

# Annual Report

2020–21



## **Acknowledgement of Country**

The Australian Institute for Teaching and School Leadership (AITSL) acknowledges the traditional custodians of the land, sea country, and waterways from across Australia. We honour and pay our respects to their Elders past, present, and emerging.

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The document must be attributed as the Australian Institute for Teaching and School Leadership (AITSL) Annual Report 2020–21.

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## **Online version**

Web address of this report: [aitsl.edu.au/about-aitsl/governance](https://aitsl.edu.au/about-aitsl/governance)

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.

# Letter of Transmittal



ABN 17 117 362 740

7 September 2021

The Hon Alan Tudge MP  
Minister for Education and Youth  
Parliament House  
Canberra ACT 2600

Dear Minister,

The Board of Directors is pleased to submit the Annual Report 2020–21 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,

A handwritten signature in black ink, which appears to read 'John Hattie'. The signature is fluid and cursive.

Emeritus Laureate Professor John Hattie  
Chair  
AITSL Board of Directors

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## From the Chair



Over the past year, COVID-19 had a huge impact on teachers and leaders across Australia and although there has been some return to 'normality', disruptions continue. We have seen changes to the Australian education landscape itself over the past 12 months. In December 2020, we welcomed the Hon Alan Tudge MP as the Minister for Education and Youth. In April 2021, Australian state and territory education ministers came together for their first Education Ministers Meeting, under the new architecture for federal relations. We continue to work with all education ministers and their teams under this new structure.

Throughout these changes, the Australian Institute for Teaching and School Leadership (AITSL) has continued to deliver an expansive remit to support quality teaching and leadership in Australian schools and early childhood settings, as it has done for over a decade.

The year 2021 marks the 10th anniversary of the *Australian Professional Standards for Teachers* (the Standards). The Standards have been the bedrock for AITSL's work and have truly stood the test of time. They continue to underpin initial teacher education (ITE), teacher registration, and the certification of expert teachers. They also remain top of mind for teachers, leaders, and pre-service teachers, with the Standards page on AITSL's website receiving over 900,000 unique visits annually. To continue supporting teachers and leaders to advance through the 4 career stages in the Standards, AITSL launched a series of high-quality professional learning guides in April 2021. The guides cover topics including team teaching and using social media for professional learning, building on other AITSL materials that focus on supporting teaching growth and development.

For over a decade, AITSL's work has been grounded in a combination of evidence and professional practice. Collaboration also plays a vital role in delivering work to improve teaching and leadership. AITSL's Spotlight evidence summaries are an example of this approach and AITSL released 5 over the past 12 months. *Inclusive education: Teaching students with disability* was launched on International Day of People with Disability and received 20,150 unique views. The Spotlight combined current educational evidence, fact sheets, and a series of videos produced in collaboration with Get Skilled Access. AITSL worked with the Australian Education Research Organisation on resources to support teachers and school leaders with their engagement with research, including on the Spotlight *Informing teaching: navigating and translating education best practice*. AITSL also collaborated with the Q Project at Monash University on support for schools to embed collaborative teaching practices using research.

The Online Formative Assessment (OFA) initiative is another example of collaboration to achieve change. The initiative aims to provide Australian teachers with the tools, flexibility, and professional learning to plan teaching that will work best for the students in their classroom. AITSL, Education Services Australia (ESA), and the Australian Curriculum, Assessment and Reporting Authority (ACARA) have collaborated with the teaching profession, leaders, parents/carers, and students. The alpha phase focused on prototype building with over 4,000 teachers and school leaders providing feedback during this phase. The next steps for the initiative will be decided in coming months and I'm excited to see where it goes.

AITSL continued implementing the Australian Teacher Workforce Data (ATWD) initiative in partnership with states and territories, teacher regulatory authorities, the Commonwealth Department of Education, Skills and Employment, and the Australian Institute of Health and Welfare. This important project is building the first national picture of Australia's teaching profession. The 2020 ATWD Teacher Survey was the first year teachers from all jurisdictions could participate. A total of 31,791 registered teachers completed the survey nationally.

The first ATWD report, *National Initial Teacher Education Pipeline: Australian Teacher Workforce Data Report 1* (the Pipeline Report), was released in November 2020. It presents key findings about undergraduate and postgraduate students who are entering, currently enrolled in, or have completed their ITE. The next report, *National Teacher Workforce Characteristics Report: Australian Teacher Workforce Data Report 2*, connects ITE data with teacher registration and ATWD Teacher Survey data and is due for release in the second half of 2021.



AITSL also led collaboration and consultation over the past 12 months on how teachers and leaders in schools across Australia can be supported to enhance their Indigenous cultural competency. AITSL received 87 submissions in response to a discussion paper circulated in late 2020 and received important feedback through national forums and community consultations. In May 2021, I was honoured to attend and speak at the National Dialogue in Canberra and see first-hand the support from many individuals and organisations across the country for AITSL to progress this work.

AITSL cannot do its work alone and I thank those who have supported the organisation over the last 12 months, in particular Australia's education ministers. I would like to thank my fellow Directors who bring a wealth of expertise and knowledge to the AITSL Board. Also, AITSL CEO, Mark Grant, and his committed team for their dedication and passion to deliver work to support Australia's teachers and leaders to ensure the best education for all children and students.

A handwritten signature in black ink, reading 'John Hattie'.

**Emeritus Laureate Professor John Hattie  
Chair**



## From the CEO



Though the world has changed in 2020–21 due to COVID-19 and its impacts, AITSL has continued to do what we have been doing for more than 10 years. That is, working closely across the education sectors to put forward fit-for-purpose solutions and using our trusted position in the profession to broker sensible policy solutions for schools, systems, sectors, and ministers.

AITSL is proud to be trusted by the profession. It speaks to the way AITSL staff over many years have developed strong relationships across the Australian education landscape. As a result of our strong standing, AITSL has significant reach into the Australian teaching profession – with almost 200,000 subscribers to our e-newsletter *AITSL Mail*, and a strong and growing following on Facebook, Twitter, and LinkedIn.

AITSL exists to support quality teaching and school leadership, and I am very fortunate in my position to work with educators from across Australia. The past 12 months has seen reforms focused in the areas involving tertiary institutions, and my thanks goes to the teacher regulatory authorities and 47 institutions that have supported the national projects AITSL was commissioned to collaboratively deliver. Further, other key reforms have focused on the school sector and my thanks goes to employers, teachers, professional associations, and unions for supporting AITSL's national work.

This year AITSL further progressed our goal to esteem the profession with the 2020 World Teachers' Day campaign. A spirited and fun campaign, using sunglasses to promote the #BrightFuture of teaching with 2 million impressions on social media. On World Teachers' Day on 30 October 2020, AITSL also released new research highlighting the value of the teaching profession in society. As 2021 commenced, our follow-up campaign shared teaching tips from nationally certified Highly Accomplished and Lead teachers (HALTs) to help beginning teachers as they embarked on their first year of teaching.

AITSL added to the suite of free mobile applications designed to help support beginning teachers with a pilot rollout of the *My Teaching Advice* app for beginning teachers in regional, rural, and remote settings. The app connects these teachers in real time to expert teachers who can mentor and support them and complements the well-established *My Induction* app, which has over 13,000 users and is a go-to resource for beginning teachers with advice, tools, and scenarios. These products show how AITSL is using new technologies and innovative approaches to support teachers.

Throughout 2020–21, AITSL progressed initiatives requested directly by the former Minister for Education. These included work to explore how to reduce red tape in schools and incidents of teacher, school leader, and other school staff abuse. To ensure the voice of the profession in this work, we ran a two-week online roundtable event allowing teachers and leaders from across Australia to provide their input and help shape the materials AITSL is producing for both these initiatives.

Working hand-in-hand with the profession as well as Aboriginal and Torres Strait Islander educators, experts, and community members, AITSL progressed work to support the Indigenous cultural competency of teachers and school leaders. A discussion paper released in September 2020 received 87 formal submissions and state- and territory-based online forums attracted 380 participants. The insights collected through the submissions and forum were shared at a national dialogue event in May 2021, with input from public consultation to inform AITSL's development of materials to support schools in this area. During this period, AITSL also released its Reflect Reconciliation Action Plan.

AITSL capped off the financial year with the fifth summit for HALTs in Brisbane in June 2021. The annual event (postponed in 2020 due to COVID-19) brings together 200 expert teachers from across Australia and acts as a key driver to promote national teacher certification in all jurisdictions. With 840 HALTs across Australia, and growing interest, this initiative is helping to create pathways for teachers to grow and develop, be recognised for their expertise, and esteem the profession in the eyes of the broader public.

Despite some of the challenges of COVID-19, AITSL has continued to progress initiatives that support teachers and leaders. I would like to thank the AITSL Board and staff for their continued support and hard work over the past 12 months, with critical guidance from jurisdictional ministers and senior officers of the three sectors proving invaluable to tailoring implementation.

We have all had to adapt to new ways of working, and I am very grateful to everyone who has participated in AITSL-led activities over the past 12 months, providing important feedback and insights to help us deliver solutions that work for Australia's teachers and their near 4 million students.

Mark Crant





# About AITSL

## Background

AITSL is a wholly owned 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 with funding provided by the Australian Government.

## 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 2019–2022

Ensuring children receive the very best education is one of the most important things we can do for them. It is also one of the most important government investments made in this country.

AITSL has worked hard to build its reputation, deliver quality work and form strong relationships in the education sector. AITSL's *Strategic Plan 2019–2022* builds on that foundation to develop guiding principles and clear focus areas, actions and goals.

The purpose of AITSL's strategic plan is to:

- support planning and scoping of work beyond the yearly funding cycle 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.

AITSL's *Strategic Plan 2019–2022* includes a one-page outline of AITSL's goals, focus areas, guiding principles, areas for action, and a more detailed account of the actions that will address AITSL's priorities. The long-term goals articulated in the Strategic Plan have been developed into short-term and medium-term organisational performance measures. These measures are reflected in the *Corporate Plan 2019–2022*.

AITSL's *Strategic Plan 2019–2022* can be found at [aitsl.edu.au/about-aitsl/governance](https://aitsl.edu.au/about-aitsl/governance)

## Guiding principles underpinning our focus areas and actions

- Every child experiences a quality education.
- Graduate teachers are well-prepared to teach when they enter the profession.
- Improving professional practice is central to maximising impact on learners.
- Leadership is a team effort at all levels.
- Aboriginal and Torres Strait Islander education needs are understood, respected, and supported in all actions.
- Evidence and knowledge drive our decisions and we evaluate and learn as we progress.

## Goals and focus areas

### Goal 1: Strengthened capability and a shared commitment to professional growth

- Placing impact of initial teacher education, teaching, and leadership at the centre of our work
- Building, enhancing, and sustaining effective teaching and leadership at every level

### Goal 2: Use of evidence to inform practice and improve learner outcomes

- Advocating for quality and rigour in the design and implementation of national policies, tools, and resources
- Supporting the professional education community to make evidence-based decisions

### Goal 3: A valued profession

- Affirming the status of the profession

## Actions we're undertaking to achieve our goals

- Promote and support implementation of the *Australian Professional Standards for Teachers* and the *Australian Professional Standard for Principals* in partnership with jurisdictions to increase their impact
- Strengthen leadership engagement, broaden participation in leadership, and enhance the capability of aspiring and emerging leaders
- Consult with the Aboriginal and Torres Strait Islander communities and stakeholders to identify services to benefit Indigenous teachers and teachers of Indigenous students and studies
- Play a key role in national initiatives to support quality teaching and leadership
- Promote Australian Curriculum-mapped formative and diagnostic tools to better enable teachers and leaders to understand more clearly their impact and support individual learner progress
- Strengthen the evidence base about the teaching profession, sponsor research, and support the use of evidence in decision making and professional practice
- Drive and support improvement of excellent initial teacher education
- Develop and implement a strategy to affirm the status of the teaching profession and seek to enhance teacher professionalism through all projects and initiatives
- Provide accurate and efficient skills assessments for teacher migration to Australia
- Strengthen collaboration and cooperation with stakeholders and all educators
- Use new technologies to enhance and strengthen AITSL's capacity and capabilities
- Consolidate and strengthen our resource base and use resources efficiently to maximise our impact

## Working with the education sector

AITSL 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.

AITSL has a strong connection with the teaching profession and works closely with schools, systems, sectors, regulatory bodies, initial teacher education providers, principal and other professional associations, teachers, and school leaders to develop policies, tools, and resources that support quality teaching and school leadership.

## Performance Measures 2020–21

AITSL's performance measures ensure it delivers on its priorities and has maximum impact. The performance measures for 2020–21 are listed in AITSL's Corporate Plan as follows:

1. AITSL plays a key role in successful delivery of programs of work, such as those delivering the Australian Government Response to the Teacher Education Ministerial Advisory Group, as measured through monitoring and evaluation of initiatives that sit within 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.
3. Awareness, use, and perceived usefulness of AITSL's resources, as measured by traffic to and within the AITSL website, and through a stakeholder survey.
4. AITSL delivers its agreed Work Plan within the available budget, as measured through reporting against the Work Plan and budgetary reports.



1. AITSL plays a key role in successful delivery of programs of work, such as those delivering the Australian Government Response to the Teacher Education Ministerial Advisory Group (TEMAG), as measured through monitoring and evaluation of initiatives that sit within programs of work.

AITSL has successfully delivered programs of work that have been key in promoting excellence in the profession of teaching and school leadership throughout 2020–21. Indicators of success include:

<p><b>Advances in Quality Initial Teacher Education Accreditation</b></p>	<p>AITSL, in collaboration with the teacher regulatory authorities, finalised the review of the <i>Guidelines for the accreditation of initial teacher education programs in Australia</i> (Accreditation Guidelines) and the <i>Guidelines for the accreditation of initial teacher education programs in Australia: Stage two</i> (Stage two Accreditation Guidelines) in December 2020. The revised 2020 Accreditation Guidelines were published on the AITSL website in December 2020, and now incorporate the Stage two Accreditation Guidelines, to further promote consistency and alignment in the decision-making process.</p> <p>AITSL held workshops to support implementation of the Accreditation Guidelines in November and December 2020. A revised version of the stage two national panel learning program was developed to support implementation and was delivered to 35 participants as of 30 June 2021. A streamlined version of the panel learning program training that combines both stages one and two was developed and delivered to 40 participants as of 30 June 2021. The 2020 Accreditation Guidelines will be in full use nationally by January 2022.</p> <p>AITSL convened the Expert Advisory Group (EAG) 19 times in 2020–21 to provide advice to teacher regulatory authorities on 10 teaching performance assessments (TPAs) against the requirements of Program Standard 1.2 of the <i>Accreditation of initial teacher education programs in Australia: Standards and Procedures</i>.</p> <p>As of June 2021, a total of 10 TPAs have been endorsed by the EAG as meeting Program Standard 1.2, 6 of these endorsed in 2020–21. These 10 TPAs are implemented by 43 ITE providers. In 2020–21, there remain 4 TPAs covering 4 providers assessed but not yet endorsed by the EAG.</p> <p>In March 2021, AITSL received initial teacher education annual reporting data for 2019 from all teacher regulatory authorities. The 2019 data represents the first year of the annual reporting process and provides a first benchmark of initial teacher education metrics that will support trend analysis against annual reporting data received for 2020 onward.</p>
<p><b>Aboriginal and Torres Strait Islander Education</b></p>	<p>The Indigenous cultural competency in the Australian teaching workforce project continues to gain traction among the profession and the Aboriginal and Torres Strait Islander education community. A discussion paper was launched in September 2020 followed by extensive consultation with 380 participants including 11 online national forums in each jurisdiction as well as 3 focus forums with Indigenous Education Experts, Indigenous Youth, and the Indigenous Boarding sector to consider responses to the discussion paper. Submissions were also invited to provide written responses and feedback on the discussion paper with a total of 87 received.</p> <p>In May 2021, AITSL held a national dialogue with over 120 participants attending in Canberra and online, comprised of a series of workshops to explore critical elements of the work and develop a roadmap forward. The next phases of the work will be to develop a final report and a set of recommendations including the design and development of a suite of professional learning tools and resources.</p>



<b>Workforce Planning</b>	<p>Seven jurisdictions provided teacher registration data to the Australian Teacher Workforce Data (ATWD) initiative in 2020, and 31,791 teachers across all states and territories participated in the ATWD Teacher Survey for the 2020 school year.</p> <p>The first <i>ATWD National Initial Teacher Education Pipeline Report</i> was published in November 2020, providing analysis of the supply of teaching graduates from 2005 to 2017, and a more detailed understanding of the characteristics of pre-service teachers in the initial teacher education pipeline. The first <i>ATWD National Teacher Workforce Characteristics Report</i> is nearing completion, and will provide new insights on teachers' registration, employment, and workforce experiences</p> <p>AITSL developed a comprehensive background paper – <i>Teaching Futures</i> – on key strategic issues for the national teacher workforce. Australia's Ministers for Education acknowledged that the paper has helped shape the future direction of ministers' national and collaborative work on teaching.</p>
<b>Certification of Highly Accomplished and Lead Teachers</b>	<p>AITSL continued to work with jurisdictions to support national teacher certification, which recognises expert teaching practice.</p> <p>As at 31 December 2020, 840 teachers have achieved national teacher certification. Currently, certification is available to teachers in all sectors in the Australian Capital Territory, New South Wales, Northern Territory, Queensland, and South Australia; the Catholic sector in Victoria; and the independent sector in Western Australia. Melbourne Archdiocese Catholic Schools (MACS, previously Catholic Education Melbourne) certified its first 12 teachers in early 2021. Independent Schools Victoria is in the beginning stages of implementing certification and Tasmania is conducting a cross-sectoral pilot in 2021.</p> <p>AITSL convened the fifth Highly Accomplished and Lead Teacher (HALT) Summit in Brisbane in June 2021. This was delivered as a blended event bringing together a total of 136 in-person and 202 online attendees (including HALTs and key stakeholders) for a professional learning and networking event.</p>
<b>High-Quality Professional Learning</b>	<p>In 2017, AITSL commenced work to improve the quality of professional learning for teachers. AITSL developed and released a webpage and resources supporting high-quality professional learning in June 2019, and this was updated in February 2021 with additional practical resources. Initiatives completed over the 2020–21 financial year include:</p> <ul style="list-style-type: none"> <li>• publication of 18 written guides on professional learning approaches and 7 animated 'Quick Bites' on making the most of professional learning</li> <li>• completion of the discovery phase for the development of an online community to support high-quality professional learning, which included stakeholder consultation and exploration of technical requirements, which will inform future considerations around development</li> <li>• continued to work with stakeholders to scope and draft a set of Best Practice Guidelines on suggested ways for leaders to engage and support casual and relief teachers (CRTs) access high-quality professional learning opportunities.</li> </ul>

<b>Online Formative Assessment initiative</b>	<p>In December 2019, Education Council endorsed the recommendations from the discovery phase (April 2019 to December 2019) of this initiative and asked AITSL to continue the work alongside ACARA and ESA and report back on the alpha phase (January 2020 to June 2021) in mid-2021. During the 2020–2021 financial year, AITSL has engaged with teachers and school leaders on the initiative through:</p> <ul style="list-style-type: none"> <li>• website/newsletter subscribers (1,156) and volunteers (567)</li> <li>• prototyping and testing professional learning (225) and validating the formative assessment rubrics (3,317 teachers and school leaders)</li> <li>• reconvening the Teacher Practice Reference Group in 2020 with 38 representatives from schools across Australia who met to test prototypes, hold open discussions, and give feedback on content, design, and usability.</li> </ul>
<b>Induction</b>	<p>Research undertaken by AITSL in 2018 uncovered that 3 cohorts of teachers face additional challenges in accessing high-quality professional learning – casual/relief teachers (CRTs), early childhood teachers, and teachers in regional, rural, and remote (RRR) locations. Likewise, beginning teachers from these cohorts may face additional challenges in accessing a high-quality induction. To support these 3 cohorts of teachers, AITSL released the <i>My Teaching Advice</i> (MTA) platform in February 2021, which connects beginning teachers with experienced colleagues for advice on problems of practice.</p> <p>Beginning teachers are matched with experts based on their context (location, phase of schooling, subject specialisation, etc.), and communicate via an instant messenger chat built into MTA. The initial roll-out of MTA for advice seekers was to beginning teachers in RRR areas, with a planned expansion to beginning CRTs and early childhood teachers, and beyond.</p> <p>The expert teachers in MTA currently consist of nationally certified Highly Accomplished and Lead Teachers (HALTs). For experienced teachers who have not had their expertise formally recognised, AITSL has commenced development of an online professional learning course to help them develop their collegial advising skills, with a strong focus on advice-giving in MTA.</p> <p>In 2020–21, AITSL also commissioned an independent organisation to review the current state of teacher induction into the profession, informed by the <i>Graduate to Proficient: Australian Guidelines for teacher induction into the profession</i> (the Guidelines) endorsed by all education ministers in 2016. The evaluation measured the adoption of the Guidelines at the system/sector level, including:</p> <ul style="list-style-type: none"> <li>• the implementation of effective induction practices in schools as recommended in the Guidelines</li> <li>• changes in awareness, perception, and attitudes toward induction among leaders and beginning teachers.</li> </ul>

<b>Teaching Effectiveness</b>	<p>In January 2019, AITSL was tasked by the former Commonwealth Minister for Education to build on the findings of three teaching effectiveness research papers produced by the University of Melbourne (UoM), including testing the practical application of these findings in schools.</p> <p>In 2020–21, AITSL undertook significant stakeholder consultation and commissioned market research to inform this project. Project activities included:</p> <ul style="list-style-type: none"> <li>• commenced scoping four professional learning modules to support teachers and leaders</li> <li>• trialled classroom observation practices that include student indicators, in partnership with Murdoch University</li> <li>• commenced the development of an engagement strategy to strengthen perceptions of teacher evaluations and teaching effectiveness nationally, so as to promote growth-driven evaluative practices.</li> </ul> <p>AITSL continues to work in close collaboration with key stakeholders, particularly practitioners, system/sector representatives, and teacher regulatory authorities to progress this work.</p>
<b>School Leadership Development</b>	<p>Informed by AITSL's blueprint <i>Empowering high-impact school leaders across Australia</i> (March 2020), AITSL undertook research to identify the challenges and opportunities faced by school leaders working in rural and remote contexts and engaged in consultation with the profession to gather input and feedback on the development of aligned resources. The resources, which aim to support school leaders new to working in rural and remote Australia, will be published in mid-2021.</p>
<b>National Professional Learning Network</b>	<p>AITSL convened 3 meetings of the National Professional Learning Network in 2020–21, with the primary objective to support collaboration between state and territory leadership professional learning institutes and a focus on sharing best-practice related to leadership development, principal preparation, and program evaluation.</p>

## 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.

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
<b>98%</b>	<b>94%</b>	<b>7.3/10</b>

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

Awareness	Use	Benefit rating
<b>90%</b>	<b>86%</b>	<b>7.3/10</b>

### Awareness of the following national frameworks remained high:



**77%**

*Graduate to Proficient: Australian Guidelines for Teacher Induction into the Profession*



**77%**

*Australian Teacher Performance and Development Framework*



**75%**

*Certification of Highly Accomplished and Lead Teachers in Australia*

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

Benefit ratings<sup>1</sup> 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.

Engagement with AITSL including traffic to the website and use of AITSL's tools and resources remained high over the 1 July 2020 to 30 June 2021 period:



**AITSL's website** garnered more than **5.1 million** visitors



**Subscriptions to AITSL mail** increased by **6%** to over **198,000**



AITSL grew its social media presence by **15%** with a current audience of over **115,000** across AITSL's 3 main social media platforms.

Australian teachers continue to use tools and resources provided by AITSL:

The Teacher Self-Assessment Tool was used by more than **132,000 users** since its launch in February 2017.

The My Induction app has approximately **13,600 active users** since its launch February 2017.

Over **482,000 unique page views** of the Illustrations of Practice within the last 12 months.

Approximately **2,000 users** per month access the interactive leadership profiles.

AITSL's Teacher Resource Hub has had over **17,000 users** since its launch in May 2020.

AITSL's teacher support Facebook group has attracted almost **6,000 members** since its launch in May 2020. The group encourages teachers and school leaders to connect and share strategies/resources and support each other through challenging times.



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 practice continuum	55%	28%	7.8/10
Illustrations of Practice	55%	31%	7.7/10

While only 21% of AITSL Stakeholders were aware of the 'Spotlight' publications, their usefulness rating was high at 7.8/10.

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

Agreed milestones within AITSL's 2019–20 Work Plan were achieved, with the exception of those delayed due to COVID-19.

## AITSL's impact increased in the last 5 years

AITSL has seen an increase in stakeholder perception from 2016 to 2021. Stakeholders agree that:

	2021	2016
AITSL's work has a strong evidence base	7.0/10	6.2/10
AITSL provides access to up-to-date research and evaluation related to the teaching profession	6.8/10	6.5/10
AITSL supports and recognises high-quality professional practice for teachers and school leaders	6.6/10	5.7/10

On all metrics, perceptions of the *Australian Professional Standards for Teachers* (the Standards) improved in 2021. Stakeholders agreed that:

The Standards provide a common language for the teaching profession	8.4/10
The Standards respect individual or school/educational differences in teachers practice	7.6/10
In general, the Standards improve the quality of teaching	7.7/10
The Standards will have a long-term positive impact on learner outcomes	7.7/10

# Senior Management

## Senior officers



**Mark Grant** <sup>PSM</sup>

*Dip Teach BEd MStudEd PCiL MACE*

### **Chief Executive Officer**

Mark Grant <sup>PSM</sup> 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, New South Wales (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 budgets 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 AMIIA*

**General Counsel and Company Secretary**

Lisa Molloy joined AITSL in April 2017. As General Counsel and Company Secretary, Lisa's responsibilities include providing legal support and advice to the Board and Executive, ensuring regulatory compliance, managing fraud control and risk, facilitating internal audits, supporting high-quality company policies and operations, and managing 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 10 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.



**Xian-Zhi Soon**  
*BA LLB GDLP*

**General Manager, Evidence and Impact**

Zhi joined AITSL as the General Manager, Evidence and Impact in March 2019. He is responsible for ensuring AITSL's work is informed by evidence and that monitoring and evaluation frameworks are in place to understand impact. Zhi also leads AITSL's work supporting the Australian Teacher Workforce Data initiative and provides advice nationally on education evidence, data, and evaluation.

Previously, Zhi worked as Director of Education Policy and a global executive member of the Behavioural Insights Team (BIT), an international research and policy organisation that originated at the heart of the United Kingdom Government. At BIT, Zhi also served as the Director of the Behavioural Research Centre for Adult Skills and Knowledge, and as the Director responsible for economic growth, productivity, consumer markets, and environmental sustainability policy.

Zhi has held positions in the Australian Government, including in the Prime Minister's Office and the Department of Foreign Affairs and Trade as a diplomat. At state level, he has worked at the New South Wales (NSW) Department of Premier and Cabinet and as a Board Member on the NSW Board of Studies. He also has private sector experience as a management consultant.



**Donald Abell**  
*BCom GradDip FCA*

**Chief Financial Officer**

Don Abell joined AITSL in 2011. He is a Fellow of the Institute of Chartered Accountants in Australia and holds a Bachelor of Commerce from the University of Melbourne and a Diploma in Taxation Law from Monash University.

Don has over 30 years' experience in professional accounting, including 25 years as a partner at the chartered accounting firm, KPMG. He has also served as a company director and board chairman for several companies.



# 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. Our work program is set in accordance with directions received from the Commonwealth Minister for 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*
- operates as a not-for-profit subject to the *Australian Charities and Not for Profit 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 2020–21, the Minister responsible for this portfolio was the:

- Hon. Dan Tehan MP, Minister for Education (to 22 December 2020)
- Hon. Alan Tudge MP, Minister for Education and Youth (from 23 December 2020).

AITSL regularly reports to the Commonwealth Minister for Education and the Minister for Finance, and the Department of Education, Skills and Employment based on the reporting timetable detailed in AITSL's Grant Agreement 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 it considers essential to its long-term performance and sustainability, and to be in the best interests of its stakeholders.

AITSL's governance framework is regularly reviewed to ensure it aligns to the 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 Profit Commission Act 2012*.

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

The Minister for Education has provided AITSL with one letter of expectation in the 2020–21 financial year to advance the following:

- reducing red tape for teachers
- addressing teacher, school leader, and other school staff abuse
- the stocktake of the *Australian Professional Standards for Teachers* and the *Australian Professional Standard for Principals*
- exploring a national approach to initial teacher education regulation.

## 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 that each Director is expected to adhere to.

In 2020–21, AITSL undertook a desktop review of the effectiveness of Board to assist in improving governance policies and processes.

## Appointments

In accordance with AITSL's Constitution, the AITSL Board is to comprise a minimum of three and a maximum of eleven 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 re-appointment 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 2020–21, there were transactions with related entities with an aggregate value of \$198,005. Further information on related party transactions for 2020–21 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 and other key staff are arranged, as well as training that covers their 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 two 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 2020 to 30 June 2021 are set out in the Directors' Report on page 31.

## Remuneration

The Remuneration Tribunal determines the remuneration and travel allowances payable to Directors, this includes provision for an annual salary for the Chair and Deputy Chair. AITSL falls under the Part-Time Offices Determination. Full details of Directors' remuneration including annual salaries are in Note 8 Key Management Personnel Remuneration on page 54 of the Financial Report.

Pursuant to Remuneration Tribunal determination, offices were not eligible for a fee increase during 2020–21.

## 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. In 2020, the Board reviewed its committees and agreed to merge the Audit and Risk Committee and the Finance Committee into one new Risk, Audit and Finance Committee.

The committees of the Board in 2020–21 included:

- Audit and Risk Committee (to December 2020)
- Finance Committee (to December 2020)
- Risk, Audit and Finance Committee (from January 2021)
- Remuneration Committee.

## Audit and Risk Committee

The primary objectives of the Audit and Risk Committee were to provide independent assurance and assistance to the Board of Directors on AITSL's risk control and compliance framework and to fulfil the functions required under section 92 of the PGPA Act. The Committee's charter outlined its composition, purpose, role and responsibilities, and reporting and administrative arrangements. The Audit and Risk Committee was superseded by the new Risk, Audit and Finance Committee in January 2021.

Directors were paid for their attendance at Audit and Risk Committee meetings as per the *Part-Time Office Determination* set by the Remuneration Tribunal.

Member	Position	Qualifications, Skills, Experience	Attendance	Remuneration (incl. GST)
Mr Chris Wardlaw	Chair	<p>Member of the AITSL Finance Committee from 2013 to 2016</p> <p>Chair of the AITSL Finance Committee and Audit and Risk Committee from 2016 to 2020</p> <p>Member of the Athletics Australia Finance, Audit and Risk Committee</p> <p>Chair of the Victorian Curriculum and Assessment Authority which has oversight of all audit, finance and risk functions</p> <p>Bachelor of Education (Hons) with an Accounting Minor</p>	<p>Eligible to attend 2 meetings</p> <p>2 meetings attended</p>	Paid an annual salary as Deputy Chair of the AITSL Board
Ms Beth Blackwood	Member	<p>Completed the AICD Company Directors Course 2016</p> <p>Board member of ACCM (Australian Council on Children and the Media) that has audit, finance, and risk responsibilities</p> <p>19 years reporting to PLC Perth governing Council providing financial papers and risk profiles</p>	<p>Eligible to attend 1 meeting</p> <p>1 meeting attended</p>	\$444
Mr Malcolm Elliott	Member	<p>Company Directors Course, Australian Institute of Company Directors</p> <p>President, Australian Primary Principals Association</p> <p>Member, Australian Secondary Principals Association Board and Audit and Risk Committee</p> <p>President, Tasmanian Principals Association President</p> <p>Department of Education Risk Management processes pilot organisation</p> <p>School management experience including human and financial resource management as Assistant Principal and Principal across a number of schools</p> <p>Budget and other resource management experience with the Tasmanian Department of Education</p>	<p>Eligible to attend 1 meeting</p> <p>1 meeting attended</p>	\$444



Member	Position	Qualifications, Skills, Experience	Attendance	Remuneration (incl. GST)
Mr Mark Mowbray	Member	Foundations of Directorship Certificate, Australian Institute for Company Directors  Completed board governance training during role as school principal	Eligible to attend 2 meetings  2 meetings attended	\$888
Mrs Jennifer Morison	Independent Expert Member	39 years' broad experience in the accounting profession, commerce, and government  National Board Member of the Chartered Accountants of Australia and New Zealand for four years, Chief Financial Officer of a public company and held senior positions in the major international accounting firms  Founded Morison Consulting Pty Limited in 1996, specialising in government financial reforms, governance and consulting  Various roles as independent member and chair of Commonwealth audit and risk committees and financial statement sub-committees for large and small government entities for the last 18 years	Eligible to attend 2 meetings  2 meetings attended	\$6,006

## Finance Committee

The primary objective of the Finance Committee was to assist the AITSL Board in its responsibilities for financial oversight and accountability of the company under the *Corporations Act 2001* and PGPA Act. The Committee's charter outlined its composition, purpose, role and responsibilities, and reporting and administrative arrangements. The Finance Committee was superseded by the new Risk, Audit and Finance Committee in January 2021.

The Chair of the Finance Committee was Mr Christopher Wardlaw <sup>PSM</sup>, who is Deputy Chair of the AITSL Board, and Members were comprised of Directors Emeritus Laureate Professor John Hattie, Dr Jennifer Buckingham, and Ms Renee Lammon.

Attendance of the Directors who sat on the Finance Committee can be found in the Directors' Report on page 30.

Directors were paid for their attendance at Finance Committee meetings as per the *Part-Time Office Determination* set by the Remuneration Tribunal. The total remuneration received by Directors for the financial year can be found in Key management personnel remuneration on page 27.

## Risk, Audit and Finance Committee

The Risk, Audit and Finance Committee combines the functions of the Audit and Risk Committee and the Finance Committee and was established in January 2021. 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 financial management, 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: <https://www.aitsl.edu.au/about-aitsl/governance>

The Ex Officio Member on the Committee is the Chair of the AITSL Board and attends the meeting for finance-related matters only and departs the meeting when audit and risk management matters are discussed.

Directors are paid for their attendance at Risk, Audit and Finance Committee meetings as per the *Part-Time Office Determination* set by the Remuneration Tribunal.

Member	Position	Qualifications, Skills, Experience	Attendance	Remuneration (incl. GST)
Mr Chris Wardlaw <small>PSM</small>	Chair	<p>Member of the AITSL Finance Committee from 2013 to 2016</p> <p>Chair of the AITSL Finance Committee and Audit and Risk Committee from 2016 to 2020</p> <p>Member of the Athletics Australia Finance, Audit and Risk Committee</p> <p>Chair of the Victorian Curriculum and Assessment Authority which has oversight of all audit, finance, and risk functions</p> <p>Bachelor of Education (Hons) with an Accounting Minor</p>	<p>Eligible to attend 3 meetings</p> <p>3 meetings attended</p>	<p>\$0</p> <p>Paid an annual salary as Deputy Chair of the AITSL Board</p>
Dr Jennifer Buckingham	Member	<p>Not-for-profit Financial Management short course, Governance Institute of Australia</p> <p>Interpreting Financial Statements short course, Australian Institute of Company Directors</p>	<p>Eligible to attend 3 meetings</p> <p>2 meetings attended</p>	\$1,465.20
Mr Malcolm Elliott	Member	<p>Company Directors Course, Australian Institute of Company Directors</p> <p>President, Australian Primary Principals Association</p> <p>Member, Australian Secondary Principals Association Board and Audit and Risk Committee</p> <p>President, Tasmanian Principals Association President</p> <p>Department of Education Risk Management processes pilot organisation</p> <p>School management experience including human and financial resource management as Assistant Principal and Principal across a number of schools</p> <p>Budget and other resource management experience with the Tasmanian Department of Education</p>	<p>Eligible to attend 3 meetings</p> <p>3 meetings attended</p>	\$1,998
Mr Mark Mowbray	Member	<p>Foundations of Directorship Certificate, Australian Institute for Company Directors</p> <p>Completed board governance training during role as school principal</p>	<p>Eligible to attend 3 meetings</p> <p>3 meetings attended</p>	\$1,998

Member	Position	Qualifications, Skills, Experience	Attendance	Remuneration (incl. GST)
Mrs Karen Hogan <i>F CPA, GAICD, BCom (Acc)</i>	Independent Expert Member	<p>Over 30 years' experience and in governance with expertise in Accounting, Human Resources and Information and Communication Technology</p> <p>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</p> <p>Director of EGA Insights and provides strategic consulting advice on governance, accounting, internal controls and business improvement opportunities</p> <p>Holds roles as the chair, deputy chair and as an independent member on several public sector Audit and Risk Committees</p>	<p>Eligible to attend 3 meetings</p> <p>1 meeting attended</p>	\$5,500

### Remuneration Committee

The Remuneration Committee advises the AITSL Board on the salary, conditions, and performance of the CEO. The Committee meets once a year and is comprised of the Board Chair and two Directors.

Membership for 2020–21 included of Emeritus Laureate Professor John Hattie, Ms Beth Blackwood, and Ms Renee 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 the committee and any proposed changes must be approved by the AITSL Board. 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 Expert Standing Committee
- Teacher Education Expert Standing Committee.

#### ***School Leadership and 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 advises on, and helps quality assure, the development of policies, resources, and other AITSL-led initiatives that support teachers and school leaders; provides timely advice to AITSL management on the items presented at SLTESC meetings and progressed to the AITSL Board; and gathers advice and opinions from the sector to inform developing work programs.

#### ***Teacher Education Expert Standing Committee (TEESC)***

TEESC was established to advise the AITSL Board on the implementation, maintenance, and further development of the national approach to accreditation of ITE programs.

TEESC advises the AITSL Board on:

- issues relating to reform in initial teacher education as outlined in the Government's response to the TEMAG Report
- 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 are 4 Executive Managers and 10 part-time Non-Executive Directors.

### Key management personnel remuneration

Name	Position Title	Short-term Benefits			Post-Employment Benefits	Other Long-Term Benefits		Termination Benefits	Total Remuneration
		Base Salary	Bonus	Other Benefits & Allowances		Long Service Leave	Other Long-Term Benefits		
Grant, Mark	Chief Executive	412,166	–	–	25,261	12,581	–	–	450,008
Misson, Edmund	Deputy Chief Executive	318,904	–	–	25,137	1,232	–	–	345,273
Pinchas, Daniel	GM, Teaching and School Leadership	267,088	–	–	24,987	2,618	–	–	294,693
Soon, Xian-Zhi	GM, Evidence & Impact	240,019	–	–	22,132	7,820	–	–	269,971
<b>Total Executive Managers</b>		<b>1,238,177</b>	–	–	<b>97,517</b>	<b>24,251</b>	–	–	<b>1,359,945</b>
Hattie, John	Chair	100,629	–	–	9,560	–	–	–	110,189
Wardlaw, Christopher	Deputy Chair	75,472	–	–	7,170	–	–	–	82,642
Buckingham, Jennifer	Non-Executive Director	11,282	–	–	–	–	–	–	11,282
Nairn, Robert	Non-Executive Director	(667)	–	–	(64)	–	–	–	(731)
Blackwood, Bethlyn	Non-Executive Director	13,764	–	–	1,308	–	–	–	15,072
Prendergast, Donna	Non-Executive Director	11,766	–	–	1,118	–	–	–	12,884
Mowbray, Mark	Non-Executive Director	15,762	–	–	1,497	–	–	–	17,259
Lammon, Renee	Non-Executive Director	17,094	–	–	1,624	–	–	–	18,718
Elliott, Malcolm	Non-Executive Director	16,428	–	–	1,561	–	–	–	17,989

		Short-term Benefits			Post-Employment Benefits	Other Long-Term Benefits		Termination Benefits	Total Remuneration
Name	Position Title	Base Salary	Bonus	Other Benefits & Allowances	Superannuation Contributions	Long Service Leave	Other Long-Term Benefits		
<b>Bullard, Tim</b>	Non-Executive Director	<b>3,996</b>	-	-	-	-	-	-	<b>3,996</b>
<b>Total Part-Time Non-Executive Directors</b>		<b>265,526</b>	<b>0</b>	<b>0</b>	<b>23,774</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>289,300</b>
<b>Total Key Management Personnel</b>		<b>1,503,703</b>	<b>0</b>	<b>0</b>	<b>121,291</b>	<b>24,251</b>	<b>0</b>	<b>0</b>	<b>1,649,245</b>

### Remuneration for senior executives

		Short-term benefits			Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
Total remuneration bands	Number of senior executives	Average base salary	Average bonuses	Average other benefits and allowances	Average superannuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration
270,000-295,000	2	247,608	-	-	22,941	3,054	-	-	273,603
395,000-420,000	1	335,302	-	-	33,815	29,958	-	-	399,075

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.

## 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.

In 2020–21, the AITSL Board approved a new risk appetite statement, risk tolerances for strategic risks within the company, as well as a new Risk Management Policy and 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 2020–21, the Risk, Audit and Finance Committee regularly considered major developments in the external environment, notably the ongoing COVID-19 pandemic, and updated AITSL's 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 has made several changes to strengthen its Fraud and Risk Control Plan in line with a new guidance product, the *Fraud Risk Assessment: Leading Practice Guide* released by the Commonwealth Fraud Prevention Centre in late 2020.

AITSL has an online fraud learning module that must be successfully completed by all staff annually and will be conducting annual fraud investigation surveys with staff.

AITSL has established external reporting mechanism to allow parties outside the company to report suspected incidents of fraud 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 2020–21 include:

- Assessment for Migration Activity
- Financial Systems and Controls
- Procurement Management
- IT General Controls.

## 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 employees of AITSL are expected to behave honestly and with integrity in their relationships with all stakeholders and to uphold the good reputation of AITSL. Several 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 is located in Melbourne, Victoria.

## 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 2020–21

### Directors' qualifications and experience



#### **Emeritus Laureate Professor John Hattie**

*BEd DipEd Med PhD*

#### **Chair, Non-Executive Director**

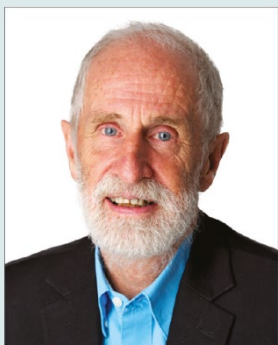
Emeritus Laureate Professor John Hattie was appointed Chair of the AITSL Board on 1 July 2014, and reappointed effective from 1 July 2020.

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 has been 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

*BEd (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 effective from 2 May 2019.

Chris 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. Chris 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.

Chris 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. Chris joined the Board of Athletics Australia in 2016.



**Ms Beth Blackwood**  
*BA DipEd*

**Non-Executive Director**

Ms Beth Blackwood was appointed to the AITSL Board on 17 June 2018 and her appointment expired on 17 June 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, was reappointed on 17 June 2018, and her appointment expired on 17 June 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. Jennifer's doctoral research focused on literacy and social disadvantage.



**Mr Tim Bullard**  
*BA LLB (Hons)*

**Non-Executive Director**

Mr Tim Bullard was appointed to the AITSL Board on 1 October 2020.

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*

**Non-Executive Director**

Mr Malcolm Elliott was appointed to the AITSL Board on 1 August 2020. He is also a member of AITSL's School Leaders and Teachers Expert Standing Committee.

He has been a teacher in Tasmania for 43 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.

Malcolm is currently serving as a member of the 4-person expert panel of the Quality Initial Teacher Education Review.





**Ms Renez Lammon**  
*BEd*

**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 Assistant 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 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.



**Mr Mark Mowbray**  
*MEdPol (Intl)*

**Non-Executive Director**

Mr Mark Mowbray was appointed to the AITSL Board on 17 June 2018 and his appointment expired on 17 June 2021.

Mark recently retired from the teaching profession after 42 years of teaching, 30 of which he spent in the role of school principal on the Mid North Coast of New South Wales. He is proud of spending his entire career within schools and their communities.

Mark also became involved in principal associations, initially in the Maitland/Newcastle Diocese. At state level, he was the Primary Chair of the Association of Catholic School Principals New South Wales as well as a commissioner on the Catholic Education Commission. Mark is the immediate past president of the Australian Catholic Primary Principals Association and was also proud to sit on the Board and National Advisory Council of the Australian Primary Principals Association (APPA). This year Mark was presented with Life Membership of APPA by the Hon. Alan Tudge MP, Minister for Education.

Mark is honoured to have been a member of AITSL's Board, a wonderful and diverse group of educators. He brings the lessons and experience of his career and a passion for the role of education within society. He has particular interest in the areas of equity, leadership, and 'what works' in education. His most recent study was a Master of Education Policy (International) through Melbourne University.



**Professor Donna Pendergast**  
*BAppSci GradDipTeach MEd PhD*

**Non-Executive Director**

Professor Donna Pendergast was appointed to the AITSL Board on 17 June 2018 and her appointment expired on 17 June 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 members as at 30 June 2021

- Emeritus Laureate Professor John Hattie, Chair/Non-Executive Director
- Mr Christopher Wardlaw <sup>PSM</sup>, Deputy Chair/Non-Executive Director
- Mr Malcolm Elliott, Non-Executive Director
- Ms Renee Lammon, Non-Executive Director
- Mr Tim Bullard, Non-Executive Director

AITSL's organisational structure and AITSL Board committees are reported in Appendix 1: AITSL organisational structure on page 60.

## Board of Directors' meetings

Director	Board		Audit and Risk Committee		Finance Committee		Risk, Audit and Finance Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Emeritus Laureate Professor Hattie	5	4	N/A	N/A	2	2	3*	2
Mr Wardlaw	5	5	2	2	2	2	3	3
Ms Blackwood (expired 17 June 2021)	4	4	1	1	N/A	N/A	N/A	N/A
Dr Buckingham (expired 17 June 2021)	4	4	N/A	N/A	2	2	3	2
Mr Elliott (appointed 1 August 2020)	5	4	1	1	N/A	N/A	3	2
Mr Bullard (appointed 1 October 2020)	4	3	N/A	N/A	N/A	N/A	N/A	N/A
Ms Lammon (reappointed 1 August 2020)	5	5	N/A	N/A	1	1	N/A	N/A
Mr Mowbray (expired 17 June 2021)	4	3	2	2	N/A	N/A	3	3
Professor Pendergast (expired 17 June 2021)	4	3	N/A	N/A	N/A	N/A	N/A	N/A

\*As the AITSL Board Chair, Professor Hattie is an ex officio member on the Risk, Audit and Finance Committee and is only eligible to attend meetings for financial management, annual budget, and procurement and contracting items.

## 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 was a deficit of \$3,312,868. The reported deficit represents the partial utilisation of operating surpluses reported in previous years of the current Grant Agreement with the Department of Education, Skills and Employment. The Statement of Comprehensive Income for the year ended 30 June 2021 in the company's Financial Report provides further information on the operating result.

## Significant activities

### Board Appointments

During 2020–21, there were 2 new appointments, 1 reappointment, and 4 appointments expired. AITSL Board movements were as follows:

- Mr Malcolm Elliott (appointed 1 August 2020)
- Mr Tim Bullard (appointed 1 October 2020)
- Ms Renee Lammon (re-appointed 1 August 2020)
- Dr Jennifer Buckingham (expired 17 June 2021)
- Professor Donna Pendergast (expired 17 June 2021)
- Ms Beth Blackwood (expired 17 June 2021)
- Mr Mark Mowbray (expired 17 June 2020).

### Business Continuity

The Business Continuity Plan remained active due to the ongoing COVID-19 pandemic. Staff continued remote working during 2020–21, and there were no redundancies due to COVID-19.

Due to the natural conclusion of several projects, a number of staff's contracts were not renewed and a number of redundancies were offered to accommodate reduced operational and budgetary requirements.

### 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 2021.

### 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  
24 August 2021

# Financial Report

## For the year ended 30 June 2021

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# Directors' Declaration

## For the year ended 30 June 2021

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 2021 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 2001* and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
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 24 August 2021 in accordance with a resolution of the directors.



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Emeritus Laureate Professor  
John Hattie  
Chair



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Chris Wardlaw PSM  
Deputy Chair

# Auditor's Independence Declaration



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

## AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL LEADERSHIP LIMITED FINANCIAL REPORT 2020–21

### 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 2021, 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

Josephine Bushell  
Senior Director  
Delegate of the Auditor-General

Canberra  
26 August 2021

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

# Auditor's Report



## INDEPENDENT AUDITOR'S REPORT

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

### Opinion

In my opinion, the financial report of the Australian Institute for Teaching and School Leadership Limited (the Company) for the year ended 30 June 2021 is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements, the *Corporations Regulations 2001* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

The financial report of the Company, which I have audited, comprises the following as at 30 June 2021 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 the financial statements, 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 auditor independence requirements of 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.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2021 but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

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

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

#### **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, 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.

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.

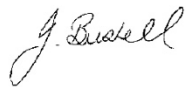
As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- 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 the directors 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, actions taken to eliminate threats or safeguards applied.

Australian National Audit Office

A handwritten signature in black ink, appearing to read 'J. Bushell', written in a cursive style.

Josephine Bushell  
Senior Director

Delegate of the Auditor-General

Canberra  
26 August 2021



# Statement of Comprehensive Income

## For the year ended 30 June 2021

	Notes	2021 \$	2020 \$	Original Budget \$
<b>Income</b>				
Government funding		13,528,810	13,644,000	13,529,000
Sales of services		5,004,673	6,283,458	5,095,000
Interest		107,457	182,619	67,000
Other revenue		102,911	-	-
Surplus (loss) on disposal of assets		(3,502)	58	-
<b>Total Income</b>		<b>18,740,349</b>	<b>20,110,135</b>	<b>18,691,000</b>
<b>Expenses</b>				
Board of Directors		359,628	479,299	388,000
Employee benefits		11,294,041	10,359,690	10,393,000
Administration		1,800,160	3,424,143	1,560,000
Programs		7,495,642	6,582,375	9,196,000
Depreciation and amortisation	4	1,103,746	1,039,734	1,053,000
<b>Total Expenses</b>		<b>22,053,217</b>	<b>21,885,241</b>	<b>22,590,000</b>
<b>Deficit from ordinary activities</b>		<b>(3,312,868)</b>	<b>(1,775,106)</b>	<b>(3,899,000)</b>
<b>Total comprehensive loss for the year</b>		<b>(3,312,868)</b>	<b>(1,775,106)</b>	<b>(3,899,000)</b>

The original budget was reported in the 2020–21 Portfolio Budget Statements published in October 2020.

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

### Budget Variance Commentary

Budget variance explanations are outlined in Note 12.

# Statement of Financial Position

## As at 30 June 2021

	Notes	2021 \$	2020 \$	Original Budget \$
<b>Assets</b>				
<b>Current</b>				
Cash and cash equivalents	7	5,624,138	7,570,263	6,451,000
Financial assets at amortised cost		419,234	2,442,951	419,000
Trade and other receivables		1,494,954	569,781	275,000
Other assets		66,730	77,756	35,000
<b>Current assets</b>		<b>7,605,056</b>	<b>10,660,751</b>	<b>7,180,000</b>
<b>Non-current</b>				
Property, furniture and equipment	4	2,445,929	3,525,208	2,537,000
<b>Non-current assets</b>		<b>2,445,929</b>	<b>3,525,208</b>	<b>2,537,000</b>
<b>Total Assets</b>		<b>10,050,985</b>	<b>14,185,959</b>	<b>9,717,000</b>
<b>Liabilities</b>				
<b>Current</b>				
Supplier and other payables		1,039,420	1,341,306	1,501,000
Employee provisions	6	912,977	998,947	939,000
Lease liability	3.4	689,268	646,704	689,000
Unearned income	3.1	297,600	215,000	170,000
<b>Current liabilities</b>		<b>2,939,265</b>	<b>3,201,957</b>	<b>3,299,000</b>
<b>Non-current</b>				
Employee provisions	6	214,352	126,095	135,000
Other provisions	6	403,489	361,892	375,000
Lease liability	3.4	1,349,476	2,038,744	1,350,000
<b>Non-current liabilities</b>		<b>1,967,317</b>	<b>2,526,731</b>	<b>1,860,000</b>
<b>Total Liabilities</b>		<b>4,906,582</b>	<b>5,728,688</b>	<b>5,159,000</b>
<b>Net Assets</b>		<b>5,144,403</b>	<b>8,457,271</b>	<b>4,558,000</b>
<b>Equity</b>				
Retained surplus		5,144,403	8,457,271	4,558,000
<b>Total Equity</b>		<b>5,144,403</b>	<b>8,457,271</b>	<b>4,558,000</b>

The original budget was reported in the 2020–21 Portfolio Budget Statements published in October 2020.

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

### Budget Variance Commentary

Budget variance explanations are outlined in Note 12.

# Statement of Changes in Equity

## For the year ended 30 June 2021

	Retained earnings		Total equity		Original Budget
	2021 \$	2020 \$	2021 \$	2020 \$	
<b>Opening Balance at 1 July</b>	<b>8,457,271</b>	<b>10,232,377</b>	<b>8,457,271</b>	<b>10,232,377</b>	<b>8,457,000</b>
<b>Comprehensive Income</b>					
<b>Deficit for the year</b>	<b>(3,312,868)</b>	<b>(1,775,106)</b>	<b>(3,312,868)</b>	<b>(1,775,106)</b>	<b>(3,899,000)</b>
Total Comprehensive Loss for the year	(3,312,868)	(1,775,106)	(3,312,868)	(1,775,106)	(3,899,000)
<b>Balance at 30 June</b>	<b>5,144,403</b>	<b>8,457,271</b>	<b>5,144,403</b>	<b>8,457,271</b>	<b>4,558,000</b>

The original budget was reported in the 2020–21 Portfolio Budget Statements published in October 2020.

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

### Budget Variance Commentary

Budget variance explanations are outlined in Note 12.

# Statement of Cash Flows

## For the year ended 30 June 2021

	Notes	2021 \$	2020 \$	Original Budget \$
<b>Operating Activities</b>				
<b>Cash received</b>				
Government funding		12,228,810	13,644,000	13,529,000
Sales of services		5,367,434	6,349,253	5,476,000
Net GST received from the Australian Taxation Office		868,809	631,675	890,000
Interest		116,597	182,619	67,000
Other		103,898	375	-
<b>Total cash received</b>		<b>18,685,548</b>	<b>20,807,922</b>	<b>19,962,000</b>
<b>Cash used</b>				
Board of Directors		(359,628)	(479,299)	(388,000)
Employees		(11,291,754)	(10,596,416)	(10,314,000)
Suppliers		(10,313,594)	(9,648,338)	(11,619,000)
Interest payments on lease liability		(37,084)	-	(37,000)
<b>Total cash used</b>		<b>(22,002,060)</b>	<b>(20,724,053)</b>	<b>(22,358,000)</b>
<b>Net cash (used in) provided by operating activities</b>	<b>7</b>	<b>(3,316,512)</b>	<b>83,869</b>	<b>(2,396,000)</b>
<b>Investing Activities</b>				
Cash provided by/(used in)				
Purchase of furniture and equipment		(7,712)	(270,990)	(100,000)
Disposal of furniture and equipment		1,086	-	-
Sale (Purchase) of financial assets		2,023,717	2,035,207	2,024,000
<b>Net cash used in investing activities</b>		<b>2,017,091</b>	<b>1,764,217</b>	<b>1,924,000</b>
<b>Financing Activities</b>				
<b>Cash provided by/(used in)</b>				
Repayment of lease liabilities		(646,704)	(654,917)	(647,000)
<b>Net cash used in financing activities</b>		<b>(646,704)</b>	<b>(654,917)</b>	<b>(647,000)</b>
<b>Net increase in cash held</b>		<b>(1,946,125)</b>	<b>1,193,169</b>	<b>(1,119,000)</b>
Cash at the beginning of the financial year		7,570,263	6,377,094	7,570,000
<b>Cash at the end of the financial year</b>	<b>7</b>	<b>5,624,138</b>	<b>7,570,263</b>	<b>6,451,000</b>

The original budget was reported in the 2020–21 Portfolio Budget Statements published in October 2020.

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

### Budget Variance Commentary

Budget variance explanations are outlined in Note 12.

# Notes to the Financial Statements

## For the year ended 30 June 2021

### 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 a general purpose financial report that have been prepared in accordance with Australian Accounting Standards Reduced Disclosure Requirements (including the Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board (AASB) that apply for the reporting period, the *Australian Charities and Not-for-profit Commission Act 2012*, and the *Corporations Act 2001*.

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 adopted early.

The financial statements have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets, which as noted, are valued at fair value. The financial statements are presented in Australian dollars.

The financial report was approved and authorised for issue by the Board of Directors on 24 August 2020.

#### 2.2 Economic dependency and going concern

AITSL is dependent on the Department of Education, Skills and Employment for the majority of the revenue used to carry out its ordinary activities. The current Grant Agreement with the Department of Education, Skills and Employment expires on 30 September 2022. At the date of this report the Board of Directors has no reason to believe that the Department of Education, Skills and Employment 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.

#### 2.4 Adjustment to prior year comparatives

The prior year Employee Benefits included in the Statement of Comprehensive Income includes expenses that should have been correctly included in Administration. The prior year comparatives have been adjusted accordingly. In the prior year comparatives the expense of \$581,462 has been reallocated from Employee Benefits to Administration.

## 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 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
- for receivables and payables.

### 3.4 Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease. Lease payments comprise fixed payments less any lease incentives receivable.

AITSL has one lease agreement which is to occupy premises. The lease agreement expires in April 2024. The non-current lease liability is for the period from 1 July 2022 to the end of the lease agreement.



## Note 4 – Non-Current Assets

Reconciliation of opening and closing balances (2020–21)

Property, furniture, and equipment

	Building Right of use asset \$	Equipment \$	Furniture & fittings \$	Software \$	Makegood \$	Cultural \$	Total \$
<b>As at 1 July 2020</b>							
Gross book value	3,345,702	954,857	1,029,996	177,000	280,536	12,000	5,800,091
Accumulated depreciation	(692,214)	(621,260)	(674,773)	(83,247)	(203,389)	-	(2,274,883)
<b>Closing net book value 1 July 2020</b>	<b>2,653,488</b>	<b>333,597</b>	<b>355,223</b>	<b>93,753</b>	<b>77,147</b>	<b>12,000</b>	<b>3,525,208</b>
<b>Movements</b>							
Purchase of assets	-	7,712	-	-	-	-	7,712
Assets at depreciated value written off or sold	-	(732)	(10,675)	-	-	-	(11,407)
Present value adjustment	-	-	-	-	28,162	-	28,162
Depreciation and amortisation expense	(692,214)	(192,164)	(108,744)	(59,337)	(51,287)	-	(1,103,746)
<b>Net book value 30 June 2021</b>	<b>1,961,274</b>	<b>148,413</b>	<b>235,804</b>	<b>34,416</b>	<b>54,022</b>	<b>12,000</b>	<b>2,445,929</b>
<b>Net book value as of 30 June 2021 represented by:</b>							
Gross book value	3,345,702	945,200	1,018,410	177,000	308,698	12,000	5,807,010
Accumulated depreciation	(1,384,428)	(796,787)	(782,606)	(142,584)	(254,676)	-	(3,361,081)
<b>Closing net book value</b>	<b>1,961,274</b>	<b>148,413</b>	<b>235,804</b>	<b>34,416</b>	<b>54,022</b>	<b>12,000</b>	<b>2,445,929</b>

## 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 application of accounting standard AASB 16 has resulted in the premises being 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 (2019: Infinite life)

AITSL has 2 paintings (2019: 2) with an aggregate fair value of \$12,000 (2019: \$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.

## Note 5 – Fair Value Measurements

	Category	Fair value measurements at the end of the reporting period	
		2021 \$	2020 \$
Non-financial assets			
Cultural	Level 2	12,000	12,000
Total Non-financial assets		12,000	12,000
Total fair value measurement of assets in the statement of financial position		12,000	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 26 June 2015, based on recent sales value.

## Note 6 – Provisions

	2021 \$	2020 \$
<b>Employee</b>		
Annual leave	582,574	639,794
Long service leave	544,755	485,248
<b>Total employee provisions</b>	<b>1,127,329</b>	<b>1,125,042</b>
Employee provisions expected to be settled in:		
No more than 12 months	912,977	998,947
More than 12 months	214,352	126,095
<b>Total employee provisions</b>	<b>1,127,329</b>	<b>1,125,042</b>
<b>Other</b>		
Provision for makegood	403,489	361,892
<b>Total other provisions</b>	<b>403,489</b>	<b>361,892</b>

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.

	Make Good	
	2021 \$	2020 \$
<b>Movements in the Other Provisions</b>		
Opening balance	361,892	367,760
Borrowing cost adjustment	13,435	12,948
Present value adjustment	28,162	(18,816)
Amortisation of provision	-	-
<b>Balance at 30 June</b>	<b>403,489</b>	<b>361,892</b>

## 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 12 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

	2021 \$	2020 \$
<b>Reconciliation of cash per income statement to statement of cash flows</b>		
Cash at year end as per statement of cash flows	5,624,138	7,570,263
Statement of financial position items comprising cash	5,624,138	7,570,263
Difference	-	-
<b>Reconciliation of operating result to net cash from operating activities</b>		
Deficit for the year	(3,312,868)	(1,775,106)
Depreciation and amortisation	1,103,746	1,039,734
Lease interest	-	48,847
Net write-down and sale of non-financial assets	10,321	316
Present value adjustment	(28,162)	18,817
<b>Change in assets and liabilities</b>		
Decrease (increase) in receivables	(925,173)	(363,518)
Decrease (increase) in other assets	11,026	63,541
Increase (decrease) in supplier payables	(301,886)	716,367
Increase (decrease) in other provisions	41,597	(5,868)
Increase (decrease) in unearned income	82,600	-
Increase (decrease) in employee provisions	2,287	340,739
<b>Net cash from operating activities</b>	<b>(3,316,512)</b>	<b>83,869</b>

## 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

Short-term employment benefits	1,503,703	1,539,574
Post-employment benefits	121,291	118,350
Other long term benefits	24,251	22,537
	<b>1,649,245</b>	<b>1,680,461</b>

The number of key management personnel that are included in the above is 4 Executive Managers and 10 Part-time Directors (2020: 4 Executive Managers and 9 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:

	2021 \$	2020 \$
<b>Purchase of goods and services</b>		
Transaction Value as at 30 June	198,005	234,553
Balance Outstanding as at 30 June	18,781	23,210

## Note 10 – Financial Instruments

	2021 \$	2020 \$
<b>Categories of financial instruments</b>		
<b>Financial assets</b>		
Loans and receivables		
- Cash at bank	5,624,138	7,570,263
- Trade and other receivables	1,494,954	569,781
Financial assets at amortised cost	419,234	2,442,951
<b>Carrying amount of financial assets</b>	<b>7,538,326</b>	<b>10,582,995</b>
<b>Financial liabilities</b>		
Financial liabilities		
- Trade creditors	1,039,420	1,182,747
- Lease liability	2,038,744	2,685,448
<b>Carrying amount of financial liabilities</b>	<b>3,078,164</b>	<b>3,868,195</b>
Financial assets and liabilities are measured at amortised cost.		
<b>Net Income and expense from financial assets</b>		
Loans and receivables		
- Interest revenue	107,457	182,619
<b>Net income from financial assets</b>	<b>107,457</b>	<b>182,619</b>
<b>Net income and expense from financial liabilities</b>		
Lease liability		
- Interest expense	37,084	48,847
<b>Net expense from financial liabilities</b>	<b>37,084</b>	<b>48,847</b>



## 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 3 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

	2021 \$	2020 \$
<b>Contracts for services</b>		
- Not more than 12 months	1,180,747	1,976,315
- Greater than 12 months but not later than 5 years	81,035	561,423
<b>Total Contracts for services commitments</b>	<b>1,261,782</b>	<b>2,537,738</b>
<b>Net Contracts for services commitments</b>	<b>1,261,782</b>	<b>2,537,738</b>

### 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 – Explanations of Major Budget Variances

The following tables provide explanations of variances between the original budget as presented in the 2020–21 Portfolio Budget Statements (PBS) and the 2020–21 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.

*Note 12 – Explanations of Major Budget Variances Continued*

Explanation of major variances	Affected statement line items
<b>Expenses</b>	
<p>AITSL has had a number of projects extended during the year, largely due to COVID-19. The effect of this was to increase expenditure on employees. With a number of funded projects expiring, AITSL reduced its staff numbers at the end of the year. This action required the payment of termination and redundancy payments to employees who left the company. Funds required to meet the commitments for employee payments were sourced by re-allocating expenditure priorities from non-employee planned expenditure.</p>	<p>Statement of Comprehensive Income</p> <ul style="list-style-type: none"> <li>Employee benefits</li> <li>Programs</li> </ul> <p>Statement of Cash Flows Cash used</p> <ul style="list-style-type: none"> <li>Employees</li> <li>Suppliers</li> </ul>
<p>The continuing impact of COVID-19 has caused AITSL to vary some operational plans. Consultations with stakeholders have been postponed and will be undertaken in the 2021–22 financial year. In particular, the changes have impacted work in Cultural Competency, Teacher Effectiveness, and Interstate Panellists for Initial Teacher Education Accreditation, in addition to other work that had been planned for the 2020–21 year.</p>	
<b>Trade and other receivables</b>	
<p>The final instalment of funding for the 2020–21 financial year, in accordance with the existing Grant Agreement, was budgeted to be received prior to the year end. The amount due of \$1.3 million was not received until the first week of July 2021.</p>	<p>Statement of Financial Position</p> <ul style="list-style-type: none"> <li>Trade and other receivables</li> <li>Cash and cash equivalents</li> </ul> <p>Statement of Cash Flows Cash received</p> <ul style="list-style-type: none"> <li>Government funding</li> </ul>
<b>Supplier and other payables</b>	
<p>AITSL had planned to make the final payments to suppliers, for the 2020–21 financial year, one week prior to the 30 June 2021. Due to the requirement to make employee termination payments on 30 June, AITSL also incorporated an additional payment cycle for suppliers on 30 June 2021. This reduced the balance due to supplier and other payables at year end.</p>	<p>Statement of Financial Position</p> <ul style="list-style-type: none"> <li>Cash and cash equivalents</li> <li>Supplier and other payables</li> </ul> <p>Statement of Cash Flows Operating activities</p> <ul style="list-style-type: none"> <li>Suppliers</li> </ul>

## Note 13 – Member's Guarantee

The 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 2021, the number of members was 1.

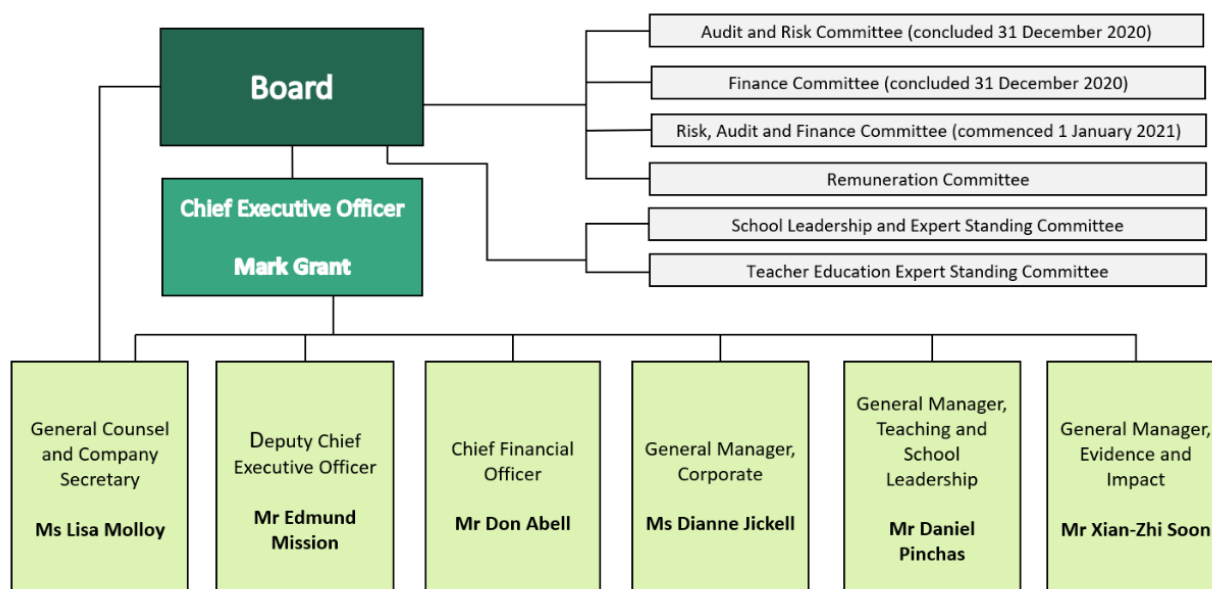
## Note 14 – Entity Details

The 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 2021



During the reporting period AITSL's Audit and Risk and Finance committees merged to form the Risk, Audit, and Finance Committee.

Staffing (excluding board) as at 23 June 2021 (final pay period of 2021 financial year):

- Total head count: 67
- Full-time equivalent: 61.98
- Full-time employees: 54
- Part-time employees: 20
- Casual employees: 1
- Gender: 53 females (70.7%); 22 males (29.3%)
- Staff locations: AITSL Board Directors are based in various locations across Australia. All remaining staff are based in Melbourne.

## Appendix 2: Consultancies and funding contracts

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

During 2020–21, 16 new consultancy contracts were entered into involving total actual expenditure of \$541,202.93 (inclusive of GST). In addition, 10 ongoing consultancy contracts were active during 2020–21, involving a total actual expenditure of \$309,693.41 (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	20
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
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	20
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	20
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
28E(g)	An outline of the organisational structure of the company (including any subsidiaries of the company).	Appendix 1: AITSL Organisational Structure	60



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
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	22
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 transaction, 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(l)	Any significant activities or changes that affected the operations or structure of the company during the reporting period.	Corporate Governance Statement	20
28E(m)	Particulars of judicial decisions or decisions of administrative tribunals that may have a significant effect on the operations of the company.	Corporate Governance Statement	20
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	N/A

PGPA Rule Reference	Description	Location	Page
28E(ob)	<p>The following information about the audit committee for the company:</p> <p>(a) a direct electronic address of the charter determining the functions of the audit committee;</p> <p>(b) the name of each member of the audit committee;</p> <p>(c) the qualifications, knowledge, skills or experience of each member of the audit committee;</p> <p>(d) information about each member's attendance at meetings of the audit committee;</p> <p>(e) the remuneration of each member of the audit committee.</p>	Corporate Governance Statement	20

