

### 3.1 SUMMARY OF OUTCOMES AND CONTRIBUTION TO OUTCOMES

The work of Teaching Australia contributes to achieving the Department of Education, Science and Training's Outcome 1 – 'Individuals achieve high quality foundation skills and learning outcomes from schools and other providers'.

The relationship between activities of Teaching Australia and its outcome is summarised in Figure 4.

**Figure 4: Contributions to outcomes**



## **3.2 OUTCOMES — DEPARTMENTAL AND ADMINISTERED**

### **Departmental appropriations by outcome**

#### **Figure 5: Departmental appropriations by outcome, 2006-07**

Figure 5 is not presented as Teaching Australia does not receive any departmental appropriations.

### **Administered appropriations by outcome**

#### **Figure 6: Administered appropriations by outcome, 2006-07**

Figure 6 is not presented as Teaching Australia does not receive any administered appropriations.

## **3.3 OUTCOMES AND PERFORMANCE**

Teaching Australia's focus as the peak national body for the teaching profession embraces the professional practice of teaching and school leadership in all settings, sectors and jurisdictions. It has four major objectives:

- to support and advance the quality of teaching in Australian schools;
- to support and advance the quality of school leadership;
- to strengthen the teaching profession; and
- to establish an organisation that operates openly, collaboratively and ethically.

### **Key strategic directions for 2006-07**

In 2006-07, key strategic directions include:

- strengthening the standing of the teaching profession by building collaborative professional networks;
- laying the foundation for national accreditation of teacher preparation programs;
- constructively engaging with the profession on professional standards and values;
- providing new national professional development opportunities for school principals; and
- increasing the recognition of high quality teaching and school leadership.



### Performance information for Outcome 1

The performance information is in relation to Teaching Australia's contribution to DEST's Output Group 1.3 – Assistance for quality teaching and learning. Performance information for Teaching Australia's individual output is summarised in Table 3.2.

**Table 3.2: Performance information for Outcome 1**

Output	Performance Indicator
<b>Output 1.1</b> Assistance for quality teaching and learning	National professional organisations representing teachers and school leaders engaged in development of standards with Teaching Australia  Professional identity of the teaching profession strengthened by developing and distributing professional materials to graduating teachers.  Number of participants undertaking exemplary national professional learning program for school leaders.

### Evaluations for Outcome 1

There are no major evaluations planned for 2006 – 07.

## Section 4: Other reporting requirements

### **4.1 PURCHASER-PROVIDER ARRANGEMENTS**

Agencies may need to provide resources to other General Government Sector (GGS) bodies, for example in payment for services rendered or as part of cross agency initiatives. Consequently, the sum of amounts in agency resourcing tables in Budget Paper No. 4, and in the resourcing tables in this document, will not equal total resourcing at the whole of government level (as reproduced in Budget Paper No. 1).

This section summarises significant transactions between GGS agencies that are not consolidated or reported at the whole of government level.

#### **Cross agency overview**

Teaching Australia receives funding from DEST. However, it is not considered a purchaser provider arrangement.

### **4.2 COST RECOVERY ARRANGEMENTS**

Teaching Australia has no cost recovery arrangements in place.

## Section 5: Budgeted financial statements

The budgeted financial statements for Teaching Australia – Australian Institute for Teaching and School Leadership Ltd encompass the 2006-07 budget year as well as the estimates for the 2007-08 and 2008-09 and 2009-10 financial years.

The budgeted financial statements will form the basis for the financial statements that will appear in the Annual Report for Teaching Australia.

### **ANALYSIS OF BUDGETED FINANCIAL STATEMENTS**

As indicated in the agency overview, the lead up to the establishment of Teaching Australia by the Australian Government was preceded by an interim body, the National Institute for Quality Teaching and School Leadership (NIQTSL), under the auspices of the ANU. An initial injection of funding totalling \$10 million enabled the institute to establish its corporate structure and commence many programs in line with its objectives.

#### **Statement of Financial Performance**

The majority of the funding was received in the period prior to the 1 July 2005 and is not reported in the 2005/2006 comparisons. As a consequence, Teaching Australia has traded predominantly on carried forward funding and will report a deficit result in 2005/2006.

Teaching Australia has budgeted on receiving \$5.5 million from the principal funding agreement during the 2006/2007 budget year, increasing to \$6.5 million in future periods. 2006/2007 outputs will be partially resourced by unexpended funds brought forward from the original funding agreement. This will enable the completion of programs initiated by NIQTSL and the commencement of new programs in line with agreed objectives.

Teaching Australia has prepared balanced budgets for the 2007/2008 and future periods. Employee related costs allow for a small increase in staffing numbers. Payments to suppliers vary with the level of contractual arrangement under consultancies and funding agreements.

#### **Statement of Financial Position**

Teaching Australia holds only a small number of non-cash assets, mainly in the form of office equipment and fixtures. The main variable is the institute's cash position which will be influenced by the timing of funding receipts and outstanding payables balance. As a consequence, Teaching Australia's cash flows will closely follow its financial performance result.

## BUDGETED FINANCIAL STATEMENTS TABLES

**Table 5.1: Budgeted departmental income statement for the period ended 30 June**

	Estimated Actual 2005-06 Note	<b>Budget Estimate 2006-07 \$'000</b>	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Funding from Related entity	1,800	<b>5,800</b>	6,800	6,800	6,800
Goods and services	0	<b>414</b>	525	540	557
Interest	100	<b>118</b>	120	120	120
Other	6,050	<b>1,793</b>	0	0	0
<b>Total Revenue</b>	<b>7,950</b>	<b>8,125</b>	<b>7,445</b>	<b>7,460</b>	<b>7,477</b>
<b>EXPENSE</b>					
Employees	2,000	<b>2,645</b>	2,746	2,816	2,879
Suppliers	5,700	<b>5,138</b>	4,233	4,175	4,166
Depreciation & amortisation	0	<b>24</b>	61	64	71
Finance costs	0	<b>9</b>	6	2	0
Other	250	<b>309</b>	309	310	311
<b>Total expenses</b>	<b>7,950</b>	<b>8,125</b>	<b>7,355</b>	<b>7,367</b>	<b>7,427</b>
<b>Operating result</b>	<b>0</b>	<b>0</b>	<b>90</b>	<b>93</b>	<b>50</b>

**Table 5.2: Budgeted departmental balance sheet  
as at 30 June**

	Estimated Actual 2005-06 Note	<b>Budget Estimate 2006-07 \$'000</b>	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	2,000	<b>114</b>	187	381	456
Receivables	30	<b>40</b>	60	50	60
<b>Total financial assets</b>	<b>2,030</b>	<b>154</b>	<b>247</b>	<b>431</b>	<b>516</b>
<b>Non-financial assets</b>					
Land and buildings					
Infrastructure, plant and equipment	147	<b>343</b>	332	319	298
Heritage & cultural assets	23	<b>22</b>	22	21	21
<b>Total non-financial assets</b>	<b>170</b>	<b>365</b>	<b>354</b>	<b>340</b>	<b>319</b>
<b>Total assets</b>	<b>2,200</b>	<b>519</b>	<b>601</b>	<b>771</b>	<b>835</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Loans	120	<b>83</b>	43	0	0
<b>Total interest bearing liabilities</b>	<b>120</b>	<b>83</b>	<b>43</b>	<b>0</b>	<b>0</b>
<b>Provisions</b>					
Employees	102	<b>171</b>	243	303	357
<b>Total provisions</b>	<b>102</b>	<b>171</b>	<b>243</b>	<b>303</b>	<b>357</b>
<b>Payables</b>					
Suppliers	110	<b>140</b>	100	160	120
Other	1,743	<b>0</b>	0	0	0
<b>Total payables</b>	<b>1,853</b>	<b>140</b>	<b>100</b>	<b>160</b>	<b>120</b>
<b>Total liabilities</b>	<b>2,075</b>	<b>394</b>	<b>386</b>	<b>463</b>	<b>477</b>
<b>EQUITY*</b>					
Retained surpluses or accumulated deficits	125	<b>125</b>	215	308	358
<b>Total parent entity interest</b>	<b>125</b>	<b>125</b>	<b>215</b>	<b>308</b>	<b>358</b>
<b>Total equity</b>	<b>125</b>	<b>125</b>	<b>215</b>	<b>308</b>	<b>358</b>
<b>Current assets</b>	<b>2,030</b>	<b>154</b>	<b>247</b>	<b>431</b>	<b>516</b>
<b>Non-current assets</b>	<b>170</b>	<b>365</b>	<b>354</b>	<b>340</b>	<b>319</b>
<b>Current liabilities</b>	<b>1,958</b>	<b>283</b>	<b>268</b>	<b>300</b>	<b>260</b>
<b>Non-current liabilities</b>	<b>117</b>	<b>111</b>	<b>118</b>	<b>163</b>	<b>217</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

**Table 5.3: Budgeted departmental statement of cash flows for the period ended 30 June**

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	0	404	505	551	547
Interest	100	118	120	120	120
Other	1,890	5,850	6,800	6,800	6,800
<b>Total cash received</b>	<b>1,990</b>	<b>6,372</b>	<b>7,425</b>	<b>7,471</b>	<b>7,467</b>
<b>Cash used</b>					
Employees	2,000	2,575	2,674	2,756	2,825
Suppliers	5,733	5,108	4,273	4,116	4,206
Financing costs	0	9	6	2	0
Other	250	309	309	310	311
<b>Total cash used</b>	<b>7,983</b>	<b>8,001</b>	<b>7,262</b>	<b>7,184</b>	<b>7,342</b>
<b>Net cash from or (used by) operating activities</b>	<b>(5,993)</b>	<b>(1,629)</b>	<b>163</b>	<b>287</b>	<b>125</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment	0	220	50	50	50
<b>Total cash used</b>	<b>0</b>	<b>220</b>	<b>50</b>	<b>50</b>	<b>50</b>
<b>Net cash from or (used by) investing activities</b>	<b>0</b>	<b>(220)</b>	<b>(50)</b>	<b>(50)</b>	<b>(50)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash used</b>					
Repayments of debt	0	37	40	43	0
<b>Total cash used</b>	<b>0</b>	<b>37</b>	<b>40</b>	<b>43</b>	<b>0</b>
<b>Net cash from/(used by) financing activities</b>	<b>0</b>	<b>(37)</b>	<b>(40)</b>	<b>(43)</b>	<b>0</b>
<b>Net increase or (decrease) in cash held</b>	<b>(5,993)</b>	<b>(1,886)</b>	<b>73</b>	<b>194</b>	<b>75</b>
Cash at the beginning of the reporting period	7,993	2,000	114	187	381
<b>Cash at the end of the reporting period</b>	<b>2,000</b>	<b>114</b>	<b>187</b>	<b>381</b>	<b>456</b>

**Table 5.4: Departmental statement of changes in equity — summary of movement (Budget 2006-07)**

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2006</b>					
Balance carried forward from previous period	0	0	0	0	125
Adjustments	125				
<b>Adjusted opening balance</b>	<b>125</b>	<b>17,677</b>	<b>0</b>	<b>0</b>	<b>125</b>
<b>Income and expense</b>					
Net operating result	0				0
<b>Estimated closing balance as at 30 June 2007</b>	<b>125</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>125</b>

**Table 5.5: Departmental capital budget statement**

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	0	0	0	0	0
<b>Total capital appropriations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Represented by:</b>					
Purchase of non-financial assets	0	0	0	0	0
<b>Total represented by</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded internally by Departmental resources	0	220	50	50	50
<b>Total</b>	<b>0</b>	<b>220</b>	<b>50</b>	<b>50</b>	<b>50</b>

**Table 5.6: Departmental property, plant, equipment and intangibles - summary of movement (Budget year 2006-07)**

	Heritage and cultural assets \$'000	Other infrastructure plant and equipment \$'000	Computer software \$'000	Total \$'000
<b>As at 1 July 2006</b>				
Gross book value	23	105	42	170
Accumulated depreciation				
<b>Opening net book value</b>	<b>23</b>	<b>105</b>	<b>42</b>	<b>170</b>
Additions:				
by purchase	0	130	90	220
Depreciation/amortisation expense	1	15	9	25
<b>As at 30 June 2007</b>				
Gross book value	23	235	132	390
Accumulated depreciation	1	15	9	25
<b>Estimated closing net book value</b>	<b>22</b>	<b>220</b>	<b>123</b>	<b>365</b>

