



Annual Report

2021-22

Acknowledgement of Country

The Australian Institute for Teaching and School Leadership Limited (AITSL) acknowledges the Traditional Custodians of the land, sea country and waterways from across Australia. We acknowledge the Wurundjeri Woi Wurrung people of the Kulin Nation as the Traditional Custodians of the land on which AITSL's office stands. We honour and pay our respects to their Elders past, present, and future. We commit to reconciling the past and look to build unity and understanding through our role in education to create a better future for all.

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AITSL was formed to provide national leadership for the Commonwealth, state, and territory governments in promoting excellence in the profession of teaching and school leadership with funding provided by the Australian Government.

1

Letter of Transmittal



ABN 17 117 362 740

25 August 2022

The Hon Jason Clare MP Minister for Education Parliament House Canberra ACT 2600

Dear Minister.

The Board of Directors is pleased to submit the Annual Report 2021–22 for the Australian Institute for Teaching and School Leadership Limited.

The report is presented in accordance with the *Public Governance*, *Performance and Accountability Act 2013*.

The report has also been prepared to conform to the requirements of the *Australian Charities and Not-for-profit Commission Act 2012* and the *Corporations Act 2001*.

Yours sincerely,

Attre

Emeritus Laureate Professor John Hattie

Chair

AITSL Board of Directors

Contents

| Letter of Transmittal | 2 |
|---|----|
| Contents | 3 |
| From the Chair | 4 |
| From the CEO | 6 |
| About AITSL | 8 |
| Performance Measures 2021–22 | 10 |
| Senior Management | 18 |
| Corporate Governance Statement | 21 |
| Directors' Report | 31 |
| Financial Report For the year ended 30 June 2022 | 38 |
| Notes to the Financial Statements For the year ended 30 June 2022 | 47 |
| Appendices | 60 |

From the Chair



I am pleased to present the Annual Report 2021–2022 of the Australian Institute for Teaching and School Leadership (AITSL).

Following the federal election in May 2022, AITSL looks forward to working with the new Government and the Hon Jason Clare MP, Minister for Education on ways we can support the teaching profession and continue to lead a focus on quality teaching and leadership.

The 12-month period to 30 June 2022 was not without its challenges. The teaching profession continued to navigate remote learning, the health and wellbeing of teachers and students, as well as the return to the classroom. Additionally, the growing impacts of teacher shortages across Australia became evident as the new school year commenced.

The issues around teacher shortages, and their solutions, will continue to be an area that the AITSL Board will focus on over the next 12 months and beyond.

Throughout the past year, AITSL's Assessment for Migration (AfM) function has been supporting jurisdictions to explore options for employing teachers currently based outside Australia. From March to June 2022, AITSL participated in the Commonwealth Faster Migrant Skills Assessments program, which provided eligible applicants with assessment outcomes in a reduced timeframe.

Furthermore, a body of work to support addressing workforce requirements is underway and will be developed in consultation with the jurisdictions during the 2022–23 year.

AITSL also plays an important role in helping jurisdictions understand the supply of teachers across Australia through the data provided by the Australian Teacher Workforce Data (ATWD) initiative. The ATWD is being implemented by AITSL in partnership with states and territories, teacher regulatory authorities, the Australian Government Department of Education and the Australian Institute of Health and Welfare.

In December 2021, the first ATWD Teacher Workforce Characteristics Report was published, and in June 2022 the ATWD Key Metrics Dashboard was released. The data in the Report is easily accessible via the dashboard and can help employers better understand the national picture of Australia's teaching profession.

Making sure we have the supply of teachers to lead the learning of the approximately 4 million Australian students is just part of the picture. It is crucial that we remain laser focused on quality teaching, ensuring that Australia's graduate teachers are best-in-class is a key element.

AITSL's support of Australia's initial teacher education (ITE) providers to adopt Teaching Performance Assessments (TPAs) has been a critical piece of work in this space. It is a significant achievement that all 47 ITE providers are now signed up to one of 12 TPAs endorsed by AITSL's Expert Advisory Group.

AITSL's influence and expertise in ITE policy development saw many of our recommendations to the federal government's Quality Initial Teacher Education (QITE) Review adopted in the final Report, which was released in February 2022. We look forward to working with the Federal Government on the implementation of the recommendations.

AITSL continues to work with the government, Catholic, and independent sectors across Australia to grow national teacher certification. This year we reached a milestone whereby every state and territory had adopted Highly Accomplished and Lead teacher (HALT) certification. Unfortunately, it is not in every sector in every jurisdiction as yet, but certification is currently available to teachers in all sectors in the Australian Capital Territory, New South Wales, Northern Territory, Queensland, and South Australia, the Catholic and independent sectors in Victoria, and the independent sector in Western Australia. Independent Schools Victoria completed a pilot and became a certifying authority in late 2021 and Tasmania is conducting a cross-sectoral certification pilot. Momentum is building.

In addition to the achievements above, the AITSL team delivered exceptional outcomes across a range of areas that support Australia's teachers and leaders to ensure the best education for all students. You can read more about these projects in the following pages.

The end of the 2021–22 financial year marked the completion of AITSL's 2019–2022 Strategic Plan. The Plan's guiding principles, clear focus areas, actions, and goals built on the foundations of quality work and stakeholder engagement that are fundamental to AITSL's purpose.

Extensive consultation was undertaken during the year to help shape and inform AITSL's new Strategic Plan which will guide us over the next 4 years. AITSL's stakeholders told us that we should continue to focus on the areas where we have the greatest impact, building on the solid foundations we have carefully laid over more than 10 years. But we also heard that we should be bold and innovative in our approach, which is what we intend to do.

Central to our new strategic plan is the premise of expertise. This expertise, with a solid evidence base, has been embodied in our national Standards as well as AITSL's tools and resources.

AITSL's Reflect Reconciliation Action Plan (RAP) was also completed during the year. The Board was proud of the team's advancement in their cultural capabilities journey, but there is always more progress to be made. We look forward to working with our people to embed real and lasting change through the delivery of AITSL's Innovate RAP over the next 2 years.

My thanks go to the AITSL Board of Directors for their commitment to education and to helping to lead the strategic direction of the organisation. I'd like to acknowledge former Director Tim Bullard, who left the AITSL Board in July 2021. We thank Tim for his contribution. We welcomed new Director Dr Lee Anne Perry AM in March 2022. Lee Anne brings a wealth of experience and expertise to the AITSL Board, and we are incredibly pleased she has joined us.

Finally, the Board's thanks and gratitude go to the AITSL CEO, Mark Grant, and the entire AITSL team for their ongoing commitment to AITSL's purpose.

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Emeritus Laureate Professor John Hattie Chair



From the CEO



Since AITSL first opened its doors, we have prided ourselves on our connection and collaboration with the teaching profession. This year was no different, as difficult as COVID again tried to make it, we worked to deliver evidence-based tools and resources to be used across Australia – all with the shared goal of maximising impact of teaching on student learning. We were pleased to complete delivery on a number of multi-year projects, with the satisfaction of seeing teachers engaging with our work to improve their practice.

Our thanks go to all our partners who have worked with us during the year to inform the development of tools, resources, and services that are now freely available to the profession via AITSL's website. We are grateful to you for sharing your expertise and feedback.

One such project was the Indigenous Cultural Competency Project. Following extensive consultation with stakeholders across Australia, it was finalised during the year, resulting in 10 recommendations outlined in the *Building a culturally responsive Australian teaching workforce: Final Report for the Indigenous cultural competency project.* Key to this work will be the implementation of the professional learning materials we developed, which will support the profession to understand and develop their cultural capability.

A number of resources relating to high quality professional learning for teachers and school leaders were published during the year, including Quick Guides to support casual relief teachers; rural, regional and remote teachers; and early childhood teachers as well as a High Quality Professional Learning Toolkit to support teachers to create a professional learning plan.

AITSL undertook work to help strengthen perceptions of teacher evaluations and teaching effectiveness nationally, producing several resources based around growth-focused evaluations of teaching effectiveness, including a range of professional learning modules.

We delivered on our commitment to support beginning and early career teachers by continuing to grow our online platform, *My Teaching Advice*. Beginning and early career teachers are easily able to seek advice and guidance throughout their induction from their experienced colleagues through the platform.

In August 2021, AITSL published the first in a series of *In the Classroom* video resources focused on effective instruction. The response from the teaching profession has been overwhelmingly positive. I look forward to seeing more of these resources over the next 12 months.

I am pleased to report that as of December 2021, there were 1,025 Highly Accomplished and Lead teachers (HALTs) across Australia. To support nationally certified teachers, AITSL held the 2022 HALT Summit with over 400 participants in June 2022, where a growing number of nationally certified expert teachers shared their experiences and learnings, developed connections with each other, and committed to sharing their expertise with the schools and teachers in their regions. That's a great result.

We continued to provide valuable insights through our suite of research Spotlights. Topics this year ranged from celebrating early childhood teachers, through to exploring the role of pre-service teacher placements beyond urban settings.

AITSL further progressed our goal to esteem the profession with the 2021 World Teachers' Day campaign. On Friday 29 October 2021, Australia celebrated the bright future of teaching through our #BrightFuture campaign, which reached between 4 and 8 million people. AITSL was joined by maths teacher Eddie Woo as our 2021 campaign ambassador, further helping to celebrate Australia's amazing teachers. Our partnership with Twitter meant that every Australian Twitter user that visited the platform on 29 October 2021 saw one of our World Teachers' Day videos.

Our reach into the profession continues to grow, whether through our expert committees, working groups, advisory groups, and broader consultation or via our digital channels such as our website, social media, and AITSL Mail.

It was pleasing to see that AITSL's social media audience grew by 7 per cent across Twitter, Facebook, and LinkedIn year on year, and our AITSL Mail subscribers increased by around 5,000 to more than 200,000.

It has been a privilege to work with the AITSL Board of Directors, whose contribution has been instrumental in guiding the company to achieve its goals this year. My thanks go to each of our Directors for their respective contributions and expertise. The AITSL team looks forward to working closely with the Board to deliver on our new 4-year Strategic Plan, commencing 1 July 2022.

Finally, I would like to acknowledge and thank the AITSL staff, whose unwavering commitment to AITSL's purpose ensures we delivered evidence-based advice, informed by the profession, to help shape national policy reform, and impactful tools, resources, and services that support teachers across Australia.

Mark Grant PSM

Chief Executive Officer

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About AITSL

Background

AITSL is a Commonwealth company that was formed to provide national leadership for the Commonwealth, state, and territory governments in promoting excellence in the profession of teaching and school leadership. We are here to develop teaching and leadership expertise and empower teachers and leaders to create better education outcomes for Australian students.

Our Vision and Mission

At AITSL, we believe that student learning comes first. We're committed to improving teaching and school leadership quality across Australia.

Our Vision

Australia has a high-quality education system in which teachers and leaders have the greatest impact on the educational growth and achievement of every learner.

Our Mission

Promoting excellence so that teachers and leaders have the maximum impact on learning in all Australian schools and early childhood settings.



Strategic Plan

The purpose of AITSL's Strategic Plan is to:

- support planning and scoping of work beyond the yearly budget and Work Plan
- make clear AITSL's position within the education landscape
- articulate a plan for how the organisation will support education reform
- set long-term goals.

The end of the 2021–22 financial year marks the completion of AITSL's 2019–2022 Strategic Plan. The Plan's guiding principles, clear focus areas, actions, and goals built on the foundations of quality work and stakeholder engagement that is fundamental to AITSL's purpose.

During the reporting period, AITSL developed its new 4-year Strategic Plan for 2022–2026 through extensive consultation with AITSL's Key Partners (teachers and leaders in schools and early childhood and other education settings, and representatives from government systems, Catholic and independent school sectors, teacher regulatory authorities, initial teacher education providers, teacher unions, Aboriginal and Torres Strait Islander communities and groups, principal and other professional associations and community organisations).

We heard clearly during consultation that we should continue to do what we do best and build on the solid foundations we have carefully laid over the past 10 years – but be bold in our approach. AITSL's new Strategic Plan is a reflection of that direction.

A focus on expertise continues to be central to our work, which is reflected in the Strategic Priorities outlined in the plan: Shaping Expertise, Influencing Expertise, Enhancing Expertise, Esteeming Expertise, and Supporting Expertise. These Strategic Priorities will underpin our approach to our work program over the next 4 years.

The new Strategic Plan, which will be rolled out from 1 July 2022, will be reported against in next year's Annual Report.

Working with the education sector

AITSL has established clear and effective frameworks for undertaking genuine consultation and collaboration with our Key Partners. We would not be able to lead national education reform without the expertise and support of committed educators from across Australia. For example, the *Australian Professional Standards for Teachers* were developed with advice from more than 6,000 educators. A genuine consultative approach is the basis for all AITSL's work.

We are incredibly proud of our reputation as an honest broker and agent for impact in the education architecture.

Performance Measures 2021–22

AITSL's performance measures ensure we deliver on our priorities and have maximum impact. Our performance measures for the 2021-22 financial year are listed in AITSL's 2021-24 Corporate Plan as follows:

1. AITSL successfully delivers agreed programs of work related to the promotion of excellence in teaching and school leadership, as measured through the monitoring and evaluation of initiatives.

TARGET > Successful delivery of agreed programs of work

2. Awareness, positive attitudes toward, and use of the *Australian Professional Standards for Teachers*, the *Australian Professional Standard for Principals*, and other national frameworks, as measured through a stakeholder survey.

TARGET > Education professionals within all systems and sectors have a high level of awareness and engagement with AITSL's policies and frameworks

3. Awareness, use, and perceived usefulness of AITSL resources, as measured by traffic to and within the AITSL website, and through a stakeholder survey.

TARGET > High levels of awareness, use, and perceived usefulness of AITSL resources among education professionals

4. AITSL delivers its agreed work plan within the available budget, as measured through reporting against the Annual Plan and budgetary reports.

TARGET > Agreed milestones within AITSL's yearly Annual Plan are achieved and completed within the budget allocated



1. AITSL successfully delivers agreed programs of work related to the promotion of excellence in teaching and school leadership, as measured through the monitoring and evaluation of initiatives.

TARGET > Successful delivery of agreed programs of work = MET

AITSL has successfully delivered programs of work that have been key in promoting excellence in the profession of teaching and school leadership throughout 2021–22. Indicators of success include:

Optimising impact for teachers and school leaders

Providing teachers across Australia with resources to improve their impact is one of AITSL's most vital functions. Throughout 2021–22, AITSL began the creation of a series of *In the Classroom* video resources focusing on effective teacher instruction. Each *In the Classroom* resource suite includes a full lesson video (approximately 30 to 45 minutes), audio commentary from the teacher, student work samples, and an interview with the teacher.

Two *In the Classroom* videos have been published, a year 3 to 4 literacy lesson (August 2021), and a year 12 physics lesson (June 2022).

Illustration of Practice videos focus on a particular focus area of the Teacher Standards at a relevant career stage for teachers. Three *Illustration of Practice* video resources were published this financial year:

- Primary setting Lead career stage (September 2021)
- Senior secondary setting Proficient career stage (September 2021)
- Early childhood setting Proficient career stage (June 2022).

Certification of Highly Accomplished and Lead teachers

AITSL continued to work with jurisdictions and the Certifying Authorities Network to support national teacher certification, which recognises expert teaching practice.

In the 2021 calendar year, 185 teachers achieved national certification, taking the cumulative total to 1,025 certified teachers across Australia. Certification is currently available to teachers in all sectors in the Australian Capital Territory (ACT), New South Wales (NSW), Northern Territory (NT), Queensland (Qld), and South Australia (SA), the Catholic and Independent sectors in Victoria (Vic), and the independent sector in Western Australia (WA). Independent Schools Victoria completed a pilot and became a certifying authority in late 2021 and Tasmania is conducting a cross-sectoral certification pilot.

In May 2022, AITSL convened the sixth Highly Accomplished and Lead teacher (HALT) Summit in Adelaide. This was delivered both in person and online, bringing together over 400 total attendees (including certified teachers and key stakeholders) for a professional learning and networking event. The HALT Summit acts as AITSL's flagship event to promote national teacher certification and showcase Highly Accomplished and Lead teachers.

Best practice, monitoring and evaluation

AITSL published 5 spotlights in 2021–22:

- The impact of Aboriginal and Torres Strait Islander educators (July 2021)
- Celebrating Early Childhood Teachers (October 2021)
- Classroom Management: Contemporary approaches and international comparisons (December 2021)
- Wellbeing in Australian schools (March 2022)
- Pre-service teacher placements beyond urban settings (June 2022).

Summary reports of the evaluations of the Australian guidelines for teacher induction into the profession and Leading for Impact: Australian guidelines for school leadership development were presented to the Professional Growth Network (PGN) on 24 November 2021 and subsequently published on the AITSL website in December 2021.

Initial teacher education

AITSL, via the Expert Advisory Group (EAG), has ensured that all 47 initial teacher education (ITE) providers across Australia have an endorsed Teaching Performance Assessment (TPA) in place, with 12 TPAs endorsed in total. AITSL continues to support the EAG to ensure each TPA continues to assess preservice teacher performance reliably and validly against the Graduate career stage of the Teacher Standards.

From July 2021 to June 2022, 5 ITE panel training events (combined stage one and two) were conducted online. These events trained 132 panellists representing all states and territories across Australia. Executive Officers from teacher regulatory authorities (TRAs) in each jurisdiction assisted with the panel training. Three panel chair training events were conducted, also online, training 34 individuals. Participant and Executive Officer feedback was gathered to inform continuous improvement and refinement of panel training. AITSL coordinated the provision of interstate panellists based on TRA requests. These requests comprise: ACT 1, NSW 5, Qld 8, SA 1, Tasmania (Tas) 2, Vic 8, WA 2, for a total of 27. This reflects the total number of ITE accreditation panels conducted nationally during the year.

AITSL continues to maintain and publish the list of accredited ITE programs across Australia.

The AITSL Board submitted its formal response to the Quality Initial Teacher Education (QITE) Review Discussion Paper on 18 July 2021. The *Next Steps: Report of the QITE Review* was released on 24 February 2022. The Report outlined 17 recommendations and 7 findings based on the QITE discussion paper and public submissions, including a number that are aligned with the AITSL Board's submission to the QITE Review.

Cultural responsiveness

AITSL collated and analysed findings from research, 87 written submissions, extensive consultation including 12 forums with over 400 participants, and a national dialogue on the Indigenous cultural competency of the Australian teaching workforce, attended by over 120 stakeholders.

Members of AITSL's Advisory Group for Aboriginal and Torres Strait Islander Education worked with AITSL to define a set of 10 recommendations for progressing the work, outlined in *Building a Culturally Responsive Australian Teaching Workforce: Final Report for the Indigenous Cultural Competency Project.* Recommendations outline how the education sector can work together to help teachers to develop their practice in culturally responsive ways, and to address the complexities of a holistic and sustainable approach to cultural safety in Australian schools.

AITSL convened relevant experts from across the Australian education sector to define the requirements for professional learning materials and then develop:

- a self-reflection tool to support teachers' self-awareness of their own worldviews, assumptions, attitudes, and beliefs in relation to their learners and culture
- an intercultural learning continuum that defines a language to describe levels of competency including identifying characteristics, knowledges, skills, practice, and moral imperatives of cultural responsiveness against which teachers can assess and progress the development of competencies
- a capability framework providing insight into the characteristics, impacts and forms of support and learning that are associated with moving through different levels of cultural responsiveness.

Teacher effectiveness

In 2021–22, AITSL scoped and produced several products in response to market research and consultation into growth-focused evaluations of teaching effectiveness, for the purpose of strengthening perceptions of teacher evaluations and teaching effectiveness nationally.

Professional learning modules were developed to support teachers and leaders to understand and apply a standards-based approach to professional development. Three *Quality Teaching Modules* were published in June 2022.

Resources for leaders were developed: 4 fact sheets (*Teaching effectiveness*, *Growth focused teaching evaluations*, *Indicators of learning*, *Enablers for a growth focused evaluation culture*) and 3 case study videos on growth focused evaluations in diverse education settings (primary, secondary and early childhood). These products aim to assist leaders to build a common language and understanding across education settings and learn from examples of growth-focused evaluation in action.

High Quality Professional Learning

AITSL provides a number of resources relating to high quality professional learning for teachers and school leaders. AITSL developed and released a webpage and resources supporting high-quality professional learning in June 2019, and this was updated from 2019 to 2021 to include additional practical resources. Initiatives completed over 2021–22 include:

- publication of 3 Quick Guides to support identified unique teaching cohorts in accessing high quality professional learning. These cohorts are casual relief teachers, rural, regional, and remote teachers, and early childhood teachers
- publication of a High Quality Professional Learning Toolkit to support teachers in creating a professional learning plan by selecting from a range of professional learning modes, approaches, and 'active ingredients' to support the effectiveness of the professional learning selected.

In addition to the Quick Guides and Toolkit, AITSL also offers online apps/platforms to support high quality professional learning. Released in 2017, and updated in 2020, *My Induction* is a downloadable mobile app (iOS and Android) which provides support and guidance to beginning teachers. There are currently 18,111 users registered, an increase of 4,411 between 1 July 2021 and 30 June 2022.

My Teaching Advice is an online platform to support beginning and early career teachers to seek advice and guidance throughout their induction from their experienced colleagues. It is supported by a professional learning program designed to build the capacity of teachers to provide advice on the platform. The professional learning modules and assessments will ensure potential advisers are well-prepared and confident to apply their learnings into practice.

Built and tested during 2021 and 2022, the *My Teaching Advice* platform has undergone refinements of the user interface and the areas of expertise of Advisers to better meet the needs of teachers seeking advice in advance of a release to the wider teaching community in mid-2022.

My Teaching Advice professional learning has been tested by HALTs (to identify the optimal pass rate for the final assessment), as well as teachers from cohorts who experience challenges throughout their induction – rural and remote teachers, casual relief teachers, early childhood teachers, and mid-career change teachers. Feedback has been integrated into the program.

Australian Teacher Workforce Data (ATWD)

Seven jurisdictions provided teacher registration data to the Australian Teacher Workforce Data (ATWD) initiative in 2021, and 27,875 teachers across all states and territories participated in the ATWD Teacher Survey in the 2021 school year. In the jurisdictions where COVID and natural disasters did not prevent direct contact of teachers, survey participation increased by 0.7 percentage points.

The first ATWD Teacher Workforce Characteristics Report was published in December 2021, providing the characteristics of all registered teachers in NSW, NT, SA, and Vic in 2018, and detailed analysis of the 3 jurisdictions who participated in the ATWD Teacher Survey in its inaugural year.

In December 2021, the ATWD adopted a strategy to expedite digital access and reporting. The first tool to support this strategy is the ATWD Key Metrics Dashboard, which was released with priority ITE data from 2005 to 2019 on 24 June 2022.

Assessment for Migration

In 2021–22, AITSL delivered over 2,200 suitable skilled migration assessment outcomes to teachers seeking to migrate to Australia. This builds on the 1,188 suitable skilled migration outcomes assessed in the previous year.

AITSL has focused on supporting national workforce needs including undertaking advocacy to improve national supply outcomes for the profession, and the curation of existing AITSL resources to support migrant teachers entering Australian classrooms.

AITSL participated in the Commonwealth Faster Migrant Skills Assessment incentive program, which provided eligible applicants with assessment outcomes in a reduced timeframe of 15 business days.



2. Awareness, positive attitudes toward, and use of the *Australian Professional Standards for Teachers*, the *Australian Professional Standard for Principals* and other national frameworks, as measured through a stakeholder survey.

TARGET > Education professionals within all systems and sectors have a high level of awareness and engagement with AITSL's policies and frameworks = MET

The 2021 AITSL Stakeholder Survey revealed teachers, school leaders, and education professionals have an overall high awareness of national frameworks, and AITSL was found to maintain high levels of engagement, satisfaction, and performance.

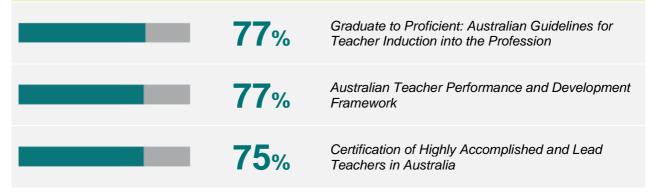
Awareness, attitude towards and use of the *Australian Professional Standards for Teachers* remained high:

| Awareness | Use | Benefit rating |
|-----------|-----|----------------|
| 98% | 94% | 7.3/10 |

School leaders' awareness, attitude towards and use of the *Australian Professional Standard* for *Principals and the Leadership Profiles* remained high:

| Awareness | Use | Benefit rating |
|-----------|-----|----------------|
| 90% | 86% | 7.3/10 |

Awareness of the following national frameworks remained high:



Awareness of the Australian Teacher Workforce Data (ATWD) initiative increased from 13% in 2019 to 20% in 2021.

Benefit ratings¹ of national frameworks were all above **6.5/10**.

1. Stakeholders were asked: 'To what extent do you believe these national frameworks benefit education in Australia?'

3. Awareness, use and perceived usefulness of AITSL resources, as measured by traffic to and within the AITSL website, and through a stakeholder survey.

TARGET > High levels of awareness, use, and perceived usefulness of AITSL resources among education professionals = MET

Engagement with AITSL including traffic to the website and use of AITSL's tools and resources remained high over the 1 July 2021 to 30 June 2022 period:



More than 952,407 visitors explored AITSL's website



AITSL Mail subscriptions increased by

7% to over 201,444



AITSL's social media presence grew by **8%** with a current audience of over **124,241** across AITSL's 3 main social media platforms. Australian teachers continue to use tools and resources provided by AITSL:

The Standards page was viewed **701,469** times during this period.

The *My Induction* app has an additional **4,411 users** and has now had a total of **18,111 users** since it commenced in February 2017.

The *Illustrations of Practice* were viewed **407,207** times during this period.

The *Teacher Self-Assessment Tool* was used by **41,594 users** during this period and has had more than **173,594 users** since it commenced in February 2017.

AITSL's *Teacher Resource Hub* was used by **7,877** people in the last 12 months, with a total of **24,877** users since launching in May 2020.

AITSL's *Teachers Supporting Teachers* Facebook group grew by an additional **3,000 members** in the past 12 months and now has more than **9,000 members** following its launch in May 2020.

The 2021 AITSL Stakeholder Survey revealed teachers, school leaders, and education professionals were aware of AITSL's tools and resources and found them useful:

School leaders had high levels of awareness of and rated AITSL's leadership tools highly:

| | Awareness | Use | Usefulness rating | | | | | |
|---|-----------|-----|-------------------|--|--|--|--|--|
| 360° Reflection Tool | 91% | 60% | 7.9/10 | | | | | |
| Interactive Leadership Profiles | 69% | 40% | 7.6/10 | | | | | |
| Teachers found AITSL's tools for teaching useful, rating them 7.5 / 10 on average; the tools with the highest awareness and use were: | | | | | | | | |
| Teacher Self-Assessment Tool | 88% | 60% | 7.3/10 | | | | | |
| Classroom 5 Practice Continuum | 55% | 28% | 7.8/10 | | | | | |
| Illustrations of Practice | 55% | 31% | 7.7/10 | | | | | |

4. AITSL delivers its agreed Work Plan within the available budget, as measured through reporting against the Work Plan and budgetary reports.

TARGET > Agreed milestones within AITSL's yearly Annual Plan are achieved and completed within the budget allocated = MET

Agreed milestones within AITSL's 2021–22 Work Plan were all achieved within budget. Highlights include:

- grew the Certification of Highly Accomplished and Lead teachers
- facilitated national endorsement of TPAs, now in place across all Australian ITE providers
- delivered resources to support improvements in teaching effectiveness, cultural competency, and the undertaking of high quality professional learning
- published 5 Spotlights
- released the ATWD Key Metrics Dashboard
- published a range of additional tools and resources.



Senior Management

As of 30 June 2022.

Senior officers



Mark Grant PSM
Dip Teach BEd MStudEd PCiL MACE

Chief Executive Officer

Mark Grant PSM joined AITSL as CEO in April 2019, bringing a significant breadth and depth of operational experience as a teacher, principal, and executive to the role. During a career dedicated to education, he has maintained a passion for quality teaching and school leadership, and the resulting benefits these bring to students in the classroom.

In his time leading AITSL, Mark's focus has been on working with all systems and sectors to support teachers and school leaders to deliver quality, lasting outcomes for learners.

Prior to joining AITSL, Mark held the position of Executive Director, Leadership and High Performance at the Department of Education, NSW. Mark combines this executive experience with a background in schools as a teacher and leader. During his tenure as principal at 3 NSW schools, Mark drove improvement initiatives to benefit student growth and outcomes.

Mark has also led complex, integrated strategic work, including school improvement measures; teacher quality, induction, professional development, and leadership support for all school-based staff; and needs-based funding to all schools.

Mark has a deep commitment to making a broad and significant contribution to education, and to the lives of children and young people across the nation.



Edmund Misson BA (Hons) EMPA

Deputy Chief Executive Officer

Edmund Misson is the Deputy CEO of AITSL and is a respected leader in the national education landscape.

Edmund's considerable experience across education research, policy development and policy implementation has seen him successfully lead AITSL's work with all jurisdictions to deliver solutions that promote quality teaching and school leadership across Australia.

Since joining AITSL in 2011, Edmund's focus has been on using evidence to support teachers in all systems and sectors to excel at every stage of their teaching careers.

He has led AITSL's role in helping to shape national reforms to initial teacher education for graduate teachers, and several of AITSL's landmark national policies and frameworks now being used by the profession in all states and territories.

Edmund previously held leadership roles with the Victorian Government, advising on a range of education, training, and other social policy issues. Edmund has a Master's degree in Public Administration.



Dianne Jickell BA (Hons)

General Manager, Corporate

Dianne Jickell joined AITSL in May 2017. As General Manager, Corporate she leads AITSL's communications, brand and digital, people and culture, and business services functions.

Dianne provides high-level strategic and operational advice with a focus on strengthening AITSL's business infrastructure and external reach.

Dianne has extensive experience in strategic leadership and change management, marketing, communications, and stakeholder engagement across a wide range of sectors internationally.

Prior to joining AITSL, Dianne was a senior executive at an Australian peak body, Philanthropy Australia. She delivered several key initiatives to support the organisation's objectives and worked as part of the executive team to design and develop a refreshed direction for the organisation.



Lisa Molloy BSc LLB MPICT GAICD FGIA

General Counsel and Company Secretary

Lisa Molloy joined AITSL in April 2017. As General Counsel and Company Secretary, Lisa's provides legal support and advice to the Board and Executive, ensures the company's regulatory compliance, manages fraud control and risk, facilitates internal audits, supports high-quality company policies and operations, and leads the Assessment for Migration function.

Lisa is a legal professional with extensive experience working with boards, and providing legal, risk, fraud management, operational, and strategic advice to government and the private sector.

Prior to joining AITSL, Lisa worked in private practice and for State and Commonwealth Government. Lisa also holds a Bachelor of Science; a Masters of Policing, Intelligence and Counter Terrorism; is a PRINCE 2 Practitioner; and is a Graduate of the Australian Institute for Company Directors and Fellow of the Governance Institute of Australia.



Danny Pinchas BEcon PGDipEd

General Manager, Teaching and School Leadership

Danny Pinchas has more than 15 years' experience as a leader across the education sector and joined AITSL in 2013.

As General Manager, Teaching and School Leadership, Danny leads AITSL's important work across initial teacher education reform, quality teaching support, and school leadership development.

Danny's responsibilities involve driving and supporting the development and implementation of a range of policy initiatives and resources to empower teachers and school leaders.

Prior to joining AITSL, Danny held positions at the Victorian Department of Education and Early Childhood Development. Before that, he spent several years in the Kimberley region of Western Australia, working in remote communities as a principal, teacher, and numeracy coach.



David W Frost BA Hons BFP FCA GAICD

Chief Financial Officer

David joined AITSL in January 2022. As Chief Financial Officer, David's responsibilities include providing finance and strategic advice to the Board and Executive, and all financial reporting.

David is a finance professional and is a Fellow of Chartered Accountants Australia and New Zealand, as well as being a Fellow of the Institute of Chartered Accountants in England and Wales.

Prior to joining AITSL, David held the position of Chief Financial Officer at Neami National Ltd. His initial professional accounting experience was with BDO Binder Hamlyn, PWC, and Rolls-Royce plc. He has over 30 years' experience in both commercial and not-for-profit entities. In addition, David has served as a company director, and chaired Finance and Audit related board sub-committees, for a few not-for-profit entities.

Corporate Governance Statement

Purpose

AITSL plays a key role in leading significant, national education reform for the Commonwealth, 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. AITSL's delivers a program of work:

- in accordance with directions received from:
 - the Commonwealth Minister for Education
 - other federal ministers and national governance bodies
 - the AITSL Board of Directors
- through bilateral and multilateral agreements with states and territories
- with international governments and education partners pursuing best practice education.

Corporate structure and governing legislation

AITSL commenced operations in January 2010 in Melbourne and:

- is a Commonwealth company as defined in section 89 (1) of the *Public Governance*, *Performance* and *Accountability Act 2013* (PGPA Act)
- is a company subject to the Corporations Act 2001
- is a charity subject to the Australian Charities and Not-for-profits Commission Act 2012
- is wholly owned by the Commonwealth of Australia.
- is a company limited by guarantee.

The Minister for Education, as the representative for the Commonwealth of Australia, is the sole shareholder of AITSL. During 2021–22, the Ministers responsible for this portfolio were:

- Hon Alan Tudge MP, Minister for Education and Youth
- Hon Stuart Robert MP, Acting Minister for Education and Youth (from 2 December 2021)
- Hon Richard Marles MP, Minister for Employment (from 23 May 2022)
- Hon Jason Clare MP, Minister for Education (from 1 June 2022).

AITSL regularly reports to the Commonwealth Minister for Education and the Minister for Finance, and the Australian Government Department of Education based on the reporting timetable detailed in AITSL's Grant Agreements and other requests from the ministers. AITSL is also subject to parliamentary scrutiny through the Senate Estimates process.

As AITSL is owned by the Commonwealth of Australia, under section 250 N (4) of the *Corporations Act* 2001, it is not required to hold an annual general meeting.

AITSL operates under its own Constitution with a Board of Directors (AITSL Board) that has decision-making authority. The AITSL Board is responsible for setting the company's strategic direction and governing its operations and performance.

The AITSL Board is supported by a company headed by a Chief Executive Officer (CEO), who is responsible for the ongoing management and leadership of AITSL within the broad framework and strategic direction set by the AITSL Board.

AITSL is committed to meeting high standards of corporate governance, which we consider essential to our long-term performance and sustainability, and in the best interests of our stakeholders.

AITSL's governance framework is regularly reviewed to ensure it aligns to government, regulatory, and legislative requirements.

AITSL's governance practices continue to evolve, having regard to the:

- PGPA Act and Public Governance, Performance and Accountability Rule 2014 (PGPA Rule)
- Corporations Act 2001
- requirements of the Australian Charities and Not-for-profits Commission Act 2012
- relevant government policies and/or Government Policy Orders.

This statement, which was approved by the AITSL Board, outlines the most significant aspects of AITSL's corporate governance framework.

In addition to projects funded through its Grant Agreements and from other sources, from time to time the Minister for Education issues AITSL with letters of instruction specifying particular pieces of work under section 17.1 of the AITSL Constitution. On 27 August 2021, the Hon Alan Tudge MP, Minister for Education and Youth, provided AITSL with a letter of instruction to request AITSL undertake the following activities:

- mapping and analysis of relevant national and jurisdiction standards and frameworks and/or their supporting policy and guidance material to support the implementation of Recommendation 7 of the 2020 Review of the Disability Standards for Education 2005 (DSE)
- delivery of a final report on classroom management to understand education professionals' experiences of behaviours management, including how challenging behaviour has affected them personally and their ability to maintain a school environment that is conducive to improving student outcomes
- analysis of the Australian Teacher Workforce Data (ATWD) and development of accessible outputs needed to model teacher supply and better understand the supply and demand issues affecting the current and future teach workforce.

AITSL completed these activities during the reporting period.

No Government Policy Orders applied to AITSL during the reporting period.

The Board

AITSL is governed by a Constitution that outlines its governance and operational powers, which are exercised by the AITSL Board.

The AITSL Board has also adopted a charter that sets out its role and responsibilities and those of the CEO.

The AITSL Board is responsible for:

- setting AITSL's overall strategic direction and goals
- overseeing and monitoring organisational performance and the achievement of strategic goals and objectives
- monitoring financial performance and accountability
- · setting specific limits of authority for management
- reviewing and monitoring AITSL's risk management and compliance systems
- setting appropriate standards of corporate governance and codes of conduct
- protecting and enhancing AITSL's reputation.

The AITSL Board has also adopted a number of policies that set out legal requirements and ethical standards to which each Director is expected to adhere.

In 2020–21, AITSL undertook a Directors' survey to review the effectiveness of the Board and its Risk, Audit and Finance Committee. An independent governance review of the AITSL Board commenced in June 2022 and will be completed in the 2022–23 financial year.

Appointments

In accordance with AITSL's constitution, the AITSL Board is to comprise a minimum of 3 and a maximum of 11 directors.

Directors are appointed by the Minister for Education through the process outlined in the *Australian Government Cabinet Handbook*. The maximum term of appointment for a Director is for a period of up to 3 years, with serving Directors eligible for reappointment on the expiry of their term.

Under the AITSL Constitution, the Minister for Education, when appointing Directors, must have regard for their skills and expertise in a number of areas, including:

- teacher education
- regulation and accreditation of initial teacher education courses
- school leadership
- teacher practitioner expertise
- government school systems leadership and management
- non-government school systems leadership and management
- public policy
- governance, including audit, risk, and finance
- government liaison expertise.

Full details of current Directors including names, appointment dates, and qualifications are included in the Directors' Report on page 31.

Conflicts of interest and related party transactions

Upon appointment, each Director is required to complete a declaration of personal interests and has an ongoing obligation to keep the AITSL Board informed of any arising interests, including actual, potential, or perceived conflicts. Any conflicts and related party transactions are dealt with in accordance with the *AITSL Board Charter*, AITSL's Procurement Policy, and AITSL Board Conflict of Interest Policy. During 2021–22, there were transactions with related entities with an aggregate value of \$166,155. Further information on related party transactions for 2021–22 can be found in Note 9 Related Party Disclosure on page 55 of the Financial Report.

Induction

Upon appointment, each Director receives a letter from AITSL confirming their appointment along with a comprehensive induction pack that outlines their key statutory and legal obligations, compliance requirements, governance and reporting structures, policies, and contact information relevant to their appointment. Meetings with the AITSL Board Chair, Deputy Chair, Senior Executive, and other key staff are arranged, as well as training that covers their statutory obligations as a director.

To improve both their own and the AITSL Board's performance, Directors are encouraged, where appropriate, to undertake professional development.

Independent advisors

To allow Directors to fulfil their responsibilities and to exercise independent judgment when making decisions, the AITSL Board collectively, and each Director individually, has access to any information in the possession of AITSL. The AITSL Board also has capacity to invite up to 2 persons with expertise in a specific area to attend a meeting and provide advice to Directors.

Meetings

Details of the number of AITSL Board meetings each Director was eligible to attend, and the number of meetings attended during the period from 1 July 2021 to 30 June 2022 are set out in the Directors' Report on page 36.

Remuneration

The Remuneration Tribunal determines the remuneration and travel allowances payable to Directors, which includes provision for an annual salary for the Chair and Deputy Chair. AITSL falls under the *Remuneration Tribunal (Remuneration and Allowances for Holders of Part-time Public Office) Determination*. Full details of Directors' remuneration including annual salaries are in Note 8 Key Management Personnel Remuneration on page 54 of the Financial Report.

Education

External providers delivered cyber security training to the AITSL Board in August 2021.

All Directors were offered the opportunity to undertake the Australian Institute for Company Directors' (AICD) Company Directors Course.

AITSL maintains AICD membership for Directors so they have access to on-demand training and resources.

Directors attended the 2022 AITSL Highly Accomplished and Lead teacher (HALT) Summit, which provides professional development to HALTs. Directors attended as representatives of the AITSL Board and experts in their respective fields.

Board Committees

To assist in the performance of its responsibilities, the AITSL Board currently has 2 committees, each governed by a formal charter setting out its purpose, role, responsibilities, composition, structure, and membership. Committee charters are reviewed annually by Members and any proposed changes must be approved by the AITSL Board. Each committee is chaired by an AITSL Director, who provides an oral and written report to the AITSL Board outlining the matters considered and any actions taken at the committee meeting.

The committees of the Board in 2021-22 included:

- Risk, Audit and Finance Committee
- Remuneration Committee.

Risk, Audit and Finance Committee

The primary objectives of the Risk, Audit and Finance Committee are to provide independent assurance and assistance to the Board on AITSL's risk control and compliance framework, assist the Board with its oversight responsibilities relating to risk management, internal control, and compliance frameworks, and fulfil the functions required under section 92(2) of the PGPA Act.

The Committee's charter outlines its composition, purpose, role and responsibilities, and reporting and administrative arrangements. A copy of the *Risk, Audit and Finance Committee Charter* can be found on the Governance page of the AITSL website: aitsl.edu.au/about-aitsl/governance

Directors are paid for their attendance at Risk, Audit and Finance Committee meetings as per the Remuneration Tribunal (Remuneration and Allowances for Holders of Part-time Public Office) Determination.

| Member | Position | Qualifications, Skills, Experience | Attendance | Remuneration (incl. GST) | Additional Information |
|--------------------------------------|----------|---|---|--|------------------------|
| Mr Christopher Wardlaw PSM OLY | Chair | Member of the AITSL Finance Committee from 2013 to 2016. Chair of the AITSL Finance Committee and Audit and Risk Committee from 2016 to 2020 Member of the Athletics Australia Finance, Audit and Risk Committee Chair of the Victorian Curriculum and Assessment Authority which has oversight of all audit, finance and risk functions Bachelor of Education (Hons) with an Accounting Minor | Eligible to attend 5 meetings 3 meetings attended | \$0 Paid an annual salary as Deputy Chair of the AITSL Board | 0 |
| Dr Jennifer Buckingham | Member | Not-for-profit Financial Management short course, Governance Institute of Australia Interpreting Financial Statements short course, Australian Institute of Company Directors | Eligible to attend 5 meetings 5 meetings attended | \$3,663 | 0 |
| Mr Malcolm Elliott | Member | Company Directors Course, Australian Institute of Company Directors President, Australian Primary Principals Association Member, Australian Secondary Principals Association Board and Audit and Risk Committee Former President, Tasmanian Principals Association President Department of Education Risk Management processes pilot organisation School management experience including human and financial resource management as Assistant Principal and Principal across a number of schools Budget and other resource management experience with the Tasmanian Department of Education | Eligible to attend 5 meetings 4 meetings attended | \$2,677 | 0 |

| Member | Position | Qualifications, Skills, Experience | Attendance | Remuneration (incl. GST) | Additional Information |
|--|---------------------------------|--|--|--------------------------|------------------------|
| Mrs Karen Hogan FCPA, GAICD, BCom (Acc) | Independent Expert Member | Over 30 years' experience and in governance with expertise in Accounting, Human Resources and Information and Communication Technology Held roles in both the private and public sector in a variety of industries such as fast-moving consumer products, manufacturing, tourism, government regulation, agriculture, and the cultural institutions Director of EGA Insights and provides strategic consulting advice on governance, accounting, internal controls, and business improvement opportunities Holds roles as the chair, deputy chair and as an independent member on several public sector Audit and Risk Committees | Eligible to attend 5 meetings 5 meeting attended | \$16,390 | 0 |

Remuneration committee

The Remuneration Committee advises the AITSL Board on the salary, conditions, and performance of the CEO. The Committee meets at least twice a year and is comprised of the Board Chair and 2 Directors.

Membership for 2021–22 included of Emeritus Laureate Professor John Hattie, Ms Beth Blackwood, and Ms Renez Lammon.

Board advisory committees

The AITSL Board maintains 2 expert standing committees that provide policy advice and support to Directors and AITSL to assist in decision-making. Each committee is governed by a formal terms of reference, setting out its purpose, role, responsibilities, composition, structure, and membership. The terms of reference for each committee are reviewed biennially by members and any proposed changes submitted to the AITSL Board for approval. Each committee is chaired by an AITSL Director, who provides an oral or written report to the AITSL Board outlining the matters considered and any actions taken at the committee meeting.

The two expert standing committees are:

- School Leadership and Teaching Expert Standing Committee
- Teacher Education Expert Standing Committee.

School Leadership and Teaching Expert Standing Committee (SLTESC)

SLTESC was established to advise the AITSL Board on work it is progressing to promote excellence in teaching and school leadership to maximise impact on student learning in all Australian schools.

SLTESC provides advice and direction on matters relating to teaching and school leadership, including current issues and innovative practice; helps to quality assure work to improve development of policies, resources, and other AITSL-led initiatives that support teachers and school leaders; and gathers advice and opinions from the sector to inform developing work programs and ensure advice to the AITSL Board is informed by relevant expertise.

Teacher Education Expert Standing Committee (TEESC)

TEESC was established to assist the AITSL Board in its responsibilities relating to initial teacher education and work to promote high quality initial teacher education provision for all pre-service teachers as well as support the work of teacher educators across Australia.

TEESC advises the AITSL Board on:

- issues relating to reform, current issues, and innovative practice in initial teacher education
- AITSL's role in supporting national consistency of the accreditation process
- · improving the rigour of the accreditation process, including providing evidence of impact
- development of resources to support initial teacher education.

TEESC also ensures advice to the AITSL Board is informed by relevant stakeholders who are consulted on the operation of the system and major pieces of work.

Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of AITSL, directly or indirectly, including any Director of AITSL.

The number of key management personnel that are included in the following table is 12, comprising 4 Executive Managers and 8 part-time Non-Executive Directors.

Key management personnel remuneration

| | | E | | Post- Employm- ent Benefits | Other Long-Term Benefits | | Ter- min- ation Ben efits | Total Remuner- ation | |
|-------------------------|--|-------------|-------|--------------------------------------|---|--------------------------|---------------------------------------|----------------------------|---------|
| Name | Position Title | Base Salary | Bonus | Other Benefits & Allowances | Superann- uation Contribut- ions | Long Service Leave | Other Long- Term Benefits | | |
| Grant, Mark | Chief Executive | 410,586 | 0 | 0 | 28,038 | 15,684 | 0 | 0 | 454,308 |
| Misson, Edmund | Deputy Chief Executive | 323,766 | 0 | 0 | 28,038 | (10,811) | 0 | 0 | 340,993 |
| Pinchas, Daniel | GM, Teaching and School Leadership | 268,821 | 0 | 0 | 28,038 | (7,455) | 0 | 0 | 289,404 |
| Soon, Xian-Zhi | GM, Evidence and Impact | 207,192 | 0 | 0 | 16,439 | (2,243) | 0 | 0 | 221,388 |
| Hattie, John | Chair | 102,600 | 0 | 0 | 10,260 | 0 | 0 | 0 | 112,860 |
| Wardlaw, Christopher | Deputy Chair | 76,920 | 0 | 0 | 7,692 | 0 | 0 | 0 | 84,612 |
| Buckingham, Jennifer | Non-Executive Director | 17,909 | 0 | 0 | 0 | 0 | 0 | 0 | 17,909 |
| Blackwood, Beth | Non-Executive Director | 9,990 | 0 | 0 | 1,015 | 0 | 0 | 0 | 11,005 |
| Elliott, Malcolm | Non-Executive Director | 13,821 | 0 | 0 | 1,398 | 0 | 0 | 0 | 15,219 |
| Pendergast, Donna | Non-Executive Director | 7,326 | 0 | 0 | 749 | 0 | 0 | 0 | 8,075 |

| | | | | | Post- Employm- ent Benefits | Other Long-T Benefits | erm | Ter- min- ation Ben efits | Total Remuner- ation |
|--------------------|---------------------------|-------------|-------|-----------------------------------|---|--------------------------|------------------------------------|---------------------------------------|----------------------------|
| Name | Position Title | Base Salary | Bonus | Other Benefits & Allowances | Superann- uation Contribut- ions | Long Service Leave | Other Long- Term Benefits | | |
| Perry, Lee Anne | Non-Executive Director | 2,886 | 0 | 0 | 288 | 0 | 0 | 0 | 3,174 |
| Lammon, Renez | Non-Executive Director | 14,674 | 0 | 0 | 1,483 | 0 | 0 | 0 | 16,157 |
| Bullard, Tim | Non-Executive Director | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Remuneration for senior executives

| | | | | Post- employment benefits | Other long-term benefits | | Termination benefits | Total remuneration | |
|----------------------------------|-----------------------------|---------------------------|--------------------|---------------------------------------|--|-------------------------------------|----------------------------------|------------------------------|----------------------------|
| Total remuner- ation bands | Number of senior executives | Average base salary | Average bonuses | Average other benefits and allowances | Average super- annuation contributions | Average long service leave | Average other long-term benefits | Average termination benefits | Average total remuneration |
| 0 – 220,000 | 1 | 88,787 | 0 | 0 | 9,360 | 891 | 0 | 0 | 99,018 |
| 220,001 – 245,000 | 1 | 194,515 | 0 | 0 | 22,582 | (6,912) | 0 | 18,818 | 229,003 |
| 245,001 – 270,000 | 1 | 217,378 | 0 | 0 | 22,616 | 14,042 | 0 | 0 | 254,036 |
| 270,000 – 295,000 | 1 | 234,499 | 0 | 0 | 24,793 | 13,747 | 0 | 0 | 273,040 |

Note: The 'base salary' and 'average base salary' disclosed as short-term benefits in the 2 tables above include the movement of the provision for annual leave that has accrued and is due to each employee.

Remuneration for other highly paid staff

| | | | | Post- employment benefits | Other long benefits | -term | Termin- ation benefits | Total remuneration | |
|----------------------------------|--|---------------------------|--------------------|---------------------------------------|--|-------------------------------------|--|------------------------------------|----------------------------|
| Total remuner- ation bands | Number of other highly paid staff | Average base salary | Average bonuses | Average other benefits and allowances | Average super- annuation contributions | Average long service leave | Average other long- term benefits | Average termination benefits | Average total remuneration |
| 235,000 – 245,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 245,000 – 270,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Recognising and managing risk

AITSL's Risk Management Policy and Framework communicate the principles, tolerance, appetite, and responsibilities regarding risk management throughout AITSL. Risk management has been integrated into AITSL's governance, planning, and reporting framework.

Internal control framework

The AITSL Board is responsible for the overall internal control framework and for reviewing its effectiveness. The framework is intended to provide assurance that appropriate internal controls have been implemented to identify, evaluate, and manage significant risks to the achievement of AITSL's objectives. These internal controls cover strategic, financial, operational, information technology, and compliance risks, and take the form of appropriate financial delegations, financial planning and reporting, strategic and operational planning, policies, processes, and internal audit practices.

Risk management

AITSL operates under a risk management policy that is consistent with the *Australian Standard: AS ISO* 31000:2018 Risk management – Guidelines. The policy allows for the proactive identification, assessment, and management of risks.

The AITSL Board is ultimately accountable for the management of risk and ensuring effective risk management practices are in place across AITSL. To fulfil its risk management responsibilities, the AITSL Board is assisted by the Risk, Audit and Finance Committee.

During 2021-22, the Risk, Audit and Finance Committee reviewed AITSL's Strategic Risks, provided advice to the Board, regularly considered major developments in the external environment, and updated the Strategic Risk Register accordingly.

AITSL will work with the Risk, Audit and Finance Committee over the next 12 months to further develop the risk maturity of AITSL.

Fraud control

AITSL maintains appropriate fraud prevention, detection, investigation, and reporting procedures and processes that are compliant and aligned to section 10 of the PGPA Rule and the *Commonwealth Fraud Control Guidelines 2017*.

AITSL reviews its Fraud and Risk Control Plan on an annual basis. This review is overseen and approved by the Risk, Audit and Finance Committee, with outcomes reported to the AITSL Board. A Fraud Risk Register is also maintained by the Company Secretary and reviewed with the Senior Executive on an annual basis, with a report provided to the Risk, Audit and Finance Committee and AITSL Board every 6 months. AITSL's comprehensive internal audit program also tests controls and identifies fraud risks.

AITSL has an online fraud learning module that must be successfully completed by all staff annually and conducts an annual fraud comprehension and investigation survey with staff.

AITSL has a reporting mechanism to allow parties outside the company to report suspected incidents of fraud at AITSL.

During 2021–22, there were nil suspected incidents of fraud reported at AITSL.

Internal audit

Internal audit is a key component of AITSL's governance framework. It provides independent and objective assurance and consulting activities designed to add value and improve AITSL's operations.

The internal audit function is an independent, outsourced function, overseen by the AITSL Board through the Risk, Audit and Finance Committee. Internal audit reports are provided to the Risk, Audit and Finance Committee for review in compliance with section 28 of the PGPA Rule. The Risk, Audit and Finance Committee then advises the AITSL Board on any recommendations and actions.

Internal audits undertaken during 2021-22 include:

- HR Policies and Processes Compliance
- Cyber Security Assessment
- Project Management
- Risk Management.

External audit

Under section 98 of the PGPA Act, the Auditor-General is responsible for auditing the financial statements of Commonwealth companies.

Governance policies

The Board and staff of AITSL are expected to behave honestly and with integrity in their relationships with all stakeholders and to uphold the good reputation of AITSL. Governance policies have been developed to assist Directors and employees to understand what is expected of them. Core policies cover:

- conflicts of interest
- fraud control
- gifts and hospitality
- · instruments of delegations
- privacy
- procurement
- · public interest disclosure
- workplace behaviour
- work health and safety.

AITSL has also implemented a set of values that underpin and guide AITSL's work as a company, including individual performance reviews, recruitment, and policy development. These values are:

- being up for the challenge
- embracing change
- working together
- being respectful.

Location

AITSL's offices are located in Melbourne, Victoria; however, AITSL currently operates in a blended working environment, with staff working across Australia.

Funding

AITSL is funded by the Australian Government and intergovernmental forums to undertake work consistent with its constitutional remit.

Directors' Report

Board of Directors during 2021–22

Directors' qualifications and experience



Emeritus Laureate Professor John Hattie BEd DipEd MEd PhD

Chair, Non-Executive Director

Emeritus Laureate Professor John Hattie was appointed Chair of the AITSL Board on 1 July 2014, and reappointed effective from 1 July 2020.

John's work is internationally acclaimed. His influential 2008 book *Visible Learning: A synthesis of over 800 meta-analyses relating to achievement* is believed to be the world's largest evidence-based study into the factors that improve student learning. This ground-breaking study involved more than 300 million students from around the world and brought together 50,000 smaller studies.

Through his role as Chair, John provides national leadership in promoting excellence, so teachers and school leaders have maximum impact on learning.

He was a Director of the Melbourne Education Research Institute since 2011 and is also the past president of the International Test Commission.

John was awarded the New Zealand Order of Merit in the 2011 Queen's Birthday Honours, is a fellow of the Australian Council for Educational Leaders and the American Psychological Association, has published and presented more than 1,200 papers, and supervised over 200 thesis students.



Mr Christopher Wardlaw PSM OLY BEc (Hons) DipEd

Deputy Chair, Non-Executive Director

Mr Christopher Wardlaw PSM OLY was appointed to the AITSL Board as Deputy Chair on 2 May 2016 and reappointed on 2 May 2019 and 1 May 2022.

Christopher is currently Chair of the Victorian Curriculum and Assessment Authority. With an early career as a teaching fellow at university and then as a secondary teacher, he has gained extensive experience relating to curriculum, assessment, and quality assurance for pre-primary, basic, and senior secondary education. Christopher also has vast experience in the government and education sectors from working in senior leadership roles in Australia and Hong Kong.

He was awarded the Public Service Medal in the 2013 Queen's Birthday Honours and was made a Fellow of Monash University in 2013.

Christopher also had a parallel career as an Olympian representing Australia in long-distance running in 1976 and 1980. He was head coach of the Australian track and field team at the Sydney Olympic Games in 2000 and has coached a range of elite distance runners. In 2000, he was awarded the Australian Sports Medal. Having been appointed to the Athletics Australia Board in 2016, Christopher finished his term in March 2022.



Ms Beth Blackwood AM BA DipEd

Ms Beth Blackwood AM was appointed to the AITSL Board on 17 June 2018 and reappointed on 30 September 2021.

Beth was appointed as the CEO of the Association of Heads of Independent Schools of Australia in 2016. Prior to this, she had a 30-year career in the education sector, as teacher, head, deputy principal, and principal of various schools throughout Australia.

Beth is committed to the education and equality of young women and has served previously as President and Executive Board member of the Alliance of All Girls' Schools Australasia. She has been a member of many committees and working parties for the Association of Independent Schools of Western Australia. She is currently a Director of the Australian Council on Children and the Media.

Other areas of interest include the education of Indigenous students, International Baccalaureate programs, positive psychology, technology as an educational tool, and women's leadership.



Dr Jennifer Buckingham BSc (Hons) PhD

Non-Executive Director

Dr Jennifer Buckingham was appointed to the AITSL Board on 2 June 2015 and was reappointed on 17 June 2018 and 30 September 2021.

Jennifer is Director of Strategy and Senior Research Fellow at MultiLit. She is also the founder of the FIVE from FIVE reading project, which aims to bridge the gap between research and practice in reading instruction. She is a board member of The Centre for Independent Studies and an affiliate member of the La Trobe University Science of Language and Reading (SOLAR) Lab.

Jennifer has published papers and articles on literacy, teacher education, school funding, international assessments, NAPLAN and My School, class size, and educational disadvantage. In early 2017, she chaired an expert advisory panel for the Australian Government on the introduction of a national Year 1 literacy and numeracy assessment. She provides advice to government agencies as well as state and non-government school authorities and works with a number of systems and schools to improve literacy teaching. Jennifer's doctoral research focused on literacy and social disadvantage.



Dr Lee Anne Perry AM
DUniv, EdD. MEd, BEd (Hons), Dip C.L., FACEL, FACE, MAICD

Dr Lee Anne Perry AM was appointed to the AITSL Board on 21 March 2022.

Lee Anne is the Executive Director (CEO) of the Queensland Catholic Education Commission (QCEC). Prior to her commencement in this role, Lee Anne had a longstanding involvement in school education as a teacher and school leader including over twenty-five years as a principal.

Lee Anne has been a member of many state and national associations and committees concerned with school and higher education. Her current roles include Deputy Chair of the National Catholic Education Commission, and membership of the Queensland Curriculum and Assessment Authority Board and the Non-State Schools Accreditation Board. She is an Honorary Professor of the Australian Catholic University.

Lee Anne was awarded a Member of the Order of Australia in 2004 for significant service to secondary education as a principal, to curriculum development and to professional education associations. In 2017, she was a panellist for the Review to Achieve Educational Excellence in Australian Schools led by David Gonski AC and a member of the STEM Partnership Forum chaired by the Chief Scientist, Professor Alan Finkel AO. Lee Anne was also a member of the Queensland Premier's Anti-Cyberbullying Taskforce.

Lee Anne is a passionate advocate for education from the early years to higher education, including vocational education and is particularly committed to supporting collaboration, partnerships, and connections within and between education sectors and systems.



Mr Tim Bullard BA LLB (Hons)

Non-Executive Director

Mr Tim Bullard was appointed to the AITSL Board on 1 October 2020 and resigned from the AITSL Board on 21 July 2021.

Tim graduated from the University of Tasmania in 1994 with an Arts/Law (Hons) degree. He commenced his career as a lawyer in the Office of the Solicitor-General, before moving to the United Kingdom in 2000, where he worked in the area of Corporate Finance for international law firm Clifford Chance, before moving into a policy role.

Between 2004 and 2016, Tim worked for the Department of Premier and Cabinet in policy roles, his final role with the Department being as Deputy Secretary (Policy). During this time, he led work on a broad range of policy issues.

Tim also led education policy work for the Department, working with the Department of Education and the Australian Government on the National Education Agreement and various national partnerships, assisting in the development of the Child and Family Centres, and leading the Tasmanian team negotiating the Better Schools (Gonski 1) funding.

From mid-2016, Tim joined the Department of Education as Deputy Secretary Strategy and Performance. In December 2017, he was appointed to Acting Secretary of the Department, and has since been appointed as Secretary, leading the Department's commitment to inspire and support all learners to succeed as connected, resilient, creative, and curious thinkers.



Mr Malcolm Elliott BEd MEd

Mr Malcolm Elliott was appointed to the AITSL Board on 1 August 2020. He is also the Chair of AITSL's School Leadership and Teaching Expert Standing Committee.

He has been a teacher in Tasmania for 44 years. This has included the principalship of 2 high schools and the role of Coordinating Principal in the Glenorchy Cluster of Schools where he worked with 3 high schools and 10 primary schools. He has extensive experience in education of children with disability and additional needs.

Malcolm is the President of the Australian Primary Principals Association (APPA) a position he commenced in January 2019. APPA represents over 7600 Government, Independent, and Catholic primary school leaders across Australia.

Malcolm was formerly president of the Tasmanian Principals Association, representing Government school leaders, from 2014 to 2018.

He has been a board member of the Australian Secondary Principals Association; a member of the National Executive Council of the Australian Government Primary Principals Association; and a member of the National Advisory Council of the Australian Primary Principals Association. Malcolm is a founding member of the Coalition of Australian Principals.

In 2021, Malcolm was a member of the 4-person expert panel of the Quality Initial Teacher Education Review.



Ms Renez Lammon BFd

Non-Executive Director

Ms Renez Lammon was appointed to the AITSL Board on 17 June 2018 and reappointed effective from 1 August 2020.

Renez is the Principal at Casuarina Street Primary School in Katherine in the Northern Territory. Renez leads teams of teachers and provides coaching and mentoring to support her fellow teachers and school leaders.

As the Co-Chair of the AITSL Advisory Group for Aboriginal and Torres Strait Islander education, Renez is passionate about working together with teachers and school leaders to ensure that Aboriginal and Torres Strait Islander students achieve their full potential.

Renez has led change at both national and territory levels, promoting the value of Highly Accomplished and Lead teachers and the place of national certification in supporting teachers to lead improvement in their own schools. Being nationally certified as a Highly Accomplished teacher is an achievement she is proud of.

Renez understands the importance of evidence and the national professional standards in supporting teachers to recognise and articulate the impact they are having on their colleagues, their communities, and most importantly, their students.



Professor Donna Pendergast *BAppSci GradDipTeach MEd PhD*

Professor Donna Pendergast was appointed to the AITSL Board on 17 June 2018 and reappointed on 30 September 2021.

As Dean and Head, School of Education and Professional Studies at Griffith University, Donna is a passionate educator and researcher with a global profile. She leads a dynamic school of teacher and professional educators committed to preparing the next generation of teachers and related professionals through agile and socially just educational practices. She has worked in P-10 secondary schools and colleges as a classroom teacher and administrator.

Donna has conducted national research projects of significance and published extensively, including several books of relevance to contemporary teacher work. Her passion lies in school reform and professional learning, working closely with governments in these fields to shape policy and implement practice in settings around Australia. She initiated the Professional Learning Hub at Griffith University, providing a gateway to enable highly efficacious professional learning to thrive and improved student learning.

Donna has presented more than 75 invitational international keynote addresses in many countries around the world. She has delivered learning programs in Singapore, Hong Kong, and Japan, and to Saudi Arabian teachers undertaking immersion programs in Australia.

In 2015, Donna received the Griffith University Vice Chancellor's Excellence in Research Supervision Award, and in 2017, a National Commendation from the Australian Council of Graduate Research for Excellence in Graduate Research Supervision. In 2018, she was awarded the Australian Council for Educational Leadership Miller-Grassie Award for Outstanding Leadership in Education.

Board of Directors' membership

AITSL is governed by an independent expert Board of Directors appointed by the Minister for Education consistent with the processes of the *Australian Government Cabinet Handbook*.

Board Director Details from 1 July 2021 to 30 June 2022

| Director | Director Details | 5 | | Period as Director | | |
|---|----------------------------|----------------------------|---|-----------------------------------|----------------------------|--|
| | Qualifications of Director | Experience of the Director | Position | Date of Commencement | Date of Cessation | |
| Emeritus Laureate Professor John Hattie | Page 31 | Page 31 | Chair and Non-Executive Director | 1 July 2020 (reappointment) | 1 July 2023 | |
| Mr Christopher Wardlaw PSM OLY | Page 31 | Page 31 | Deputy Chair and Non-Executive Director | 1 May 2022 (reappointment) | 1 May 2023 | |
| Ms Beth Blackwood AM | Page 32 | Page 32 | Non-Executive Director | 30 September 2021 (reappointment) | 30 September 2024 | |
| Prof. Donna Pendergast | Page 35 | Page 35 | Non-Executive Director | 30 September 2021 (reappointment) | 30 September 2024 | |
| Dr Jennifer Buckingham | Page 32 | Page 32 | Non-Executive Director | 30 September 2021 (reappointment) | 30 September 2024 | |
| Dr Lee Anne Perry AM | Page 33 | Page 33 | Non-Executive Director | 21 March 2022 (initial term) | 21 March 2024 | |
| Mr Malcolm Elliott | Page 34 | Page 34 | Non-Executive Director | 1 August 2020 (initial term) | 1 August 2023 | |
| Ms Renez Lammon | Page 34 | Page 34 | Non-Executive Director | 1 August 2020 (reappointment) | 1 August 2023 | |
| Mr Tim Bullard | Page 33 | Page 33 | Non-Executive Director | 1 October 2020 (initial term) | 21 July 2021 (resigned) | |

| | Meetings Attended | | | | | | |
|---|---------------------------------|--------------------|--------------------------------------|--------------------|---------------------------|--------------------|--|
| Director | Board | | Risk, Audit and Finance Committee | | Remuneration Committee | | |
| | Number eligible to attend | Number attended | Number eligible to attend | Number attended | Number eligible to attend | Number attended | |
| Emeritus Laureate Professor John Hattie | 5 | 5 | 0 | 0 | 4 | 4 | |
| Mr Christopher Wardlaw PSM OLY | 5 | 5 | 5 | 3 | 0 | 0 | |
| Ms Beth Blackwood AM | 4 | 4 | 0 | 0 | 4 | 3 | |
| Prof. Donna Pendergast | 4 | 4 | 0 | 0 | 0 | 0 | |
| Dr Jennifer Buckingham | 4 | 3 | 5 | 5 | 0 | 0 | |
| Dr Lee Anne Perry AM | 2 | 2 | 0 | 0 | 0 | 0 | |
| Mr Malcolm Elliott | 5 | 5 | 5 | 4 | 0 | 0 | |
| Ms Renez Lammon | 5 | 5 | 0 | 0 | 4 | 4 | |
| Mr Tim Bullard | 0 | 0 | 0 | 0 | 0 | 0 | |

Principal activities

The principal activities of AITSL during the year were to play a lead role in national work on teacher quality and in promoting excellence in teaching and school leadership for the Commonwealth, state, and territory governments. AITSL does this by collaborating with jurisdictions and key bodies to progress significant educational reforms to improve the quality of teaching and leadership and to strengthen the professionalism of teaching.

Operating result

The operating result for the year from ordinary activities was a surplus of \$3,183,174 with changes in the asset revaluation reserve the total comprehensive surplus for the year is \$3,186,774. The Statement of Comprehensive Income for the year ended 30 June 2022 in the company's Financial Report provides further information on the operating result.

Significant activities

Board appointments

During 2021–22, there was 1 new appointment, 4 reappointments, and 1 resignation. AITSL Board movements were as follows:

- Dr Lee Anne Perry AM (appointed 21 March 2022)
- Mr Christopher Wardlaw PSM OLY (re-appointed 1 May 2022)
- Dr Jennifer Buckingham (re-appointed 30 September 2021)
- Professor Donna Pendergast (re-appointed 30 September 2021)
- Ms Beth Blackwood AM (re-appointed 30 September 2021)
- Mr Tim Bullard (resigned 21 July 2021).

Business continuity

The Business Continuity Plan remained active due to the ongoing COVID-19 pandemic. AITSL transitioned to a blended working policy, allowing staff the option to work in the office and remotely.

Auditor's independence declaration

A copy of the auditor's independence declaration as required by Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and section 307C of the *Corporations Act 2001* is set out in the Auditor's Independence Declaration section of the Financial Report and forms a part of the Directors' Report for the financial year ended 30 June 2022.

Indemnification and insurance of Directors and Officers

During the year, the company paid insurance premiums to Comcover to indemnify its Directors and Officers for the professional risks associated with their responsibilities and role as director or officer.

Events subsequent to the end of the financial year

No matters or circumstances have arisen since the end of the financial year that significantly affected, or may significantly affect, the operations of the company and the results of those operations.

Signed in accordance with a resolution of the AITSL Board.

Emeritus Laureate Professor John Hattie Chair

25 August 2022

Financial Report

For the year ended 30 June 2022

| Directors' Declaration | 39 |
|---|----|
| Auditor's Independence Declaration | 40 |
| Auditor's Report | 41 |
| Statement of Comprehensive Income | 43 |
| Statement of Financial Position | 44 |
| Statement of Changes in Equity | 45 |
| Statement of Cash Flows | 46 |
| Notes to the financial statements: | |
| Note 1: Objective of the entity | 47 |
| Note 2: Basis of preparation | 47 |
| Note 3: Significant accounting policies | 48 |
| Note 4: Non-current assets | 50 |
| Note 5: Fair value measurements | 52 |
| Note 6: Provisions | 52 |
| Note 7: Cash flow reconciliation | 54 |
| Note 8: Key management personnel remuneration | 54 |
| Note 9: Related party disclosure | 55 |
| Note 10: Financial Instruments | 55 |
| Note 11: Commitments | 57 |
| Note 12: Remuneration of auditors | 57 |
| Note 13: Explanations of major budget variances | 57 |
| Note 14: Member's guarantee | 59 |
| Note 15: Entity details | 59 |

Directors' DeclarationFor the year ended 30 June 2022

The Directors of the Australian Institute for Teaching and School Leadership Limited declare that:

- 1. The financial statements and accompanying notes are in accordance with the *Australian Charities* and *Not-for-profits Commission Act 2012* and the *Corporations Act 2001* including:
 - a) giving a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the year ended on that date
 - b) complying with the Australian Accounting Standards Reduced Disclosure Requirements (including the Australian Accounting Interpretations), the *Corporations Regulations Act 2001* and the *Australian Charities and Not-for-profits Commission Regulation 2013*.
- 2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made on 25 August 2022 in accordance with a resolution of the directors.

Emeritus Laureate Professor John Hattie

J. A. Hittie

Chair

Chris Wardlaw Deputy Chair

Auditor's Independence Declaration



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Emeritus Laureate Professor John Hattie Chair Australian Institute of Teaching and School leadership Limited Level 8, 440 Collins Street Melbourne VIC 3000

AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL LEADERSHIP LIMITED FINANCIAL REPORT 2021–22

AUDITOR'S INDEPENDENCE DECLARATION

In relation to my audit of the financial report of the Australian Institute for Teaching and School Leadership Limited for the year ended 30 June 2022, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements of the Corporations Act 2001, or the Australian Charities and Not for Profits Commission Act 2012, and
- (ii) no contravention of any applicable code of professional conduct.

Australian National Audit Office



Rahul Tejani Executive Director

Delegate of the Auditor-General Canberra

25 August 2022

OFFICIAL: Sensitive

GPO Box 707, Canberra ACT 2601 38 Sydney Avenue, Forrest ACT 2603 Phone (02) 6203 7300

Auditor's Report



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INDEPENDENT AUDITOR'S REPORT

To the members of Australian Institute for Teaching and School Leadership Limited Opinion

In my opinion, the financial report of Australian Institute for Teaching and School Leadership Limited (the Company) for the year ended 30 June 2022 is in accordance with the *Corporations Act 2001* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the year then ended; and
- (b) complying with Australian Accounting Standards Reduced Disclosure Requirements and the Corporations Regulations 2001 and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2013.

The financial report of the Company, which I have audited, comprises the following statements as at 30 June 2022 and for the year then ended:

- Directors' Declaration;
- · Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Statement of Cash Flows; and
- Notes to and Forming Part of the Financial Report, comprising a Summary of Significant Accounting Policies and other explanatory information.

Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Company in accordance with the *Corporations Act 2001* and the relevant ethical requirements for financial report audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code.

I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud
 or error, design and perform audit procedures responsive to those risks, and obtain audit evidence
 that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material
 misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve
 collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures
 that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the
 effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the
 disclosures, and whether the financial report represents the underlying transactions and events in a
 manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

Australian National Audit Office

Middle.

Rahul Tejani Executive Director Delegate of the Auditor-General Canberra 26 August 2022

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Statement of Comprehensive Income

For the year ended 30 June 2022

| | Notes | 2022 \$ | 2021 \$ | Original Budget |
|--|-------|-------------------|-------------------|--------------------|
| INCOME | | | | • |
| Government funding | | 12,873,000 | 13,528,810 | 12,723,000 |
| Sales of services | | 5,053,892 | 5,004,673 | 1,385,000 |
| Interest | | 111,163 | 107,457 | 40,000 |
| Other revenue | | - | 102,911 | - |
| Surplus /(loss) on disposal of assets | 4 | (3,276) | (3,502) | |
| TOTAL INCOME | | 18,034,779 | 18,740,349 | 14,148,000 |
| | | | | |
| EXPENSES | | | | |
| Board of Directors | | 316,025 | 359,628 | 342,000 |
| Employee benefits | | 9,232,638 | 11,294,041 | 9,126,000 |
| Administration | | 1,695,278 | 1,800,160 | 1,480,000 |
| Programs | | 2,645,352 | 7,495,642 | 2,177,000 |
| Depreciation and amortisation | 4 | 962,312 | 1,103,746 | 1,023,000 |
| TOTAL EXPENSES | | 14,851,605 | 22,053,217 | 14,148,000 |
| Surplus/(Deficit) from ordinary activities | | 3,183,174 | (3,312,868) | - |
| OTHER COMPREHENSIVE INCOME | | | | |
| Items not subject to subsequent reclassification | | | | |
| to net cost of services | | | | |
| Changes in asset revaluation reserve | | 3,600 | - | |
| Total comprehensive (loss)/income for the year | | 3,186,774 | (3,312,868) | |

The original budget was reported in the 2021-2022 Portfolio Budget Statements published in May 2021.

This statement should be read in conjunction with the accompanying notes.

Budget Variance Commentary

Statement of Financial Position

As at 30 June 2022

| | Notes | 2022 | 2021 | Original |
|------------------------------------|-------|------------|------------|--------------|
| | | \$ | \$ | Budget \$ |
| ASSETS | | | | |
| Current | | | | |
| Cash and cash equivalents | 7 | 9,935,763 | 5,624,138 | 5,964,000 |
| Financial assets at amortised cost | | 464,010 | 419,234 | 419,000 |
| Trade and other receivables | | 109,954 | 1,494,954 | 145,000 |
| Other assets | | 1,347 | 66,730 | - |
| Current assets | | 10,511,074 | 7,605,056 | 6,528,000 |
| Non-current | | | | |
| Property, furniture and equipment | 4 | 2,531,640 | 2,445,929 | 1,549,000 |
| Non-current assets | | 2,531,640 | 2,445,929 | 1,549,000 |
| TOTAL ASSETS | | 13,042,714 | 10,050,985 | 8,077,000 |
| | | | 10,000,000 | |
| LIABILITIES | | | | |
| Current | | | | |
| Supplier and other payables | | 889,557 | 1,039,420 | 658,000 |
| Employee provisions | 6 | 745,990 | 912,977 | 822,000 |
| Lease liability | | 586,328 | 689,268 | 1,349,000 |
| Unearned income | 3.1 | 103,803 | 297,600 | 170,000 |
| Current liabilities | | 2,325,678 | 2,939,265 | 2,999,000 |
| Non-current | | | | |
| Employee provisions | 6 | 211,567 | 214,352 | 135,000 |
| Other provisions | 6 | 307,363 | 403,489 | 385,000 |
| Lease liability | | 1,866,930 | 1,349,476 | |
| Non-current liabilities | | 2,385,860 | 1,967,317 | 520,000 |
| TOTAL LIABILITIES | | 4,711,538 | 4,906,582 | 3,519,000 |
| | | | | |
| NET ASSETS | | 8,331,176 | 5,144,403 | 4,558,000 |
| EQUITY | | | | |
| Retained surplus | | 8,327,576 | 5,144,403 | 4,558,000 |
| Asset Revaluation Reserve | | 3,600 | | |
| TOTAL EQUITY | | 8,331,176 | 5,144,403 | 4,558,000 |

The original budget was reported in the 2021-2022 Portfolio Budget Statements published in May 2021.

This statement should be read in conjunction with the accompanying notes.

Budget Variance Commentary

Statement of Changes in Equity For the year ended 30 June 2022

| | Retained | earnings | Asset rev | | Total | equity | Original Budget |
|--|------------|-------------|------------|------------|------------|-------------|--------------------|
| | 2022 \$ | 2021 \$ | 2022 \$ | 2021 \$ | 2022 \$ | 2021 \$ | \$ |
| Opening Balance at 1 July | 5,144,402 | 8,457,271 | - | - | 5,144,402 | 8,457,271 | 4,558,000 |
| Comprehensive income Surplus / (loss) for the year | 3,183,174 | (3,312,868) | _ | _ | 3,183,174 | (3,312,868) | _ |
| Other comprehensive income | - | - | - | - | - | - | - |
| Changes in asset revaluation reserve | - | - | 3,600 | - | - | - | - |
| Total comprehensive surplus / (loss) for the year | 3,183,174 | (3,312,868) | 3,600 | | 3,186,774 | (3,312,868) | |
| Balance at 30 June | 8,327,576 | 5,144,403 | 3,600 | - | 8,331,176 | 5,144,403 | 4,558,000 |

The original budget was reported in the 2021-2022 Portfolio Budget Statements published in May 2021.

This statement should be read in conjunction with the accompanying notes.

Budget Variance Commentary

Statement of Cash Flows

For the year ended 30 June 2022

| | Notes | 2022 \$ | 2021 \$ | Original Budget \$ |
|--|-------|--------------------------|---------------------------|--------------------------|
| OPERATING ACTIVITIES | | | | |
| Cash received | | | | |
| Government funding | | 14,173,000 | 12,228,810 | 12,723,000 |
| Sales of services | | 4,840,313 | 5,367,434 | 1,395,000 |
| Net GST received from the Australian Taxation Office | | 395,344 | 868,809 | 581,000 |
| Interest | | 115,264 | 116,597 | 40,000 |
| Other | | - | 103,898 | - |
| Total cash received | | 19,523,921 | 18,685,548 | 14,739,000 |
| | | | | |
| Cash used | | (246.025) | (250,620) | (242,000) |
| Board of Directors Employees | | (316,025) (9,402,410) | (359,628) (11,291,754) | (342,000) (9,233,000) |
| Suppliers | | (4,751,935) | (10,313,594) | (4,937,000) |
| Interest payments on lease liability | | (46,521) | (37,084) | (25,000) |
| Total cash used | | (14,516,891) | (22,002,060) | (14,537,000) |
| Net cash (used in) | | | | |
| provided by operating activities | 7 | 5,007,030 | (3,316,512) | 202,000 |
| | | | | |
| INVESTING ACTIVITIES | | | | |
| Cash provided by/(used in) | | | | |
| Purchase of furniture and equipment | | (2,997) | (7,712) | - |
| Disposal of furniture and equipment Sale of financial assets | | 1,376 (44,776) | 1,086 2,023,717 | - |
| Net cash provided by investing activities | | (46,397) | 2,023,717 | <u>-</u> |
| Net cash provided by investing activities | | (40,391) | 2,017,091 | |
| FINANCING ACTIVITIES | | | | |
| Cash used in | | | | |
| Repayment of lease liabilities | | (649,008) | (646,704) | (689,000) |
| Net cash used in financing activities | | (649,008) | (646,704) | (689,000) |
| Net (decrease) increase in cash held | | 4,311,625 | (1,946,125) | (487,000) |
| Cash and cash equivalents at the | | | | |
| beginning of the reporting period | | 5,624,138 | 7,570,263 | 6,451,000 |
| Cash and cash equivalents at the end of the reporting period | 7 | 9,935,763 | 5,624,138 | 5,964,000 |

The original budget was reported in the 2021-2022 Portfolio Budget Statements published in May 2021.

This statement should be read in conjunction with the accompanying notes.

Budget Variance Commentary

Notes to the Financial Statements For the year ended 30 June 2022

Note 1 – Objective of the Entity

The objective of the Australian Institute for Teaching and School Leadership ('AITSL') is to provide national leadership for the Commonwealth, state and territory governments in promoting excellence in the profession of teaching and school leadership.

Note 2 - Basis of Preparation

2.1 Statement of compliance

The financial statements are required by section 42 of the *Public Governance*, *Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

- a) Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR);
- Australian Accounting Standards and Interpretations including simplified disclosures for Tier 2
 Entities under AASB 1060 issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period;
- c) the Australian Charities and Not-for-profit Commission Act 2012; and
- d) the Corporations Act 2001.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

AITSL has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. These have not had a material impact on the financial statements. New or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

| Standard / Interpretation | Nature of change in accounting policy, transitional provisions, and adjustment to financial statements |
|---|---|
| AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For- Profit and Not-for-Profit Tier 2 Entities | AASB 1060 applies to annual reporting periods beginning on or after 1 July 2021 and replaces the reduced disclosure requirements (RDR) framework. The application of AASB 1060 involves some reduction in disclosure compared to the RDR with no impact on the reported financial position, financial performance and cash flows of the entity. |

The financial report was approved and authorised for issue by the Board of Directors on 25 August 2022.

2.2 Economic dependency and going concern

AITSL is dependent on the Department of Education (formerly known as the Department of Education, Skills and Employment) for the majority of the revenue used to carry out its ordinary activities. The current funding agreement with the Department of Education expires on 30 June 2025. At the date of this report the Board of Directors has no reason to believe that the Department of Education will not continue to support AITSL. These financial statements have been prepared on a going concern basis.

2.3 Use of estimates and judgments

The preparation of financial statements in conformity with Australian Accounting Standards required management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these assumptions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future period affected.

No estimate or judgment has made a significant impact on the amounts recorded in the financial statements. No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities in the next reporting period.

Note 3 - Significant Accounting Policies

3.1 Revenue

In determining the method of revenue recognition AITSL shall first determine whether an enforceable agreement exists and whether the promises to transfer goods or services are sufficiently specific.

Revenue recognition for the AITSL revenue sources is as follows:

Australian Government

The full amount of funding received during the period is recognised as revenue.

Education Ministers Meeting (previously funded via Education Council)

The full amount of funding received during the period is recognised as revenue.

Non government income

Services provided to non-government customers are subject to commercial terms and in accordance with an agreement with the customer. Income is recognised progressively as services are provided. Income received in advance of the service being provided is included as a liability in the Statement of Financial Position.

Interest Revenue

Interest revenue is recognised on an accrual basis using the effective interest method.

3.2 Impairment

At each reporting date AITSL reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income.

3.3 Taxation

AITSL is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses, assets and liabilities are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Tax Office; and
- for receivables and payables.AITSL is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

3.4 Lease liabilities

| | 2022 | 2021 \$ |
|---|-----------|------------|
| Lease liabilities | 2,453,258 | 2,038,744 |
| Total leases | 2,453,258 | 2,038,744 |
| Maturity analysis - contractual undiscounted cash flows | | |
| Within 1 year | 650,341 | 695,529 |
| Between 1 to 5 years | 1,998,314 | 2,594,880 |
| More than 5 years | - | - |
| Total leases | 2,648,655 | 3,290,409 |

The cash outflow for leases for the year ended 30 June 2022 was \$695,529 (2021: \$646,704).

For all new contracts entered into, AITSL considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the department's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustments is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

Note 4 - Non-Current Assets

Reconciliation of opening and closing balances (2021-2022)

Property, furniture and equipment

| | Building Right of | Equipment | Furniture & fittings | Software | Makegood | Cultural | Total |
|---|----------------------|---------------------------------------|-------------------------|-----------|-----------|----------|-------------|
| | use asset \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| As at 1 July 202 | 21 | 1 | | | 1 | | |
| Gross book value Accumulated depreciation / | 3,345,702 | 945,200 | 1,018,410 | 177,000 | 308,698 | 12,000 | 5,807,010 |
| amortisation | (1,384,428) | (796,787) | (782,606) | (142,584) | (254,676) | - | (3,361,081) |
| Net book value 1 July 2021 | 1,961,274 | 148,413 | 235,804 | 34,416 | 54,022 | 12,000 | 2,445,929 |
| Movements | | , , , , , , , , , , , , , , , , , , , | • | • | , | , | , , |
| Purchase of assets Assets at depreciated | - | 2,997 | - | - | - | - | 2,997 |
| value written off or sold | - | (1,480) | (3,947) | - | - | - | (5,427) |
| Adjustment for lease extension | 1,081,808 | | | - | - | - | 1,081,808 |
| Present value adjustment | - | - | - | - | - | 3,600 | 3,600 |
| Makegood provision adjustment Correction to prior year depreciation | - | - | - | - | (34,955) | - | (34,955) |
| and amortisation expense Depreciation and amortisation | - | - | - | - | - | - | - |
| expense | (692,214) | (110,323) | (106,292) | (34,416) | (19,067) | - | (962,312) |
| Net book value 30 June 2022 | 2,350,868 | 39,607 | 125,565 | 0 | 0 | 15,600 | 2,531,640 |
| Net book value | <u> </u> | e 2022 repres | | | | · | <u> </u> |
| Gross book value | 4,427,510 | 828,737 | 993,062 | 177,000 | 308,698 | 15,600 | 6,750,607 |
| Accumulated depreciation | (2,076,642) | (789,130) | (867,497) | (177,000) | (308,698) | - | (4,218,967) |
| Closing net book value | 2,350,868 | 39,607 | 125,565 | - | - | 15,600 | 2,531,640 |

Accounting Policy

Property, furniture and equipment

Capitalisation threshold

Purchases of fixtures, fittings and equipment are recognised in the Statement of Financial Position, except for purchases costing less than \$1,000, which are expensed in the year of acquisition, other than where they form part of a group of similar items which are significant in total.

Carrying amount

Fixtures, fittings and equipment are carried at cost less, where applicable, accumulated depreciation and impairment losses. Cultural art work is carried at fair value.

AITSL holds a lease agreement to occupy premises at 440 Collins Street, Melbourne. The premises have been accounted for as a right to use asset. The asset is depreciated over the term of the lease.

The lease agreement contains a clause to make-good on the company vacating the premises. These costs include the costs of dismantling and removing an asset and restoring the site on which the asset was created.

Revaluation

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading reserves except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised through surplus and deficit. Revaluation decrements for a class of assets are recognised directly through other comprehensive income except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the asset's useful life to AITSL commencing from the time the asset is held ready for use. The depreciation rates used for each class of asset are based on the following estimated useful lives for current and comparative periods:

Building - right to use asset - 6 years

Fixtures, fittings and equipment

- Computer and office equipment 3 years
- Furniture and fittings 10 years

Depreciation methods, useful lives, and residual values are reviewed at each financial year end and adjusted if appropriate.

Cultural

Art works - Infinite life (2021: Infinite life)

AITSL has 2 paintings (2021: 2) with an aggregate fair value of \$15,600 (2021: \$12,000) painted by Australian artists Bessie Sims and Yumutjin Wununmurra. AITSL has classified them as cultural assets as they are primarily held for purposes that relate to their cultural significance. The paintings are deemed to have indefinite useful lives and hence are not depreciated. AITSL is responsible for ensuring the preservation of these assets. The revalautions were made by Adam Knight, Curator of Aranda Art and approved Valuer for the Australian Government's Cultural Gifts Program on 7 July 2022.

Note 5 - Fair Value Measurements

| | Category | Fair value measurements at the end of the reporting period | | |
|---|----------|--|------------|--|
| | | 2022 | 2021 \$ | |
| Non-financial assets | | | | |
| Cultural | Level 2 | 15,600 | 12,000 | |
| Total Non-financial assets | | 15,600 | 12,000 | |
| Total fair value measurement of assets in the statement of financial position | | 15,600 | 12,000 | |

AITSL does not hold any non-financial liabilities.

No assets or liabilities have been transferred between value levels during the year.

The observable inputs used in the fair value measurement of cultural assets are independent valuations dated 7 July 2022, based on recent sales value.

Note 6 - Provisions

| | 2022 | 2021 \$ |
|--|---------|------------|
| | Ψ | Ψ |
| Employee provisions | | |
| Annual leave | 537,716 | 582,574 |
| Long service leave | 419,841 | 544,755 |
| Total employee provisions | 957,557 | 1,127,329 |
| Employee provisions expected to be settled in: | | |
| No more than 12 months | 745,990 | 912,977 |
| More than 12 months | 211,567 | 214,352 |
| Total employee provisions | 957,557 | 1,127,329 |
| Other provisions | | |
| Provision for make good | 307,363 | 403,489 |
| Total other provisions | 307,363 | 403,489 |

| | Provision for make good \$ | Total \$ |
|---------------------------------|----------------------------|-------------|
| As at 1 July 2021 | 403,489 | 403,489 |
| Adjustments for lease extension | (96,126) | (96,126) |
| Amounts used | - | - |
| Amounts reversed | - | - |
| Total as at 30 June 2022 | 307,363 | 307,363 |

AITSL currently has an agreement for the leasing of premises at 440 Collins Street, Melbourne. The lease has a clause requiring AITSL to restore the premises to its original condition at the conclusion of the lease. A provision has been made to reflect the present value of this obligation which is expected to be settled in more than 12 months.

Accounting Policy

Provisions

A provision is recognised if, as a result of a past event, AITSL has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Employee Provisions and Benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date. Provision for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of the end of reporting period are measured at their nominal amounts.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for personal or carer leave as all personal and carer leave is non-vesting and the average personal and carer leave taken in future years by employees of the entity is estimated to be less than the annual entitlement.

Long service leave liabilities that are not expected to be settled within 12 months are recognised in the provision for employee benefits as non-current liabilities and are measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement..

Superannuation

Contributions are made by AITSL to employee superannuation funds and are charged as expenses when incurred. AITSL makes contributions to the funds in accordance with the superannuation guarantee legislation.

Note 7 - Cash Flow Reconciliation

| | 2022 \$ | 2021 \$ |
|---|--|---|
| Reconciliation of cash per income statement to statement of cash flows | | |
| Cash at year end as per statement of cash flows Statement of financial position items comprising cash | 9,935,763 9,935,763 | 5,624,138 5,624,138 |
| Difference | - | |
| Reconciliation of operating result to net cash from operating activities | | |
| Surplus / (Deficit) for the year Depreciation and amortisation Lease interest Net write-down and sale of non-financial assets Present value adjustment Adjustments for lease extension | 3,186,774 962,312 46,521 3,276 (3,600) (20,881) | (3,312,868) 1,103,746 - 10,321 (28,162) |
| Change in assets and liabilities | | |
| Decrease (increase) in receivables Decrease (increase) in other assets Increase (decrease) in supplier payables Increase (decrease) in other provisions Increase (decrease) in unearned income Increase (decrease) in employee provisions | 1,385,000 65,383 (158,060) (96,126) (193,797) (169,772) | (925,173) 11,026 (301,886) 41,597 82,600 2,287 |
| Net cash from operating activities | 5,007,030 | (3,316,512) |

Note 8 - Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of AITSL, directly or indirectly, including any Directors of AITSL.

| | 1,575,123 | 1,649,245 |
|--------------------------------|-----------|-----------|
| Other long term benefits | (4,825) | 24,251 |
| Post employment benefits | 123,456 | 121,291 |
| Short-term employment benefits | 1,456,492 | 1,503,703 |

The number of key management personnel that are included in the above are 4 Executive Managers and 8 Part-time Directors (2021: 4 Executive Managers and 10 Part-time Directors).

Note 9 - Related Party Disclosure

Related parties to AITSL are key management personnel including directors.

Certain key management personnel hold positions in other entities that may result in them having significant influence over the financial or operating policies of those entities.

A number of those entities transacted with AITSL through the financial year. These transactions may be significant due to the nature of the industry in which AITSL operates and the broad industry representation of the persons nominated to the Board of Directors and employed as key management personnel. All of these transactions are carried out in compliance with the terms of the Procurement Policy and Conflict of Interest Policy approved by the Board of Directors and on terms and conditions that were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non related entities.

The aggregate value of transactions and outstanding balances, including commitments, relating to entities over which related parties have significant influence were as follows:

| | 2022 \$ | 2021 \$ |
|-----------------------------------|-------------------|-------------------|
| Purchase of goods and services | | |
| Transaction Value as at 30 June | 166,155 | 198,005 |
| Balance Outstanding as at 30 June | 2,664 | 18,781 |

Note 10 - Financial Instruments

| | 2022 | 2021 \$ |
|--|------------|------------|
| Categories of financial instruments | | |
| Financial assets | | |
| Loans and receivables | | |
| - Cash at bank | 9,935,763 | 5,624,138 |
| - Trade and other receivables | 109,954 | 1,494,954 |
| Financial assets at amortised cost | 464,010 | 419,234 |
| Carrying amount of financial assets | 10,509,727 | 7,538,326 |
| Financial liabilities | | |
| Financial liabilities | | |
| - Trade creditors | 889,557 | 1,039,420 |
| Carrying amount of financial liabilities | 889,557 | 1,039,420 |
| Financial assets and liabilities are measured at amortised cost. | | |
| Net Income and expense from financial assets | | |
| Loans and receivables | | |
| - Interest revenue | 111,163 | 107,457 |
| Net income from financial assets | 111,163 | 107,457 |

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when AITSL becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition.

- amortised cost
- fair value through profit or loss (FVPL)
- equity instruments at fair value through other comprehensive income (FVOCI)

Classification and measurement of financial liabilities

The financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value and, where applicable, adjusted for transaction costs unless the liability is designated a financial liability at fair value through the profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated FVPL).

- they are held within a business model which has the objective to hold the financial assets and collect its contractual cash flows.
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The cash and cash equivalents, trade and other receivables fall into this category of financial instruments as well as term deposits that were previously classified as held-to-maturity.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less from acquisition date, that are subject to an insignificant risk of changes in their fair value and are held by AITSL in the management of its short term commitments.

Note 11 - Commitments

| | 2022 | 2021 \$ |
|---|-----------|------------|
| Contracts for services | | |
| - Not more than 12 months | 1,748,132 | 1,180,747 |
| - Greater than 12 months but not later than 5 years | 1,653,099 | 81,035 |
| Total Contracts for services commitments | 3,401,231 | 1,261,782 |
| Net Contracts for services commitments | 3,401,231 | 1,261,782 |

Accounting Policy

Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources and are disclosed at their nominal value inclusive of GST payable or receivable.

Note 12 - Remuneration of Auditors

During the financial year the following fees were paid or payable for services provided by ANAO, the auditor of AITSL:

| | 2022 \$ | 2021 \$ |
|-----------------------------------|------------|-------------------|
| Audit services - ANAO | | |
| Audit of the financial statements | 40,000 | 40,000 |

Note 13 - Explanations of Major Budget Variances

The following tables provide explanations of variances between the original budget as presented in the 2021-22 Portfolio Budget Statements (PBS) and the 2021-22 final outcome as presented in accordance with Australian Accounting Standards for AITSL. The Budget is not audited.

Variances are considered to be major based on the following criteria:

- the variance between the PBS and the final result is greater than 10% of the original budget for a line item; and
- the variance between the PBS and the final result is greater than \$300,000; or
- the item is below the threshold but is considered important for the reader's understanding or is
 relevant to an assessment of the discharge of accountability and to an analysis of the company's
 performance.

Explanation of major variances

Affected statement line items

Sale of Services and Expenses

AITSL was granted Phase two of the Australian Teacher Workforce Data (ATWD) project in June 2021, and this had not been included in the original PBS Budget submission due to its uncertainty. In addition, there was significantly increased Assessment for Migration activity, which resulted in higher sales and lower receivables.

Statement of Comprehensive Income

- Sales of Services
- Program Expenses

Statement of Financial Position

- Cash and Cash Equivalents
- Supplier and Other Payables
- Trade and Other Receivables
- Unearned Income

Statement of Cash Flow

- Sales of Services
- Net GST received from the Australian Taxation Office

Income

Interest Received was budgeted at lower rates than actual. AITSL switched from Term Deposits to a better product resulting in better returns.

Statement of Comprehensive Income

Interest Income

Statement of Cash Flow

Interest Income

Expenses

Some IT project work originally planned for 2022/23 was carried out in 2021/22. With the extension of the lease AITSL has reapplied the accounting rules of AASB 16 which has resulted in a revised depreciation figure.

Statement of Comprehensive Income

- Administration Expenses
- Depreciation and Amortisation Expenses

Cash and Cash Equivalents

Delays in the Initial Teacher Education project (ITE) has resulted in the Department of Education (DoE) agreeing to funding being carried forward to 2022/23, in addition at the request of the DoE funding will be carried forward for the Disability Standards for Education (DSE) project. The delay in confirming phase two of the ATWD project also results in funding carried forward. Other delayed core funding agreement work and associated costs have resulted in a carry forward of carry forward funds to enable AITSL to complete its 2022/23 agreed Work Plan.

Statement of Financial Position

Cash and Cash Equivalents

Statement of Changes in Equity

 Total comprehensive surplus / (loss) for the year

Property, Furniture & Equipment

AITSL signed a lease extension until 2025, which required an increase in the security deposit and reapplying AASB 16, there is an increase in Right of use assets, an increase in Lease liabilities, and an increased make good provision.

Statement of Financial Position

- Financial Assets at Amortised Cost
- Property, Furniture & Equipment
- Lease Liability (current and non-current)
- Other Provisions

Note 14 - Member's Guarantee

Australian Institute for Teaching and School Leadership Limited is incorporated under the Australian Charities and Not-for-profit Commission Act 2012 and the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 toward meeting any obligations of the entity. At 30 June 2022 the number of members was one.

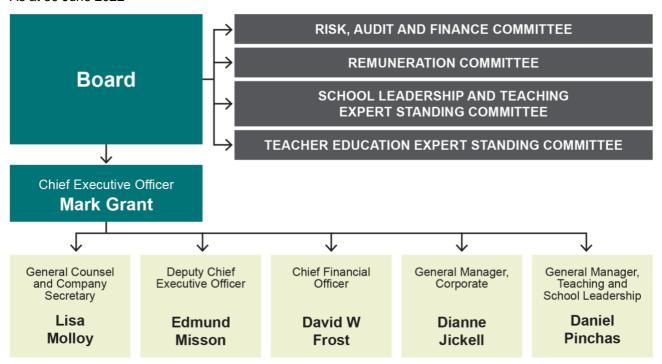
Note 15 - Entity Details

Australian Institute for Teaching and School Leadership Limited has its head office and principal place of business located at Level 8, 440 Collins Street, Melbourne, Victoria. AITSL is a not for profit company limited by Guarantee.

Appendices

Appendix 1: AITSL organisational structure

As at 30 June 2022



Management of Human Resources

All Non-Ongoing Employees Current Report Period (2021-22)

| | | Male |) | | Fema | le | | Indeter | minate | |
|-------------------------|---------------|---------------|---------------|---------------|---------------|-----------------|---------------|---------------|------------------------|-------|
| | Full- time | Part- time | Total Male | Full- time | Part- time | Total Female | Full- time | Part- time | Total Indeterminate | Total |
| NSW | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Qld | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Vic | 18 | 4 | 22 | 35 | 6 | 41 | 1 | 0 | 1 | 64 |
| WA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ACT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| NT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| External Territories | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 18 | 4 | 22 | 35 | 6 | 41 | 1 | 0 | 1 | 64 |

Note

All AITSL employees are on maximum-term contracts (i.e. not ongoing) and includes Assessment for Migration employees who are not captured under AITSL's ASL reporting. Numbers above are headcount and **do not** include 8 Board Directors who have a small FTE but are not included in headcount.

All Non-Ongoing Employees Previous Report Period (2020–21)

| | | Male | e | | Fema | lle | | Indete | rminate | |
|-------------------------|---------------|---------------|---------------|---------------|---------------|-----------------|---------------|---------------|------------------------|-------|
| | Full- time | Part- time | Total Male | Full- time | Part- time | Total Female | Full- time | Part- time | Total Indeterminate | Total |
| NSW | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Qld | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Vic | 16 | 1 | 17 | 38 | 11 | 49 | 0 | 0 | 0 | 66 |
| WA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ACT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| NT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| External Territories | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 16 | 1 | 17 | 38 | 11 | 49 | 0 | 0 | 0 | 66 |

Note

All AITSL employees are on maximum-term contracts (i.e. not on-going). During the COVID-19 lockdowns in 2020 and 2021, a small number of employees chose to work remotely in NSW and SA; however, their place of employment was still based in Victoria. Numbers above were as previously reported and **do not** include 8 Board members who have a small FTE but are not included in headcount.

Appendix 2: Consultancies and funding contracts

AITSL engages consultants with specialist expertise to assist with the fulfilment of the organisation's responsibilities.

During 2021–22, 15 new consultancy contracts were entered into involving total actual expenditure of \$476,024 (inclusive of GST). In addition, 9 ongoing consultancy contracts were active during 2021–22, involving a total actual expenditure of \$283,496 (inclusive of GST).

Appendix 3: Summary of compliance

Under the PGPA Rule, AITSL is required to provide an index of the mandatory annual report requirements from section 28E. Below is an index that provides the location of these mandatory requirements within this annual report.

| PGPA Rule Reference | Description | Location | Page |
|------------------------|--|--|-------|
| 28E(a) | The purposes of the company as included in the company's corporate plan for the reporting period. | Corporate Governance Statement | 21 |
| 28E(aa) | The results of a measurement and assessment of the company's performance during the reporting period, including the results of a measurement and assessment of the company's performance against any performance measures and any targets included in the company's corporate plan for the reporting period. | Performance Measures 2020–21 | 10-17 |
| 28E(b) | The names of the persons holding the position of responsible Minister or responsible Ministers during the reporting period, and the titles of those responsible Ministers. | Corporate Governance Statement | 21 |
| 28E(c) | Any directions given to the entity by a Minister under the company's constitution, an Act or an instrument during the reporting period. | Corporate Governance Statement | 22 |
| 28E(d) | Any government policy order that applied in relation to the company during the reporting period under section 93 of the PGPA Act. | N/A | N/A |
| 28E(e) | Particulars of non-compliance with: (a) a direction given to the entity by the Minister under the company's constitution, an Act or instrument during the reporting period; or (b) a government policy order that applied in relation to the company during the reporting period under section 93 of the PGPA Act. | N/A | N/A |
| 28E(f) | Information on each director of the company during the reporting period. | Directors' Report | 31-36 |
| 28E(g) | An outline of the organisational structure of the company (including any subsidiaries of the company). | Appendix 1: AITSL Organisational Structure | 60-61 |

| PGPA Rule Reference | Description | Location | Page |
|------------------------|---|---|-------|
| 28E(ga) | Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender; (d) statistics on staff location. | Appendix 1: AITSL Organisational Structure | 60-61 |
| 28E(h) | An outline of the location (whether or not in Australia) of major activities or facilities of the company. | Corporate Governance Statement | 30 |
| 28E(i) | Information in relation to the main corporate governance practices used by the company during the reporting period. | Corporate Governance Statement | 29-30 |
| 28E(j), 28E(k) | For transactions with a related Commonwealth entity or related company where the value of the transaction, or if there is more than one transactions, the aggregate of those transactions, is more than \$10,000 (inclusive of GST): (a) the decision-making process undertaken by the directors of the company for making a decision to approve the company paying for a good or service from, or providing a grant to, the related Commonwealth entity or related company; and (b) the value of the transaction, or if there is more than one transaction, the number of transactions and the aggregate of value of the transactions. | Financial Report (Note 9) | 55 |
| 28E(I) | Any significant activities or changes that affected the operations or structure of the company during the reporting period. | Directors' Report | 37 |
| 28E(m) | Particulars of judicial decisions or decisions of administrative tribunals that may have a significant effect on the operations of the company. | N/A | N/A |
| 28E(n) | Particulars of any reports on the company given by: (a) the Auditor-General, or (b) a Parliamentary Committee, or (c) the Commonwealth Ombudsman; or (d) the Office of the Australian Information Commissioner; or (e) the Australian Securities and Investments Commission. | N/A | N/A |
| 28E(o) | An explanation of information not obtained from a subsidiary of the company and the effect of not having the information on the annual report. | N/A | N/A |
| 28E(oa) | Information about executive remuneration. | Corporate Governance Statement | 27-28 |

| PGPA Rule Reference | Description | Location | Page |
|------------------------|--|--------------------------------|-------|
| 28E(ob) | The following information about the audit committee for the company: (a) a direct electronic address of the charter determining the functions of the audit committee; (b) the name of each member of the audit committee; (c) the qualifications, knowledge, skills or experience of each member of the audit committee; (d) information about each member's attendance at meetings of the audit committee; (e) the remuneration of each member of the audit committee. | Corporate Governance Statement | 25-26 |

