

**TEACHING AUSTRALIA**

**AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL  
LEADERSHIP LIMITED**

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# TEACHING AUSTRALIA

## AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL LEADERSHIP LIMITED

### Section 1: Overview

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

As the national body for the teaching profession Teaching Australia encompasses the professional practice of teaching and school leadership in all settings, sectors and jurisdictions.

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 sustaining professionalism.

Teaching Australia was incorporated as a public company limited by guarantee on 30 November 2005 and is subject to the *Commonwealth Authorities and Companies Act 1997* (CAC Act). It operates under its own constitution with decisions made by an independent board of directors drawn from the teaching profession.

### 1.1 SUMMARY OF AGENCY CONTRIBUTIONS TO OUTCOMES

**Table 1.1: Contribution to outcomes**

<b>Outcome</b>	<b>Output groups</b>
<b>Outcome 1</b>	<b>Output group 1.1</b>
Individuals achieve high quality foundation skills and learning from schools and other providers.	Assistance for quality teaching and learning.

## Section 2: Resources for 2007-08

### 2.1 APPROPRIATIONS AND OTHER RESOURCES

Table 2.1 shows the total resources from all origins for 2007-08, including appropriations. The table summarises how resources will be applied by outcome, administered and departmental classification.

The total budgeted revenue for Teaching Australia in the 2007-08 Budget is \$7.560 million including \$6.500 million in funding from the Department of Education, Science and Training (DEST).

**Table 2.1: Appropriations and other resources 2007-08 ('000)**

Outcome	Appropriations			Receipts		Total
	Bill No. 1 \$'000	Bill No. 2 <sup>1</sup> \$'000	Special <sup>2</sup> \$'000	Other <sup>3</sup> \$'000	\$'000	
<b>Outcome 1</b>						
Departmental	0.0	0.0	0.0	712		712
<b>Total Outcome 1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>712</b>		<b>712</b>
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>712</b>		<b>712</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 at Section 2, Tables 2.5.

<sup>3</sup> Departmental receipts from independent sources (i.e. other than appropriation amounts and amounts from agencies within the general government sector) that is available to be used.

### 2.2 2007-08 BUDGET MEASURES

#### Table 2.2 agency measures

Teaching Australia is not subject to any measures in the 2007-08 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 (Revenue)**

	<b>Estimated Revenue 2006-07 \$'000</b>	<b>Budget Estimate 2007-08 \$'000</b>
<b>Departmental other resources</b>		
Funding Agreement with Department of Education		
Science and Training	5,800	6,500
Interest	118	160
Other	2,207	600
<b>Total departmental other resources available to be used</b>	<b>8,125</b>	<b>7,260</b>

Note: Total resources available for use in Table 2.3 does not match those presented in Table 2.1 due to:

- The figures are on a revenue basis as opposed to cash receipts.
- The figures include funding from agencies within the general government sector.

## 2.4 MOVEMENT OF ADMINISTERED FUNDS

**Table 2.4: Movement of administered funds between years**

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 MOVEMENTS IN SPECIAL ACCOUNTS

**Table 2.6: Estimates of Special Account cash flows and balances**

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

## Section 3: Outcomes

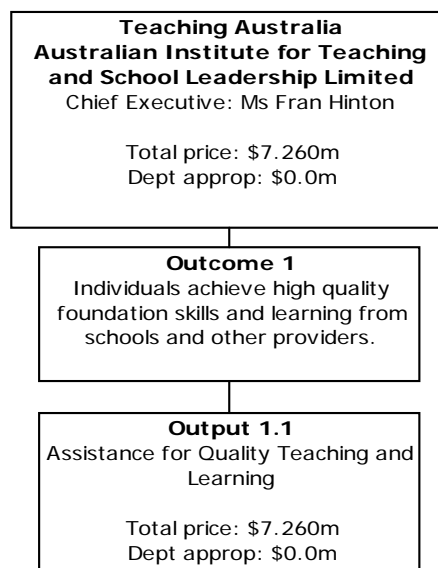
General government sector (GGS) agencies are required to plan, budget and report under an outcomes structure. GGS agencies produce outputs (departmental items) and also administered activities and programmes on behalf of the government (administered items). This section explains how the resources identified 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 the outcome is summarised in Figure 4.

**Figure 4: Contributions to outcomes**



## **3.2 OUTCOME RESOURCES AND PERFORMANCE INFORMATION**

### **Agency Summary**

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 eight major objectives.

- Strengthen the teaching profession by developing Teaching Australia as the national body.
- Develop a system for national professional standards for accomplished teaching.
- Develop a system for national professional standards for school leadership.
- Develop a national system of accreditation for pre-service teacher education.
- Contribute to the development of school leaders to better equip them to assist students.
- Contribute to the development of professional learning for teachers.
- Contribute to the national research and evidence base informing quality teaching and school leadership.
- Contribute to the recognition of quality teaching and school leadership.

### **Key strategic directions for 2007-08**

In 2007-08, key strategic directions will build on past work and 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.

### Outcome 1 resourcing

Table 3.1.1 shows how the total resourcing for Teaching Australia, including revenue from other sources, and the total resources available for outputs.

**Table 3.1.1: Total resources for Outcome 1 (\$'000)**

	Estimated Actual 2006-07 \$'000	<b>Budget Estimate 2007-08 \$'000</b>
<b>Departmental appropriations</b>		
Output Group 1.1 – Assistance for quality teaching and learning	0	<b>0</b>
<b>Total revenue from government (appropriations) contributing to price of departmental outputs</b>	0	<b>0</b>
<b>Revenue from other sources</b>		
Funding from related entity	5,800	<b>6,500</b>
Other	2,325	<b>760</b>
<b>Total resourcing available for departmental outputs</b> (Total price of outputs and administered appropriations)	8,125	<b>7,260</b>
<b>Average staffing level (number)</b>	20	<b>25</b>

### Measures affecting Outcome 1

Teaching Australia is not subject to any measures in the 2007-08 budget.

### Contributions to achievement of Outcome 1

The establishment of Teaching Australia and its contribution to the outcome of providing high quality foundation skills and learning outcomes will be demonstrated by the development of a greater sense of professional purpose across the teaching profession, by sharing professional knowledge and by sustaining professionalism.

### Performance information for Outcome 1

The performance information is in relation to Teaching Australia's contribution to Output Group 1.1 – Assistance for quality teaching and school learning. Performance information for individual outputs and output groups relating to Teaching Australia are summarised in Table 3.1.2.

**Table 3.1.2: Performance information for Outcome 1**

Output	Performance Indicator
Assistance for quality teaching and learning.	<p>National professional organisations representing teachers and school leaders engaged in development of standards with Teaching Australia.</p> <p>Professional identity of the teaching profession strengthened by developing and distributing professional materials to graduating teachers.</p> <p>Promulgation of a charter for the teaching profession.</p> <p>Development and release of models for national professional standards for advanced teaching and school leadership.</p> <p>Development of a national system of accreditation for pre-service teacher education and establishment of an accreditation council.</p> <p>Number of participants undertaking teaching professional development.</p> <p>Number of participants undertaking exemplary national professional learning program for school leaders.</p>

## 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 produced 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.

#### **4.1.1 Cross agency overview**

Teaching Australia receives the bulk of its funding from DEST. However, this relationship is not considered a purchaser-provider arrangement.

### **4.2 COST RECOVERY ARRANGEMENTS**

Teaching Australia assumed responsibility for the overseas qualifications assessment function from DEST on 1 November 2006. The function operates on a cost recovery basis with the application fee set at \$450. The fee is comparable with those charged for other professional qualifications assessments.

## Section 5: Budgeted financial statements

The budgeted financial statements for Teaching Australia – Australian Institute for Teaching and School Leadership Ltd encompass the 2007-08 budget year as well as the estimates for the 2008-09 and 2009-10 and 2010-11 financial years.

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

### **5.1: ANALYSIS OF BUDGETED FINANCIAL STATEMENTS**

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). An initial injection of funding totalling \$10 million enabled the institute to establish its corporate structure and commence programs in line with core objectives. Unexpended funding from this period is included in the organisation's forecast balance sheet and will fund key activities in the forward budget period in this statement.

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

Teaching Australia will receive an estimated \$6.5 million from funding agreements with DEST during the 2007-08 budget year. The organisation recently commenced as the assessing authority for overseas teaching qualifications with estimated revenues of \$0.6 million per annum. 2007-08 outputs will be partially resourced by unexpended funds brought forward from the establishment phase of the organisation.

Teaching Australia has prepared budgets that reflect the expanding nature of its activities. Employee related costs allow for an increase in staffing numbers to manage the national accreditation system.

#### **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 cash and receivables position are significant on the balance sheet and are forecast to reduce in forward years as unexpended funding is utilised. As a consequence, Teaching Australia's cash flows will closely follow its operating result.

## 5.2: BUDGETED FINANCIAL STATEMENTS TABLES

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

	Estimated Actual 2006-07 \$'000	Budget Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000	Forward Estimate 2010-11 \$'000
<b>INCOME</b>					
<b>Revenues</b>					
Revenues from Related Entity	5,800	<b>6,500</b>	6,500	6,500	6,500
Goods and services	414	<b>600</b>	600	600	600
Interest	118	<b>160</b>	160	160	160
Other	1,793	<b>0</b>	0	0	0
<b>Total revenue</b>	<b>8,125</b>	<b>7,260</b>	<b>7,260</b>	<b>7,260</b>	<b>7,260</b>
<b>EXPENSE</b>					
Employees	2,645	<b>2,984</b>	3,201	3,274	3,380
Suppliers	5,138	<b>4,100</b>	3,875	3,793	3,681
Depreciation and amortisation	33	<b>64</b>	72	80	86
Other	309	<b>112</b>	112	113	113
<b>Total expenses</b>	<b>8,125</b>	<b>7,260</b>	<b>7,260</b>	<b>7,260</b>	<b>7,260</b>
<b>Operating result</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Table 5.2: Budgeted departmental balance sheet as at 30 June

	Estimated Actual 2006-07 \$'000	Budget Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000	Forward Estimate 2010-11 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	3,163	<b>2,800</b>	2,325	3,285	3,251
Receivables	1,399	<b>1,843</b>	2,360	1,560	1,640
<b>Total financial assets</b>	<b>4,562</b>	<b>4,643</b>	<b>4,685</b>	<b>4,845</b>	<b>4,891</b>
<b>Non-financial assets</b>					
Infrastructure, plant and equipment	314	<b>286</b>	254	217	175
Heritage and cultural assets	24	<b>23</b>	23	23	23
Intangibles	44	<b>34</b>	59	41	22
<b>Total non-financial assets</b>	<b>382</b>	<b>343</b>	<b>336</b>	<b>281</b>	<b>220</b>
<b>Total assets</b>	<b>4,944</b>	<b>4,986</b>	<b>5,021</b>	<b>5,126</b>	<b>5,111</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	143	<b>213</b>	283	333	383
<b>Total provisions</b>	<b>143</b>	<b>213</b>	<b>283</b>	<b>333</b>	<b>383</b>
<b>Payables</b>					
Suppliers	523	<b>495</b>	460	515	450
<b>Total payables</b>	<b>523</b>	<b>495</b>	<b>460</b>	<b>515</b>	<b>450</b>
<b>Total liabilities</b>	<b>666</b>	<b>708</b>	<b>743</b>	<b>848</b>	<b>833</b>
<b>EQUITY*</b>					
Retained surpluses or accumulated deficits	4,278	<b>4,278</b>	4,278	4,278	4,278
<b>Total parent entity interest</b>	<b>4,278</b>	<b>4,278</b>	<b>4,278</b>	<b>4,278</b>	<b>4,278</b>
<b>Total equity</b>	<b>4,278</b>	<b>4,278</b>	<b>4,278</b>	<b>4,278</b>	<b>4,278</b>
<b>Current assets</b>	4,562	<b>4,643</b>	4,685	4,845	4,891
<b>Non-current assets</b>	382	<b>343</b>	336	281	220
<b>Current liabilities</b>	636	<b>658</b>	673	763	733
<b>Non-current liabilities</b>	30	<b>50</b>	70	85	100

\*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 2006-07 \$'000	Budget Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000	Forward Estimate 2010-11 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	449	552	605	590	620
Interest	118	160	160	160	160
Other	5,629	6,104	5,978	7,310	6,400
<b>Total cash received</b>	<b>6,196</b>	<b>6,816</b>	<b>6,743</b>	<b>8,060</b>	<b>7,180</b>
<b>Cash used</b>					
Employees	2,502	2,914	3,131	3,224	3,330
Suppliers	4,924	4,240	4,022	3,851	3,859
<b>Total cash used</b>	<b>7,426</b>	<b>7,154</b>	<b>7,153</b>	<b>7,075</b>	<b>7,189</b>
<b>Net cash from or (used by) operating activities</b>	<b>(1,230)</b>	<b>(338)</b>	<b>(410)</b>	<b>985</b>	<b>(9)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment	220	25	65	25	25
<b>Total cash used</b>	<b>220</b>	<b>25</b>	<b>65</b>	<b>25</b>	<b>25</b>
<b>Net cash from or (used by) investing activities</b>	<b>(220)</b>	<b>(25)</b>	<b>(65)</b>	<b>(25)</b>	<b>(25)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Net cash from/(used by) financing activities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net increase or (decrease) in cash held</b>	<b>(1,450)</b>	<b>(363)</b>	<b>(475)</b>	<b>960</b>	<b>(34)</b>
Cash at the beginning of the reporting period	4,613	3,163	2,800	2,325	3,285
<b>Cash at the end of the reporting period</b>	<b>3,163</b>	<b>2,800</b>	<b>2,325</b>	<b>3,285</b>	<b>3,251</b>

**Table 5.4: Departmental statement of changes in equity – summary of movement (Budget year 2007-08)**

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2007</b>					
Balance carried forward from previous period	4,278	0	0	0	4,278
<b>Opening balance</b>	<b>4,278</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,278</b>
<b>Income and expense</b>					
Net operating result	0	0	0	0	0
<b>total income and expenses recognised directly in equity</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Estimated closing balance as at 30 June 2008</b>	<b>4,278</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,278</b>

**Table 5.5: Departmental capital budget statement**

	Estimated Actual 2006-07 \$'000	Budget Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000	Forward Estimate 2010-11 \$'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	220	25	65	25	25

**Table 5.6: Departmental property, plant, equipment and intangibles — summary of movement (Budget year 2007-08)**

	Heritage and cultural assets \$'000	Other infrastructure plant and equipment \$'000	Computer software \$'000	Total \$'000
<b>As at 1 July 2007</b>				
Gross book value	24	354	51	429
Accumulated depreciation	0	40	7	47
<b>Opening net book value</b>	<b>24</b>	<b>314</b>	<b>44</b>	<b>382</b>
Additions:				
by purchase	0	25	0	25
Depreciation/amortisation expense	1	53	10	64
<b>As at 30 June 2008</b>				
Gross book value	24	379	51	454
Accumulated depreciation	1	93	17	111
<b>Estimated closing net book value</b>	<b>23</b>	<b>286</b>	<b>34</b>	<b>343</b>