ANNUAL REPORT

Australian Institute for Teaching and School Leadership

2015-2016

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Australian Institute
for Teaching and
School Leadership
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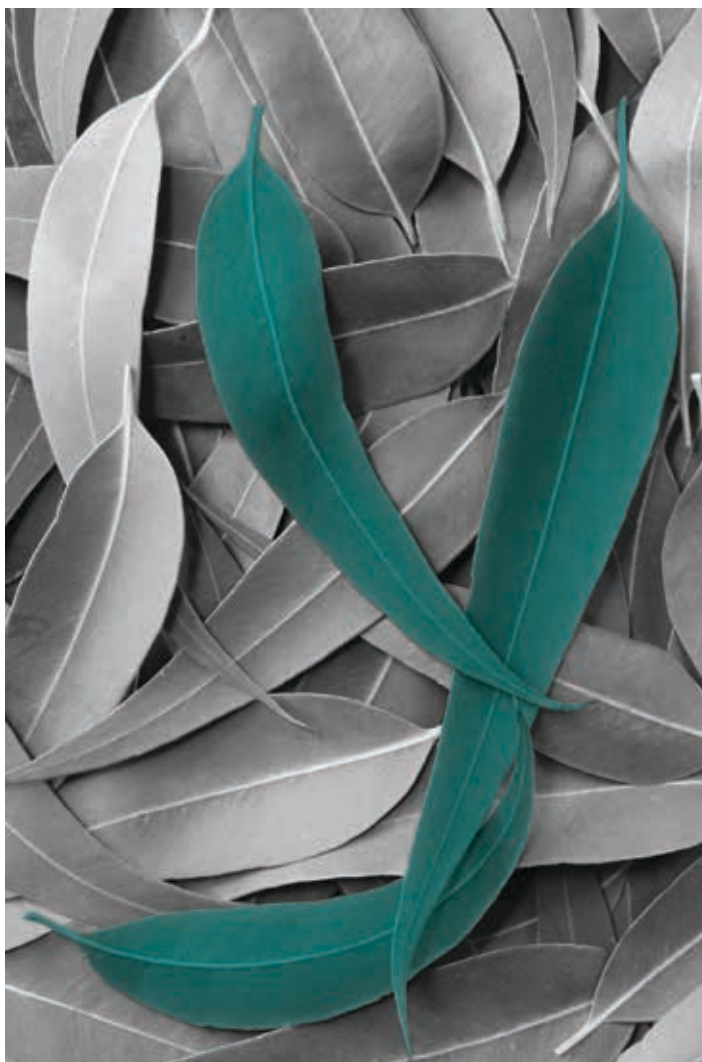
Promoting excellence so that teachers and school leaders have the maximum impact on student learning in all Australian schools

Statement of Intent

aitsl Australian Institute for Teaching and School Leadership Limited

Our mission

To promote excellence so that teachers and school leaders have the maximum impact on student learning in all Australian schools.

Our aspiration

That the efforts of everyone involved in education support more teachers to teach like the best, so that student learning is maximised.

Ways of working

Policies and resources

AITSL develops national policies and high quality tools and resources to support improvement in teaching and school leadership, and consequently student learning. We will continue to work in these areas, focusing on actions that are most likely to have a sustained national impact.

Partnerships

AITSL seeks to create a scalable impact by working closely with schools, higher education providers, systems, sectors and other organisations. We will work in partnership to develop, disseminate and embed our work.

Research

Efforts to improve teaching and school leadership must derive from a credible evidence base. AITSL will develop a research plan, commission and conduct research on important issues relating to our mission, and encourage other researchers and organisations to add to this evidence base.

Areas of focus

AITSL will undertake research and work in partnership with stakeholders to deliver policies and resources to support:

Initial Teacher Education

As the foundation for successful teaching careers, high quality initial teacher education should include rigorous selection into programs, structured practical experience for students and robust assessment of graduates. Accreditation of programs should focus on evidence of the quality of graduates, including their demonstrable impact on student learning. AITSL has a central role in implementing the government's response to the Action Now: Classroom Ready Teachers report.

> Stronger quality assurance of initial teacher education courses
> Rigorous selection for entry to initial teacher education courses
> Improved and structured practical experience
> Robust assessment of graduates
> National research and workforce planning capabilities

School Leadership

School leaders have a significant role in ensuring the work of everyone in a school maximises student learning. School leaders need to be well prepared, have a clear understanding of what it means to be an effective leader and be able to act in ways that optimise the levels of autonomy available to them.

> The promotion and embedding of the Australian Professional Standard for Principals and the Leadership Profiles in workforce policies and school leaders' practices
> Well prepared aspiring and beginning principals
> Development, housing and maintenance of tools and resources that contribute to school leader improvement, based on the Principal Standard, including, 360° Reflection Tool, school leader self-assessment tool and school leadership eCollection

Teaching

Assisting Australia's teachers to increase their impact on student learning is a large scale exercise. Teachers must be supported to implement practices that have been shown to improve teaching: evaluating their impact, seeking feedback about their practices, working together, and engaging in effective professional learning.

> The promotion and embedding of the Australian Professional Standards for Teachers
> High quality induction for early career teachers
> A review of the Graduate career stage of the Teaching Standards
> Evaluation of the use and impact of the Teaching Standards
> Promotion and leveraging of the expertise of nationally certified Highly Accomplished and Lead teachers
> Development, housing and maintenance of tools and resources that contribute to teacher improvement, based on the Teaching Standards
> Efficient and accurate skills assessment for migration
> Tools and resources to support teachers to engage in practices that improve learning

Performance measures

1. Use of AITSL resources, as measured by traffic to and within the AITSL website.

2. Increased awareness, positive attitudes toward, knowledge and use of the Australian Professional Standards for Teachers, the Australian Professional Standard for Principals and AITSL tools, measured through an annual survey.

3. AITSL plays a key role in successfully delivering the Government's response to TEMAG, measured through progress against the agreed work plan.

4. AITSL delivers its agreed work plan within the available budget.

Senator the Hon Simon Birmingham
Minister for Education and Training
Parliament House
Canberra
ACT 2600
AUSTRALIA

Dear Minister

The Board of Directors has pleasure in submitting the Australian Institute for Teaching and School Leadership *Annual Report 2015-2016*.

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 *Corporations Act 2001*.

Yours sincerely,

Professor John Hattie

Chair

2 September 2016

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From the Chair

I am pleased to present the *Annual Report 2015-2016* of the Australian Institute for Teaching and School Leadership.

As Board Chair, one of my prime objectives is to sharpen the focus of AITSL on evidence-based policies, advice and resources to cultivate expertise in teaching and school leadership to improve student outcomes. In doing that, our deliberations and actions - those of the Board, of AITSL and of the profession itself - must be focused on what works best in the classroom.

Decades of national and international research reveals that almost everything that happens in a school has an impact on student learning to some extent. So the real point becomes identifying, extolling, emulating and disseminating those school-based educational practices that have the *maximum impact*.

Do we need to venture overseas to experience high impact educational practices? I believe the answer is 'No.' I contend strongly that all around Australia there are teachers and school leaders who are performing astonishingly well. As Board Chair and as an educator, what impresses me is accelerating improvement in student achievement, whatever base those students started from. Accordingly, I am keen to have AITSL focus on helping all teachers and school leaders to perform like the best: to ensure a year's growth in learning from every year of schooling for all students.

As Chair, I am supported, advised and challenged by a highly-motivated expert Board. I would like to publicly acknowledge the fine contributions of two Board members who departed in March 2016: the Deputy Chair, Mr John Fleming; and Dr Michele Bruniges. I am confident they will continue to make their mark in Australian education.

In May 2016, AITSL's inaugural Chief Executive Officer, Ms Margery Evans, concluded her tenure. From the time of her appointment in July 2010, Margery has led AITSL with the utmost distinction and has overseen the development of key national reforms in education. Margery has moved on to the role of Academic Director with the Aga Khan Education Services, where I am certain she will serve the international education community with the deep commitment and rigour that has been so characteristic of her work at AITSL.

On behalf of the Board, I acknowledge the dedication of the staff of AITSL and I thank the teachers and school leaders of Australia for their valuable engagement with AITSL.

Professor John Hattie
Chair

From the CEO

AITSL's *Statement of Intent* defines the strategic direction of the organisation and has three specific areas of focus: Initial Teacher Education; School Leadership; and Teaching. Appropriately, the efforts of AITSL have been very largely directed into these areas, as reflected in the structure of the Report on Operations section in this year's *Annual Report*.

This three-fold task has explicit national foundations: *Accreditation of Initial Teacher Education Programs in Australia: Standards and Procedures;* the *Australian Professional Standards for Teachers;* and the *Australian Professional Standard for Principals.* AITSL's ongoing challenge is to help ensure that those key policies are embedded and implemented effectively in schools and teacher education institutions across Australia, in order to further build educator expertise in ways that improve learning for students.

In early 2015, the Australian Government issued the report of the Teacher Education Ministerial Advisory Group, *Action Now: Classroom Ready Teachers*, along with the Government's response. Since that time, AITSL has been working with teacher education providers and the profession to ensure that initial teacher education is exacting and demonstrably effective.

Concurrently, AITSL has been creating and disseminating practical resources to enhance the effectiveness of teachers and school leaders. For instance, new video-based and Teacher Standards-referenced Illustrations of Practice have been produced to demonstrate high-impact teaching of maths and science, while the Highly Accomplished and Lead Teacher (HALT) Network has been formed to promote national certification and consummate teaching practices. Meanwhile, the *Australian Professional Standard for Principals* has been further articulated as the *Leadership Profiles* to promote continuing growth in the professional capabilities of principals.

As I write this reflection in May 2016, I am conscious that it is one of my final acts as Chief Executive Officer of AITSL. Looking back to the time of my appointment in July 2010, it is apparent AITSL has moved through three broad phases of operation: first, creating standards and policy foundations; second, supporting effective implementation and deepened knowledge of the standards; and third and most recently, focusing on building teacher expertise and impact through collaboration, based on the standards.

I am grateful to have had the support of successive Board Chairs, Mr Tony Mackay and Professor John Hattie, talented Board members, my Senior Executive Team, our project teams, collaborators and stakeholders across the spectrum of Australian education. During my tenure, great duties and responsibilities have been entrusted to me and I hope that I have been able to discharge them with some success.

Margery Evans
Chief Executive Officer

Corporate Governance Statement

Purpose

AITSL plays a key role in leading national educational 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.

Corporate structure and governing legislation

AITSL was registered and commenced operations in January 2010 and is:

- A Commonwealth company as defined in Section 89 (1) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act)
- A company subject to the *Corporations Act 2001*
- Wholly-owned by the Commonwealth of Australia
- A public company limited by guarantee.

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

The Board has established an Audit and Risk Committee, a Finance Committee and a Remuneration Committee.

The Board is supported by an organisation headed by a Chief Executive Officer who is responsible for ongoing management and leadership within the broad framework and strategic direction set by the 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 2014); and
- *Corporations Act 2001.*

This statement, which was approved by the Board on 2 September 2016, outlines the most significant aspects of AITSL's corporate governance framework.

As AITSL is wholly 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 regularly reports to the Minister for Education and Training and the Minister for Finance based on the reporting timetable detailed in AITSL's Grant Agreement and other requests from the Minister. AITSL is also subject to Parliamentary scrutiny through the Senate Estimates process.

The Minister for Education and Training is the sole owner and member of AITSL. During 2015-16 the Ministers for this portfolio were:

- The Hon Christopher Pyne MP
- Senator the Hon Simon Birmingham.

Board and Committees

The Board

AITSL's Constitution defines the corporate powers of AITSL which are exercised by the Board. The Board has also adopted a Board Charter that sets out the Board's role and responsibilities and the role and responsibility of the Chief Executive Officer (CEO).

The 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; and protecting and enhancing AITSL's reputation.

The Board has also adopted a Board Code of Conduct which sets out the legal requirements and ethical standards that each Director is expected to adhere to.

The CEO is accountable to the Board and responsible for the operational and day-to-day management of the Company with the powers and delegations authorised by the Board.

Appointments

In accordance with AITSL's Constitution, the Board is to comprise a minimum of seven and a maximum of eleven Directors.

Directors are appointed by the Commonwealth Minister for Education and Training in a formal letter of appointment setting out the key terms and conditions of the appointment. The maximum term of office for a Director is for a period of up to three years, with serving Directors eligible for re-appointment on the expiry of his or her term of office.

Full details of current Directors including names, appointment dates and qualifications are included in the Directors' Report on page 16.

Expert Board of Directors

AITSL operates under an expert Board, and, when appointing Directors, the Minister for Education and Training has regard for their skills and expertise in a number areas, including: teacher education; regulation and accreditation of initial teacher education courses; school leadership; teacher practitioner expertise; public policy; governance, including audit, risk and finance; and Government liaison.

Upon appointment each Director is requested to complete a declaration of personal interests and have an ongoing obligation to keep the Board informed of any arising interests which could potentially conflict with the interests of AITSL. Any conflicts and related party transactions are dealt with in accordance with the Board Charter, AITSL's Procurement Policy and Conflict of Interest Policy. During 2015-16 there were 8 transactions with related entities with an aggregate value of $775,542. Further information on related party transactions for 2015-16 can be found in Note 12 of the Financial Report on page 76.

Independent Advisors

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

Induction

Upon appointment, each Director receives a letter from AITSL confirming their appointment along with key documents, policies and contact information relevant to their appointment. Meetings with the AITSL Board Chair and other key staff are arranged, as well as training which covers their obligations as a Director.

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

Meetings

Details of the number of Board meetings each Director was eligible to attend and the number of meetings attended during the period from 1 July 2015 to 30 June 2016 are set out in the Directors' Report on page 28.

Performance

The performance of AITSL's Board is reviewed at least every two years. The method and extent of each review is determined and agreed by the Board. The Chair will action each review, obtain any assistance required and address any relevant findings which affect the Board's responsibilities and operations.

Remuneration

The Remuneration Tribunal determines the remuneration and travel allowances payable to Directors. Full details of Directors' remuneration are included in the Financial Report at page 75 and at Note 11.

Board Committees

To assist in the performance of its responsibilities, the Board currently has three Board Committees, each of which is governed by a formal charter setting out its purpose, role, responsibilities, composition, structure and membership. Each Committee Charter is reviewed annually by the Committee and any proposed changes to a charter must be approved by the Board. Each Committee is chaired by an AITSL Director who provides a verbal or written report to the Board outlining the matters considered and any actions taken at their Committee meeting. The three Board Committees of the Board are the Audit and Risk Committee, Finance Committee, Remuneration Committee.

Audit and Risk Committee

The primary objectives of the Audit and Risk Committee are 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 *Public Governance, Performance and Accountability Act 2013*. The Committee's charter outlines its composition, purpose, role and responsibilities, reporting and administrative arrangements.

Finance Committee

The primary objectives of the Finance Committee are to assist the Board in its responsibilities for financial oversight and accountability of the Company under the *Corporations Act 2001* and *Public Governance, Performance and Accountability Act 2013*. The Committee's charter outlines its composition, purpose, role and responsibilities, reporting and administrative arrangements.

Remuneration Committee

The Remuneration Committee advises the Board of Directors on the salary, conditions and performance of the CEO.

Details of AITSL's other Committees and Consultation groups are available on pages 85 to 92 of this Annual Report.

Recognising and managing risk

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

Internal Control Framework

The 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 risk, and take the form of appropriate financial delegations, financial planning and reporting, strategic and operational planning, and internal audit practices.

Risk management

AITSL operates under a Risk Management Policy which is consistent with the *Australian and New Zealand Standard: AS/NZS ISO 31000:2009*. The policy allows for the proactive identification, assessment and management of risks.

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

Risks are assessed on a regular basis, and AITSL's Audit and Risk Committee and the Board receive regular reports on how risks are being managed. The Audit and Risk Committee and Board also review AITSL's strategic risk profile every two years.

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, out-sourced function, overseen by the Board through the Audit and Risk Committee.

Internal audit reports are provided to the Audit and Risk Committee for review in compliance with Section 28 of the PGPA Rule 2014. The Audit and Risk Committee then advises the Board on any recommendations and actions.

External audit

Under Section 98 of the PGPA Act, the Auditor-General is responsible for auditing the financial statements of Commonwealth companies. The Australian National Audit Office has contracted with Crowe Horwath (Aust) Pty Ltd to audit AITSL on behalf of the Auditor-General.

Governance Policies

The Board and employees of AITSL are expected to behave honestly and with integrity in their relationships with all AITSL's stakeholders and to uphold the good reputation of AITSL. AITSL has developed a number of governance polices to assist Directors and employees to understand what is expected of them. Core policies include: Standards of Conduct, Fraud Control, Gifts and Hospitality, Instruments of Delegations, Privacy, Public Interest Disclosure, Valuing Diversity and Inclusion and Work Health and Safety.

AITSL has also implemented a set of values which underpin and guide AITSL's work as individuals and an organisation. The values established are Excellence, Ethical Behaviour, Engagement, Expertise and Effectiveness.

Location

The organisation has two locations: Melbourne and Canberra.

Funding

AITSL is funded by the Australian Government.

Equal opportunity

As a Commonwealth authority, AITSL complies with the *Equal Opportunity (Commonwealth Authorities) Act 1987*.

Reconciliation Action Plan

As part of AITSL's commitment to improve Aboriginal and Torres Strait Islander education, AITSL developed a Reconciliation Action Plan (RAP), which was endorsed by the Board and by Reconciliation Australia in 2014. The RAP is a reminder of AITSL's actions and ongoing commitment to reconciliation, on individual and organisational levels. Implementation is ongoing.

Board of Directors

The AITSL Board includes a Chair and Deputy Chair and up to nine individuals appointed by the Australian Government Minister for Education and Training for the diverse expertise they bring to the work of AITSL.

Professor John Hattie – Chair

Mr John Fleming – Deputy Chair (until 1 March 2016)

Mr Chris Wardlaw – Deputy Chair (from 2 May 2016)

Professor Tania Aspland

Dr Michele Bruniges (until 10 March 2016)

Dr Jennifer Buckingham

Mr Tony Cook

Mr Stephen Elder

Mr Trevor Fletcher

Ms Jenny Gale (from 2 May 2016)

Mr Rob Nairn

Dr Geoffrey Newcombe

Ms Melanie Saba

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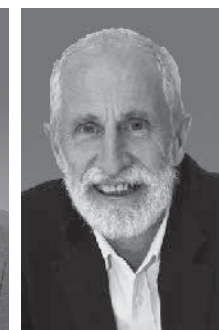for Teaching and
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AITSL Board: 1 July 2015-30 June 2016

John Hattie
CHAIR

John Fleming
DEPUTY CHAIR

Chris Wardlaw
DEPUTY CHAIR

Tania Aspland

Michele Bruniges

Jennifer Buckingham

Tony Cook

Stephen Elder

Trevor Fletcher

Jenny Gale

Rob Nairn

Geoffrey Newcombe

Melanie Saba

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Directors' Report

The Directors of the Australian Institute for Teaching and School Leadership (AITSL) present their report, together with the financial statements of the company for the financial year ended 30 June 2016 and the auditor's report thereon.

Directors' qualifications and experience

Professor John Hattie
Chair/Non-Executive Director
BEd DipEd Med PhD

Professor John Hattie was appointed to the AITSL Board and as Chair of the Board on 1 July 2014.

Professor Hattie is Laureate Professor and Director of the Melbourne Educational Research Institute at the University of Melbourne. His areas of interest are measurement models and their applications to educational problems, and models of teaching and learning. Previous appointments were in Auckland, North Carolina, Western Australia, and New England. He is past-President of the International Test Commission, associate editor of *British Journal of Educational Psychology* and *Nature: Science of Learning.*

Professor Hattie has published and presented over 550 papers, and supervised 190 student theses.

He was awarded the New Zealand Order of Merit in the 2011 Queen's Birthday Honours, a Gold Medal for contributions to the study of educational administration and leadership by the Australian Council for Educational Leaders in 2011, the Hedley Beare Award for Writing in Education by the Australian Council for Educational Leadership in 2010 and a Distinguished Teaching Award at the University of Auckland in 2010. He is a Fellow of the Australian Council for Educational Leaders and the American Psychological Association.

Mr John Fleming
Deputy Chair/Non-Executive Director
DipT BA

Mr John Fleming was appointed to the AITSL Board and as Deputy Chair of the Board on 1 July 2014. Mr Fleming ceased as a director on 1 March 2016.

Mr Fleming is Director of the Haileybury Institute and Deputy Principal of Haileybury, an independent school. He has been at Haileybury since 2006. His roles include quality control of the Junior School in his role as Deputy Principal and consulting with schools across Australia in his role as Director of the Haileybury Institute.

Mr Fleming previously taught in the Victorian government school system for nearly 30 years. His most notable achievement was transforming Bellfield Primary School, a significantly disadvantaged school servicing a low socio-economic community, from a low achieving school to one of the highest performing schools in Victoria.

In 2007, Mr Fleming published *Towards a Moving School* for the Australian Council of Educational Research. Highlights of John's career include an Australian College of Educational Leaders Achievement Award (2003), the Federal Minister for Education's Achievement Award for Excellence in Literacy and Numeracy Leadership (2006), Member of the National Expert Advisory Group on Literacy and Numeracy (2007/8), ACEL Outstanding Principal Award (2008) and Member of the Teacher Education Ministerial Advisory Group (2014).

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Mr Wardlaw is currently Chair of the Victorian Curriculum and Assessment Authority and Acting Chief Executive Officer of AITSL.* Prior to this, Chris held a Deputy Secretary position in education in Hong Kong and Victoria. Chris has extensive experience on matters relating to curriculum, assessment and quality assurance for pre-primary, basic education and senior secondary education. Chris was awarded the Public Service Medal (PSM) in the 2013 Queen's Birthday Honours list and was made a Fellow of Monash University in 2013.

In a parallel sporting career, Chris was Head Coach of the Australian Athletics Team at the Sydney Olympic Games; an Olympian in 1976 and 1980 in the 10 000m and marathon events; and coach of marathoners Steve Moneghetti and Kerryn McCann and distance runner Craig Mottram. He was awarded the Australian Sports Medal in 2000. Chris recently took up a Director role on the Board of Athletics Australia.

Under AITSL's constitution, a Board Director may be appointed to act and perform the functions of Chief Executive Officer for a period determined by the Board.

Mr Christopher Wardlaw PSM Deputy Chair/Non-Executive Director

BEc(Hons) DipEd

Mr Christopher Wardlaw was appointed to the AITSL Board and as Deputy Chair of the Board on 2 May 2016.

Professor Tania Aspland is the Executive Dean, Faculty of Education and Arts at the Australian Catholic University (ACU). She has provided strategic leadership through a period of extensive growth and change at ACU and has previously held other positions including National Head of Education and Head of Education NSW/ACT.

Professor Aspland's well-regarded professional standing and influence within the sector is evidenced by her recent appointment as the President of the Australian Council of Deans of Education.

Professor Tania Aspland Non-Executive Director

DipTeach, GradDip(SpecialEd) MGCAE, BEd, BA, MEd, PhD.

Professor Tania Aspland commenced as a Director on 2 June 2015.

Prior to ACU, Professor Aspland was a Professor in Education at the University of Adelaide. She has been a leader in course development in Teacher Education for many years and has been engaged in a number of research projects involving higher education pedagogies in teacher education undergraduate and graduate courses.

Professor Aspland completed a national research project on the quality of off-shore teaching funded by the Australian Learning and Teaching Council. Other research she has undertaken includes an investigation into the quality of off-shore doctoral supervision in three countries in South East Asia, and an extensive literature review of teacher preparation in the primary and middle years of schooling including within the UK, Ireland, Wales, Finland and Korea.

Dr Michele Bruniges AM commenced as the Secretary of the Australian Government Department of Education and Training on 4 April 2016. The department is responsible for national policies and programmes including child care and early childhood education, school education, higher education, vocational education and training, international education and research.

Prior to this, she led the NSW Department of Education, one of Australia's largest state government departments with a workforce of over 84,000 staff and direct responsibility for over 2,200 schools.

Previously, Dr Bruniges held senior roles in the Australian Government's Department of Education, Employment and Workplace Relations and senior positions in the ACT and NSW Departments of Education and Training.

Her qualifications include a PhD in Educational Measurement and a Masters in Education. She is a Graduate of the Australian Institute of Company Directors, a Churchill Fellow and a Fellow of the Australian College of Educators and the Australian Council for Educational Leaders.

Dr Bruniges is a Member of the Order of Australia, and in 2012 was recognised for her work in public policy as a joint recipient of the Inaugural 100 Women of Influence Awards.

In 2015 Dr Bruniges received national recognition for her significant contribution to education as the recipient of the Australian Council for Educational Leaders (ACEL) Gold Medal Award. Dr Bruniges has also received the 2015 Sir Harold Wyndham Medal Award for her contribution to the education of young people in NSW from the Australian College of Educators.

Dr Michele Bruniges AM Non-Executive Director

DipT GDipEdSt MEd PhD GAICD FACE FACEL

Dr Michele Bruniges AM commenced as a Director on 8 February 2013 and ceased as a director on 10 March 2016.

Dr Jennifer Buckingham
Non-Executive Director
BSc(Hons) PhD

Dr Jennifer Buckingham commenced as a Director on 2 June 2015.

Dr Buckingham is a Senior Research Fellow at the Centre for Independent Studies, where she has been researching and writing on education policy for over fifteen years. She is currently heading up the CIS FIVE from FIVE Literacy Project which aims to bridge the gap between research and practice in reading instruction.

Jennifer's main area of work is school education and she has published papers on school choice, school funding, literacy, international assessments, NAPLAN and My School, religious schools, boys' education, teacher training and employment, class size, and educational disadvantage.

 Her publications include *Free to Choose Charter Schools, One School Does Not Fit All, Why Jayden Can't Read,* and *Read About It: Scientific Evidence on Effective Teaching of Reading*. Dr Buckingham has a PhD in literacy and social disadvantage from Macquarie University. She was the schools editor at *The Australian* newspaper from 2004-2005 and is an Associate Investigator with the Centre of Excellence in Cognition and its Disorders.

Mr Tony Cook PSM
Non-Executive Director
DipTeach BEd

Mr Tony Cook commenced as a Director on 2 June 2015.

Mr Tony Cook PSM is the Associate Secretary for Schools and Youth within the Australian Government Department of Education and Training.

Before joining the Department in October 2011, Tony was Deputy Secretary, Government and Corporate with the Victorian Department of Premier and Cabinet.

Tony has held a number of senior executive education positions including those of Deputy Secretary, Office for Children and Portfolio Coordination, Deputy Secretary, Office for Planning, Strategy and Coordination and General Manager, Student Learning within the Victorian Department of Education and Early Childhood Development. Tony began his education career with Education Queensland.

Tony is a registered primary school teacher with a major in early childhood education and has been a deputy principal and taught in schools and preschools in Queensland and the United Kingdom. Tony holds a Bachelor of Education degree from the Queensland University of Technology. In October 2013 Tony was made an Honorary Fellow of the Australian Council for Educational Leaders and in January 2014 he was awarded a Public Service Medal for outstanding public service, especially in driving schools policy and funding reform in Australia.

Mr Stephen Elder OAM
Non-Executive Director
DipEd BEd

Mr Stephen Elder first commenced as a Director on 1 January 2010 and was reappointed on 2 June 2015.

Mr Elder has been Executive Director of the Catholic Education Office in the Archdiocese of Melbourne since December 2006. A member of the Victorian Parliament from 1988–1999, he was Parliamentary Secretary to the Minister for Education from 1992–1999.

A former teacher, Mr Elder received an honorary award from the Australian Council for Health, Physical Education and Recreation and the Victorian Association for Gifted Education in 1998, and in 2002 received an award from the Victorian Aboriginal Education Association Inc for the Highest Contribution to the Benefit of Koorie Education.

Among his other appointments, Mr Elder is the Executive Director of the Catholic Education Commission of Victoria Ltd; a member of the Senate of the Australian Catholic University; a member of the National Catholic Education Commission; a Director of Catholic Network Australia Ltd, the Board of Management of Church Resources and Mercy Health Foundation; a member of the Boards of the Catholic Development Fund and the Victorian Registration and Qualifications Authority; and a Director and Company Secretary of Catholic Capital Grants (Vic) Ltd.

Mr Elder is also a Fellow of the Australian Institute of Management and the CEO Institute.

Mr Trevor Fletcher
Non-Executive Director
BEd DipEd

Mr Trevor Fletcher commenced as a Director on 2 June 2015.

Mr Fletcher has been the Principal of Eastern Fleurieu School in South Australia since October 2011. Prior to his appointment as principal, he was the Deputy Director General, Schools for the New South Wales Department of Education and Training for six years. During his period in New South Wales, he was also the senior departmental representative on the Board of Studies. Mr Fletcher has also held other senior positions in the Education Departments of Victoria, South Australia and Abu Dhabi. Mr Fletcher has had a varied and successful career in education working as a teacher, curriculum consultant, principal and senior bureaucrat in three states. While a Regional Director in Victoria, he was selected to attend the Senior Managers in Government course at Harvard University.

Eastern Fleurieu School is a Reception to Year 12 school catering for 1,400 students on five campuses. Mr Fletcher has been instrumental in overseeing the transformational cultural change the school has undergone in recent years. Following a period of significant decline, the school's enrolment has increased by 400 students in four and a half years, with half of these enrolments coming from private schools.

Mr Fletcher places a high priority on securing and developing the best teachers and he has encouraged a culture of excellence for both teachers and students. He has also introduced an innovative and successful approach to the curriculum, assessment and reporting programs at the school. Eastern Fleurieu School now offers to students programs that are not available in any other public school in the state.

Mr Fletcher was one of eight members of the national Teacher Education Ministerial Advisory Group (TEMAG) in 2014 and has also been a member of the Professional Experience Advisory Group at the University of South Australia. In 2015, Mr Fletcher was invited to join the Board for the Australian College of Educators and is a member of the Expert Reference Group looking at Parent Engagement in Schools for the Commonwealth Government.

While he now coaches four school teams of girls and boys in Rugby Union Sevens, Mr Fletcher is a former Australian Rules footballer who played for Carlton and coached at the Western Bulldogs.

**Ms Jennifer Gale
Non-Executive
Director**
BEd

Ms Jenny Gale commenced as a Director on 2 May 2016.

Ms Gale was appointed as the Secretary of the Tasmanian Department of Education on 18 January 2016.

Ms Gale has a 37-year career in education, having started teaching mathematics at Queechy High School and working across primary, secondary and senior secondary schools as a teacher and principal for 22 years, before being promoted to the position of Director, Office for Educational Review in 2000.

Since then Ms Gale has worked in a number of senior leadership roles across the department supporting schools, developing and implementing school improvement frameworks; leading the development of the Tasmanian Curriculum, including assessment standards and reporting; and on behalf of the Tasmanian Government negotiating national education policy and strategy.

Ms Gale was Acting Secretary of the Education Department between 2010 and 2011. Most recently Ms Gale has served as the Deputy Premier's Chief of Staff.

**Mr Rob Nairn
Non-Executive
Director**
*BEd DipTeach MAICD
MACEL*

Mr Rob Nairn first commenced as a Director on 1 January 2015 and was reappointed on 2 June 2015.

Mr Nairn is Executive Director of the Australian Secondary Principals Association (ASPA Ltd) and Associate Professor at Edith Cowan University. He has extensive experience in metropolitan and regional Senior High Schools in Western Australia particularly in low socio economic areas and is passionate about ensuring that high quality secondary education is provided to every young person no matter what their geographic, social or personal circumstances.

Mr Nairn is a Director on the Board of Principals Australia Institute (PAI Ltd), Chair of Edith Cowan University Child Health Promotion Research Centre (CHPRC) Advisory Board, Director of the Edith Cowan University Education Research Advisory Board, Director of the Asia Education Foundation (AEF) Advisory Board and Executive member International Confederation of Principals (ICP).

**Dr Geoffrey
Newcombe
Non-Executive
Director**
*BSc DipEd MEdAdmin
PhD GAICD*

Dr Geoffrey Newcombe first commenced as a Director on 1 January 2010 and was reappointed on 2 June 2015.

Dr Geoffrey Newcombe has been Chief Executive of the Association of Independent Schools of NSW Ltd since January 2005, and was previously AIS Director of School Governance and Industrial Relations. Dr Newcombe has extensive school governance and management experience, including as a school head and business manager in a number of independent schools. Dr Newcombe holds a PhD in financial management in schools and has lectured in the Master of Education program at the University of New South Wales.

Since 2013 he has been a Director of the Non-Government Schools Superannuation Fund (NGS Super). He was also a Director of the fund from 1997 to 2005, including a period as chair from 2002 to 2003.

In June 2011 Dr Newcombe was appointed Adjunct Associate Professor in the School of Education at the University of New South Wales. In 2014 he was appointed by the New South Wales Government to the StudyNSW International Education Advisory Board.

**Ms Melanie Saba
Non-Executive
Director**

*Master of Health
Administration*

Ms Melanie Saba
first commenced
as a Director on 1
July 2013 and was
reappointed on 2
June 2015.

Ms Saba was appointed CEO at the Victorian Institute of Teaching
on 23 August 2010. She has a strong professional background in the
regulation of various professions, having previously held senior positions
with Consumer Affairs Victoria, Nurses Board of Victoria and at the
Psychologists Registration Board of Victoria.

Ms Saba has developed policy and standards at both a state and
national level for several professions and held roles in national
organisations such as the Council of Psychology Registration Boards of
Australasia and the Australasian Teacher Regulatory Authorities.

Senior Officers

Ms Margery Evans, Chief Executive Officer (until 11 May 2016)

Margery Evans joined AITSL as the inaugural Chief Executive Officer on
5 July 2010 and completed her tenure AITSL on 11 May 2016, moving
on to the Aga Khan Education Services. Margery has had a long and
distinguished career in teaching and educational leadership, during
which she has held positions as teacher, school principal, district
director and senior system leadership in Victoria and South Australia
and as Deputy Director General of the Western Australian Department of
Education. Margery has a Master's degree in Education.

Mr Edmund Misson, General Manager – Initial Teacher Education, Research and Evaluation and Migration

Edmund Misson joined AITSL in January 2011 as a General Manager.
His responsibilities include work on Initial Teacher Education, research
and evaluation, and assessment of teacher qualifications for migration.

Edmund's career has been focused on policy development and
implementation to achieve the best possible outcomes for the
community. Prior to joining AITSL, Edmund had a fifteen-year career in
the Victorian Government, advising on a range of education, training
and other social policy issues. He has a Master's degree in Public
Administration.

Ms Sue Buckley, General Manager – Teaching and School Leadership

Sue Buckley joined AITSL on 19 August 2015 as General Manager
– Teaching and School Leadership where she provides direction on
national projects with a focus on promoting excellence in the teaching
profession.

Sue is an education professional with broad experience working in policy
development, project management, learning and teaching at school,
regional and system levels. Prior to joining AITSL, Sue had a long career
with the Victorian Department of Education and Training where she held
various senior level positions. She has post-graduate qualifications
in both public administration and education, providing a range of
academic frameworks that she applies in daily practice.

Ms Cherida Longley, General Manager - Corporate and Communications

Cherida Longley joined AITSL in August 2015 in a new role that brings two of the organisation's key service areas together under her leadership. Her responsibilities include oversight of the human resources, organisational development, finance and governance functions at AITSL as well as its interface with the teaching profession nationwide, which is achieved primarily through online and social media.

Cherida has a Master's degree in Education from the University of Melbourne and extensive experience in the sector, including more than a decade as a secondary school teacher in both public and private schools and senior roles in marketing and business development at Monash University and most recently the College of Business at RMIT University.

Mr Paul Lynch, Company Secretary and Legal Advisor

Paul Lynch was appointed Company Secretary of AITSL on 14 September 2015. Mr Lynch was previously Legal Counsel and Company Secretary of OZ Minerals Limited and has had 10 years' experience working in various legal and company secretarial roles.

Paul's qualifications include a Bachelor of Laws, Bachelor of Commerce and a Graduate Diploma of Applied Corporate Governance. He is a practising lawyer and an Associate Member of the Governance Institute.

Mr Don Abell, Chief Financial Officer

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

Don has extensive experience in professional accounting over more than thirty years, including twenty-five years as a partner within the chartered accounting firm KPMG. He has also served as a company director and board chairman for a number of companies.

Mr Stephen Joslin, Chief Information Officer

Steve Joslin is a highly experienced Chief Information Officer with extensive senior executive experience driving a series of successful and innovative, strategically aligned initiatives, many with global impact.

Operating as a champion of business change and organisational improvement, Steve has extensive experience working for major organisations in the investment banking, financial, health, education, accountancy and consultancy sectors.

Ms Bronwyn Burr, Acting Assistant General Manager

Bronwyn Burr was Acting Assistant General Manager until September 2015. Her responsibilities included management of the Teacher Quality and Practice and Professional Growth teams.

Bronwyn commenced her employment at AITSL in January 2010 as Manager Quality and Programs. Prior to joining AITSL, she held education-related roles in the government and non-government sectors and worked as a teacher in four Australian states and territories. Bronwyn has a Master's degree in Education.

Attendance

The number of meetings attended by each director is shown below.

Director	Directors' meetings		Audit and Risk Committee meetings		Finance Committee meetings		*Remuneration 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
John Hattie	8	8			6	4	0	0
John Fleming	5	4			5	3		
Stephen Elder	8	7	4	4	6	6		
Geoffrey Newcombe	8	6	4	4	6	6	0	0
Michele Bruniges	5	3						
Melanie Saba	8	7						
Rob Nairn	8	7						
Tania Aspland	8	8						
Jennifer Buckingham	8	8						
Tony Cook	8	5			4	3		
Trevor Fletcher	8	6						
Chris Wardlaw	1	1			1	1	0	0
Jenny Gale	1	1						

Jenny Morison attends the Audit and Risk Committee as an independent external member. Ms Morison attended two of the four meetings.

*Owing to the resignation of AITSL's CEO in May 2016, the Remuneration Committee did not meet in 2015-16.

Directors' benefits

Disclosure relating to Directors' remuneration is included in Note 11 of the company's financial report.

Sitting fees for Board Directors were paid in accordance with relevant determinations of the Remuneration Tribunal, together with reimbursement for reasonable out-of-pocket expenses.

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.

Key Activities 2015-16

AITSL was established to provide national leadership so that teachers and school leaders have the maximum impact on student learning in all Australian schools.

During the period 1 July 2015-30 June 2016, guided by its *Statement of Intent* and *Work Plan*, AITSL:

Continued work on implementing the Australian Government's response to the *Action Now: Classroom Ready Teachers* report, including:

- stronger quality assurance of teacher education courses
- rigorous selection for entry to teacher education courses
- improved and structured practical experience for teacher education students
- robust assessment of graduates to ensure classroom readiness
- national research and workforce planning capabilities.

Based on the reform agenda, AITSL worked with key stakeholders across the nation to produce the revised *Accreditation of initial teacher education programs in Australia: Standards and Procedures* – as agreed by Education Council in December 2015.

In addition, AITSL published a *Research Agenda for Initial Teacher Education in Australia*, setting priorities for building the evidence base on what works best in ITE and the actions that AITSL will take in support.

In accordance with its mission, AITSL also:

- continued to monitor and support implementation of the agreed national approach to accreditation of initial teacher education programs.
- continued to support the enhanced professional practice of school leaders by the development and promotion of the Principal Standard-referenced *Interactive Leadership Profiles*, the *Profiles in Action*, the extended video *National Conversation on Leadership Pathways*, the multi-media *Leadership Scenarios* and *Evaluating your Principal Preparation Program: Research Report*.
- launched the Highly Accomplished and Lead Teacher (HALT) Network to enable nationally certified teachers to further develop and share their expertise.
- developed and promoted national guidelines and resources to facilitate the effective induction of beginning teachers into the profession.
- developed two new sets of video-based Illustrations of Practice in the areas of early childhood and maths and science to demonstrate teaching that exemplifies professional practices of the *Australian Professional Standards for Teachers*.
- launched a new version of the Teacher Standards-referenced My Standards app, enabling teachers to create a digital collection of video, photo and audio artefacts of their professional practice and growth.
- undertook and engaged with research to contribute to the evidence base in the national and international education community and to inform AITSL's work – including the publication of a three-year evaluation of the implementation of the Teacher Standards.

- began a website optimisation review with the ultimate objective of delivering a rewarding experience for the million-plus visitors to AITSL's website every year.
- continued to fulfil the role of assessing authority under the *Migration Regulations 1994* for the purposes of skilled migration to Australia as a teacher.

Performance

As outlined in AITSL's 2015-16 *Corporate Plan* and *Statement of Intent*, AITSL has for the first time established performance measures and targets to ensure AITSL delivers on its priorities and has maximum impact. AITSL's performance against these measures for 2015-16 are as follows:

Measure 1: Use of AITSL resources, as measured by traffic to and within the AITSL website.

2015-16 Performance:

e-News subscribers, 2015–16

Target	109,000
Actual	118,000

Unique visitors to AITSL website 2015–16

Target	1,151,000
Actual	1,354,836
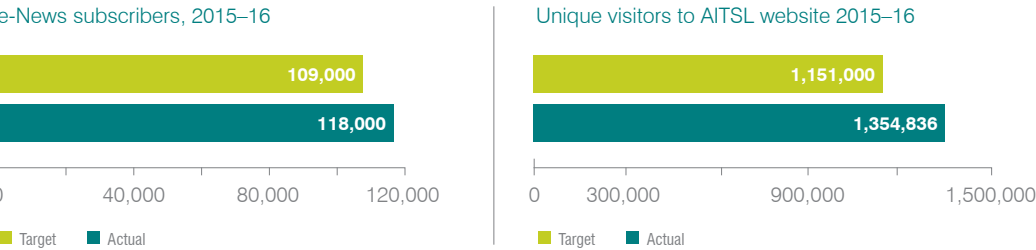
Measure 2: Increased awareness, positive attitudes toward, knowledge and use of the *Australian Professional Standards for Teachers*, the *Australian Professional Standard for Principals* and AITSL tools, measured through an annual survey.

2015-16 Performance: AITSL conducted its annual stakeholder survey and received responses from school leaders, teachers, pre-service teachers and representatives from various education organisations.

The results of the survey showed that on average:
- 91% of respondents are aware of the *Australian Professional Standards for Teachers*
- 74% of respondents are satisfied with AITSL's performance in supporting the *Australian Professional Standards for Teachers* (APST) ^
- 63% of respondents are aware of the *Australian Professional Standard for Principals*
- 68% of respondents are satisfied with AITSL's performance in supporting the *Australian Professional Standard for Principals* (APSP) ^
- 55% of respondents are aware of AITSL's tools and resources
- 82% of respondents who have used AITSL's tools and resources perceive them as useful*

^ *Perceived support is measured on the basis of those who were aware of the APST/ APSP. The figure shows the proportion of respondents who selected 'good' through to 'very good.'*

**Perceived usefulness is measured on the basis of those who used the tool or resource. The figures show the proportion of respondents who selected 'useful' through to 'extremely useful.'*

Measure 3: AITSL plays a key role in successfully delivering the Government's response to TEMAG, measured through progress against the agreed Work Plan.

2015-16 Performance: TEMAG Work Plan milestones are on track for successful delivery.

Measure 4: AITSL delivers its agreed Work Plan within the available budget.

2015-16 Performance: 94% of milestones within AITSL's 2015-16 Work Plan were achieved. The Board has determined that milestones not achieved are ongoing and have been carried over into the 2016-17 Work Plan.

More information on AITSL's operations for 2015-16 is available in the Report of Operations on page 34.

Future developments and results

It is expected that during 2016-17 AITSL will:
- continue work on implementing the Australian Government's response to the *Action Now: Classroom Ready Teachers* report, including collaboration with initial teacher education stakeholders to support the implementation of the revised Standards and Procedures.
- continue to build a robust evidence base to further improve initial teacher education in Australia.
- continue to support the nationwide promulgation and use of the *Australian Professional Standard for Principals* and associated resources to further enhance the professional practice and growth of school leaders.
- continue to support the promulgation and use of the *Australian Professional Standards for Teachers* and associated resources to cultivate further improvement in the professional expertise of teachers.
- undertake and engage with leading research to support excellence in teaching and school leadership through evidence-based policies, procedures and resources.
- continue to fulfil the role of assessing authority under the *Migration Regulations 1994* for the purposes of skilled migration to Australia as a teacher.
- maintain high standards of corporate governance.

Operating result

AITSL's result for 2015-16 was an operating surplus of $6,245.00.

The Statement of Comprehensive Income on page 61 of the company's financial report provides further information on the operating result.

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.

Significant activities

The Board determined that no significant activities or changes have occurred during 2015-16 which have affected the operations or structure of AITSL.

Auditor's independence declaration

A copy of the auditor's independence declaration as required by section 307C of the *Corporations Act 2001* is set out on page 58 of the Financial Report and forms a part of the Directors' Report for the financial year ended 30 June 2016.

Signed in accordance with a resolution of the Board of Directors.

Professor John Hattie
Director

2 September 2016

Report on Operations

AITSL's *Statement of Intent* is printed on the inside front cover gatefold of this year's *Annual Report.* AITSL's activities and achievements, as recorded in the following section, Report on Operations, relate to the *Statement of Intent* and *Corporate Plan.*

Focus Area 1: Initial Teacher Education

High quality initial teacher education (ITE) is an essential foundation for successful teaching careers. During 2015-16 AITSL developed and gained agreement to a new approach to accrediting initial teacher education programs that focuses on evidence of the quality of teacher graduates, including their demonstrable impact on student learning. Other important factors in the quality of ITE include rigorous selection into programs, structured professional experience for students and robust assessment of graduates.

The scenario

Teacher preparation is the basis of a high impact education system that develops successful learners. It is also a foundation of a rewarding career in education. Australia has a large and complex initial teacher education system, with 48 providers offering more than 400 programs and graduating more than 15,000 potential teachers every year.

In February 2014, the Teacher Education Ministerial Advisory Group (TEMAG) was established by the Australian Government. In mid-February 2015, the then Minister for Education and Training released TEMAG's report, *Action Now: Classroom Ready Teachers*, along with the Government's response. The report outlined a reform agenda for initial teacher education in five key areas:

- Stronger quality assurance of teacher education courses
- Rigorous selection for entry to teacher education courses
- Improved and structured professional experience for teacher education students
- Robust assessment of graduates to ensure classroom readiness
- National research and workforce planning capabilities.

With this reform agenda as a basis, AITSL worked with key stakeholders throughout the country - including teacher educators, State and Territory teacher regulatory authorities, employers of teachers, and those in the teaching profession in schools and early childhood settings - to produce the revised *Accreditation of initial teacher education programs in Australia: Standards and Procedures* (Standards and Procedures).

The Standards and Procedures were agreed by Education Council in December 2015.

The reform agenda and AITSL's responsibilities

In accordance with the reform agenda, in the year under review AITSL has pursued its responsibilities in the five key areas.
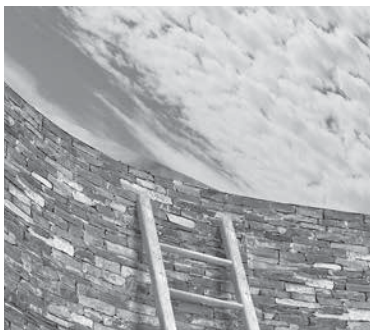
AITSL has worked with stakeholders to develop a rigorous process that makes it clear what providers must do to **gain accreditation for their ITE courses**; and ensure that all accreditation panels across Australia apply the same high standards. All initial teacher education programs will need to be accredited under the strengthened system, meaning that all programs will be of a consistently high quality and have a demonstrable impact on graduate capability and student outcomes. This key responsibility is further explained below under the heading *ITE program accreditation and graduate capability.*
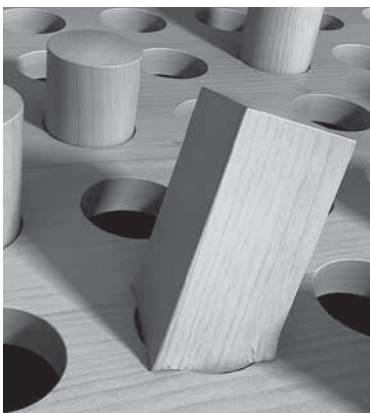
AITSL has designed guidelines for **selection of students into ITE courses**, including specific criteria to assist universities in selecting suitable students based on academic and non-academic factors. In August 2015, AITSL published *Selection – Action Now: Selection of entrants into initial teacher education – Guidelines*. The guidelines, implemented from 2017, set out transparent reporting requirements for providers to demonstrate that their selection process is having an impact on their graduating cohort. These requirements have been incorporated into the revised Standards and Procedures. Rigorous selection will help to ensure that candidates selected to enter ITE courses have the right mix of skills and attributes to make them likely to succeed in their programs and become effective teachers.

AITSL has developed requirements detailing the essential elements of **effective professional experience** in the revised Standards and Procedures. The requirements make explicit the need to establish school-university partnerships, articulate clear and consistent roles and responsibilities and clear expectations of supervising teachers, and implement rigorous assessment. AITSL has developed a suite of resources to support quality professional experience, including video examples of great practice, a statement of participant roles and responsibilities and a model partnership agreement.

At accreditation, all ITE programs must demonstrate that they undertake **valid and reliable assessment of their students** before allowing them to graduate. AITSL has specified rigorous requirements for the assessment of graduates during their programs and will seek to work with providers to develop, trial or adapt assessment instruments customised for the Australian context. AITSL has also developed induction guidelines, which set out consistent, high-quality induction practices to be maintained across Australia. All graduates will be robustly assessed against the Graduate career stage of the *Australian Professional Standards for Teachers* to ensure they can have a positive impact on student learning and beginning teachers will be better supported in their new careers through quality induction processes.
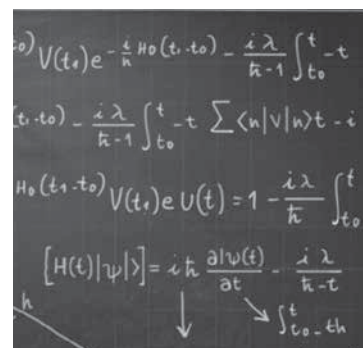
In November 2015, AITSL published *Research Agenda for Initial Teacher Education in Australia*, which sets priorities for building the evidence base on what works best in ITE, and the actions AITSL will take to support these. AITSL is also working with stakeholders to define the data needed for **better evaluation of ITE and workforce planning**. A rigorous evidence base about effective ITE will enable programs to learn from and be benchmarked against effective practice. Data-driven teacher workforce planning will be undertaken to improve the recruitment, resourcing and retention of effective teachers.

ITE program accreditation and graduate capability

The _Australian Professional Standards for Teachers_ (the Teacher Standards) define what teachers are expected to know and be able to do. The Teacher Standards comprise four career stages of increasing expertise: Graduate, Proficient, Highly Accomplished and Lead. The Graduate level makes explicit the professional expectations of those graduating from initial teacher education programs. Accordingly, the Graduate Teacher Standards are central to the accreditation of ITE programs, as detailed in the revised _Accreditation of initial teacher education programs in Australia: Standards and Procedures_.

The following extract from the Teacher Standards articulates the essential characteristics of the Graduate career stage:

> Graduate teachers have completed a qualification that meets the requirements of a nationally accredited program of initial teacher education. The award of this qualification means that they have met the Graduate Teacher Standards.
>
> On successful completion of their initial teacher education, graduate teachers possess the requisite knowledge and skills to plan for and manage learning programs for students. They demonstrate knowledge and understanding of the implications for learning of students' physical, cultural, social, linguistic and intellectual characteristics. They understand principles of inclusion and strategies for differentiating teaching to meet the specific learning needs of students across the full range of abilities.
>
> Graduate teachers have an understanding of their subject/s, curriculum content and teaching strategies. They are able to design lessons that meet the requirements of curriculum, assessment and reporting. They demonstrate the capacity to interpret student assessment data to evaluate student learning and modify teaching practice. They know how to select and apply timely and appropriate types of feedback to improve students' learning.
>
> Graduate teachers demonstrate knowledge of practical strategies for creating rapport with students and managing student behaviour. They know how to support students' wellbeing and safety working within school and system curriculum and legislative requirements.
>
> They understand the importance of working ethically, collaborating with colleagues, external professional and community representatives, and contributing to the life of the school. Graduate teachers understand strategies for working effectively, sensitively and confidentially with parents / carers and recognise their role in their children's education.

AITSL is working in collaboration with regulatory authorities and the 48 ITE providers to help ensure that the provisions of the revised _Accreditation of initial teacher education programs in Australia: Standards and Procedures_ contribute to even better outcomes for Graduate teachers and their students.

Throughout 2016-17, AITSL will continue to work with initial teacher education stakeholders to support the implementation of the revised Standards and Procedures, and to continue to build a robust evidence base to further improve initial teacher education in Australia.

Focus Area 2: School Leadership

School leaders have a key role in focusing the work of everyone in a school to maximise their impact on student learning. School leaders need to be well prepared, have a clear idea of what it means to be an effective leader and be able to act in ways that optimise the levels of decision-making available to them.

The scenario

The principal's role is crucial to the performance of students, teachers and the school. Accordingly, the *quality* of school leadership has a profound impact upon the teaching and learning that is cultivated in schools. Central in a principal's multi-layered role is being a 'leader of learning' for students, teachers, aspiring principals, peers and the wider community. In its various guises, school leadership is a demanding role that requires and benefits from the *Australian Professional Standard for Principals* (the Standard). Devised by AITSL in collaboration with the profession, the Standard provides structure and guidance to frame and define progress and success. The Standard is supported and supplemented by a range of Standard-referenced tools and resources.

The Australian Professional Standard for Principals

The Standard is a public statement that sets out what principals are expected to know, understand and do to lead effectively. It provides school leaders and aspiring school leaders with a challenging basis to reflect upon and improve their own professional practices and performance.
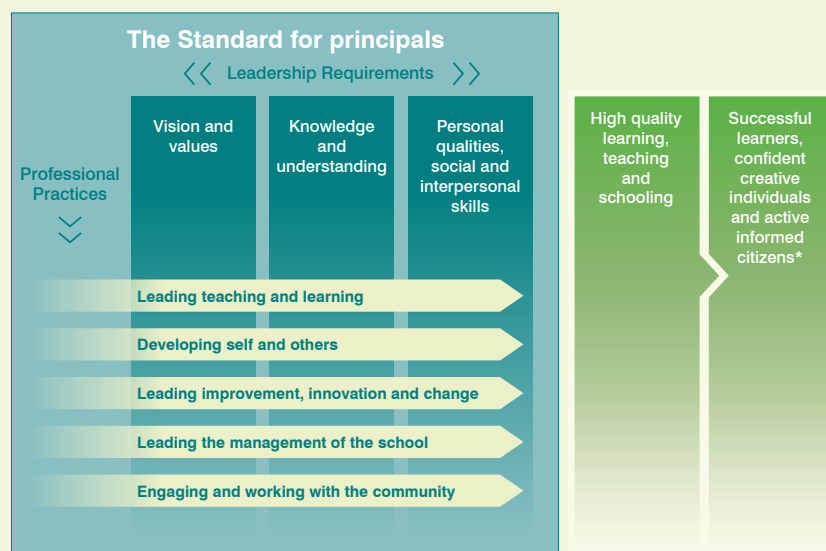
Leadership context: school, local area, wider community, Australian, global.

In the Standard, there is an emphasis on:

- raising student achievement at all levels and all stages
- promoting equity and excellence
- creating and sustaining the conditions under which quality teaching and learning thrive
- influencing, developing and delivering on community expectations and government policy
- contributing to the development of a twenty-first century education system at local, national and international levels.

Since the launch of the Standard in mid-2011, education systems, sectors and jurisdictions across Australia have been progressively incorporating the Standard in a range of important ways, including selection and recruitment, induction, performance and development, professional learning, strategic planning and as a resource for higher education programs.

Assisting leaders to grow

The Standard is the overarching point of reference for principal development and its effectiveness is enriched by a range of practical and explicitly Standard-referenced tools and resources.

Since its launch, over 3,700 Australian school leaders have registered to use the Standard-referenced 360° Reflection Tool to shape their action plans and direct their professional learning. As well as individuals, groups of school leaders can benefit from the tool. A system leader or team leader can register a group of leaders and receive a report that summarises the results.

360° Reflection Tool Attributes Model
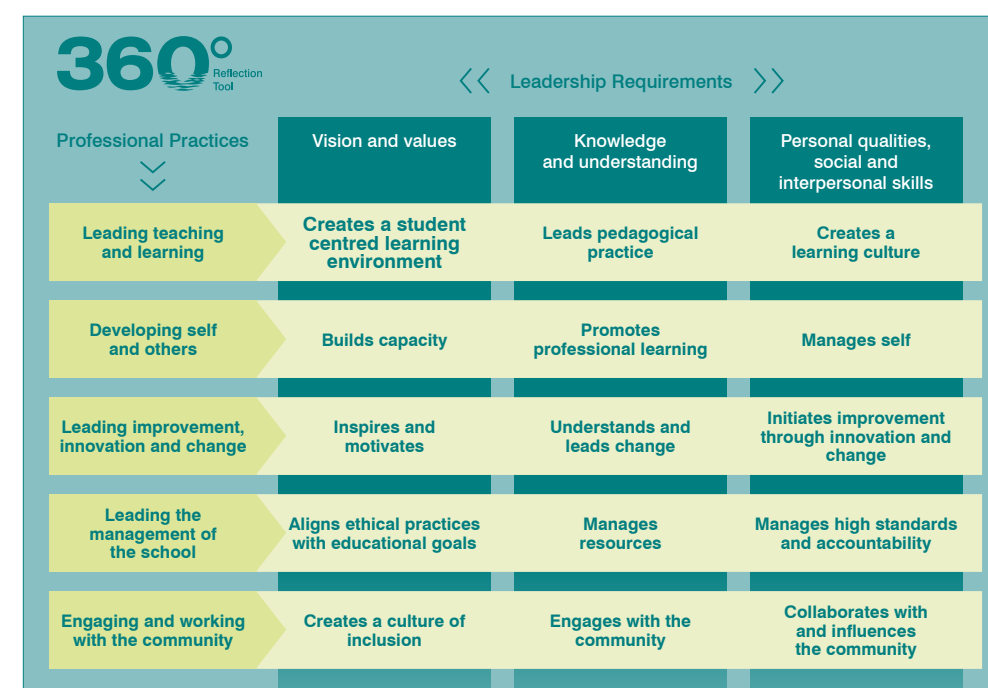
The tool is built directly from the Standard and describes fifteen attributes that are evident in the behaviours and actions of high-performing principals.

Using the 360° Reflection Tool provides current and aspiring principals with the opportunity to connect with the Standard and gather formative feedback on the leadership behaviours they exhibit in their daily work.

Another key resource for current and aspiring principals, the Leadership Profiles build upon the Standard and provide greater detail about the actions and behaviours required to create and lead effective learning environments. The Profiles enable reflection on the nature and impact of current leadership practice and assist individuals to develop clear directions for professional learning and growth.

The Profiles are a set of statements validated by the profession that describe the leadership actions of principals as they progress to higher levels of proficiency. The set of statements are arranged for principals to view through three leadership lenses: the Professional Practices lens (linked to the Standard's five Professional Practices); the Leadership Requirements lens (linked to the Standard's three Leadership Requirements); and a third lens, the Leadership Emphasis lens (which focuses on broader leadership contexts that principals deal with). The following diagram illustrates each lens and its related focuses.
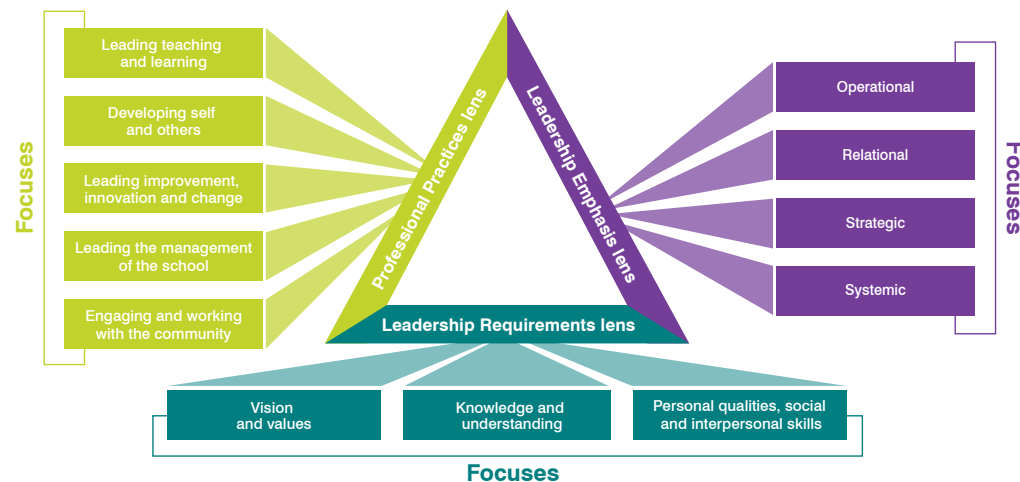
The leadership lenses, Professional Practices, Leadership Requirements and Leadership Emphasis, and the focuses linked to each lens.

The Interactive Leadership Profiles is an innovative online tool produced by AITSL to assist school leaders in their professional growth. The Interactive Profiles enable leaders to explore the statements of the Profiles in an online environment.

As illustrated below, the Interactive Profiles tool contains the same three lenses: Professional Practices; Leadership Requirements; and Leadership Emphasis. Each lens is accompanied by different practical focus areas. School leaders select focus areas under each lens to receive practical advice on enhancing their professional capabilities. In the online tool, each statement also provides links to a range of related multi-media resources.

Leadership development through the Profiles is further supported by Profiles in Action. This is a series of videos and booklets based on principals, aspiring principals and system leaders actually putting the Profiles into action.

> " *The Profiles are … really about me understanding what it takes to be a great principal.* "
>
> **Ben Hall, Amaroo School, ACT**

Along with other resources, the Introducing the Leadership Profiles workshop includes a set of succinct PowerPoint slides and a Facilitator's Guide designed to assist school and system leaders to introduce the Leadership Profiles to their teams.

AITSL has promoted school leadership resources, including the Interactive Leadership Profiles, through multi-media campaigns.
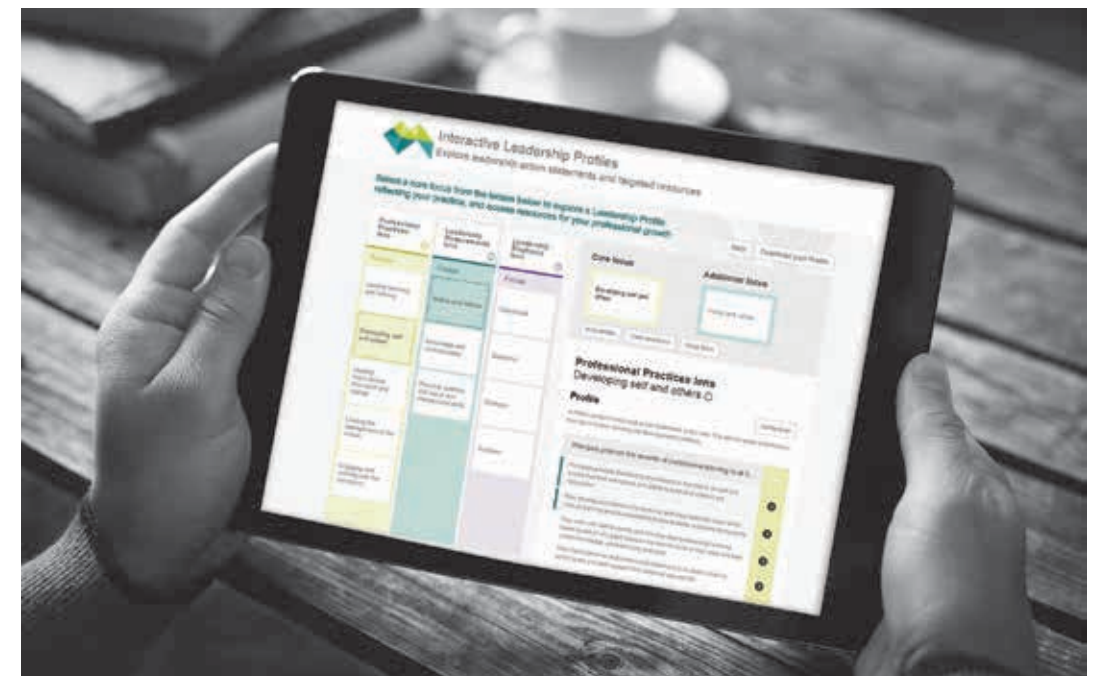
Preparing new principals

The National Conversation on Leadership Pathways provides aspiring school leaders with an opportunity to listen to a group of experienced principals discussing their stepping stones to leadership. This significant resource provides insights about the common elements in the diverse pathways to leadership.

The multi-media Leadership Scenarios draw on genuine experiences of new principals, exploring the problems frequently encountered by early career principals and suggesting strategies to meet such challenges.

Additionally, AITSL has developed a resource that is designed to assist providers of principal preparation professional learning programs to evaluate the effectiveness of their work. Evaluating your Principal Preparation Program gives system leaders clear and practical guidance on how to assess goals, selection processes, design and content, and evaluation of outcomes.

AITSL's eCollection is an online library of specially selected and contemporary research and resources that focus on effective leadership practices. The eCollection provides scope for personal and professional reflection. The collection currently contains over 1,200 resources, most of which are freely available. A monthly reading list in AITSL's eNews offers a snapshot of resources to support school leaders on current issues.

Liaison with the profession

In a sense, school leaders are like other leaders who are responsible for the progress of small, medium or large public or private sector enterprises. A school principal may well harbour some similar types of concerns as a CEO of a hospital, a scientific laboratory or an essential services branch. Yet there are some distinctive characteristics of the principal's task, concerning as it does the education and broader well-being of hundreds (even thousands) of young people drawn from a wide array of socio-economic backgrounds who are blended on a daily basis for years on end. There is not only the matter of educating young people, but cultivating the skills of teaching staff, liaising with parents, relating to overseeing authorities, the wider community…and on it goes.

A challenge for AITSL is to act in ways that actively support principals in their professional roles. Accordingly, the policies, advice, tools and resources affecting principals that are generated by AITSL do not arise out of a vacuum. AITSL actively seeks out and is the grateful recipient of the wisdom of principals past and present from various bodies such as the principals' associations across all jurisdictions and sectors, representing the thousands of principals currently working across government, Catholic and independent schools; AITSL's Professional Growth Network – a national group of system leaders involved in promoting excellence in leadership; and the AITSL School Leadership Expert Standing Committee.

STEPPING IN PUDDLES ALONG YOUR LEADERSHIP PATHWAY?
Get your new leader's gumboots on

Focus Area 3: Teaching

Teachers must be supported to implement standards-referenced and evidence-based practices that improve teaching: evaluating their impact, seeking feedback about their practices, developing collaborative expertise and engaging in effective professional learning.

The scenario

AITSL's work is based on evidence that the quality of teaching is the main in-school determinant of student success. Accordingly, AITSL has a responsibility to support teachers in maximising their impact on learners. Central to the fulfilment of that responsibility is the ongoing implementation of Australian Professional Standards for Teachers (the Standards), which define the characteristics, requirements and expectations of the teaching profession.

The Australian Professional Standards for Teachers

Developed by AITSL in collaboration with the profession, the Teacher Standards promote high impact teaching that maximises student learning. The Standards clearly articulate the professional knowledge, practice and engagement required of teachers at four career stages: Graduate, Proficient, Highly Accomplished and Lead.

The Standards were launched in 2011. By 2013 all states and territories had taken steps to implement the Standards as part of a nationally consistent approach to teacher registration. AITSL continues to support the implementation of the Standards throughout Australia.

A recently-conducted stakeholder engagement survey suggests that in the education sector 91% of respondents had awareness of the Standards, while 40% of responding teachers had used one of AITSL's key resources for teachers, the Classroom Observation Strategies.

As part of continuing implementation of the Standards, AITSL monitors and supports a rigorous process for the certification of Highly Accomplished and Lead teachers, including the provision of materials and modules to support the training of local assessors in participating jurisdictions.

Significantly, in early 2016 AITSL publicly launched the Highly Accomplished and Lead Teacher (HALT) Network to enable nationally certified teachers to further develop their expertise with like-minded professionals and to share their collective expertise with their schools and the broader profession. A HALT Network Summit was held in Adelaide in March 2016 to inspire, guide and create momentum for Network action – as the Summit program put it, to 'work together to develop the greatness in all teachers…to have maximum impact on all young people.'
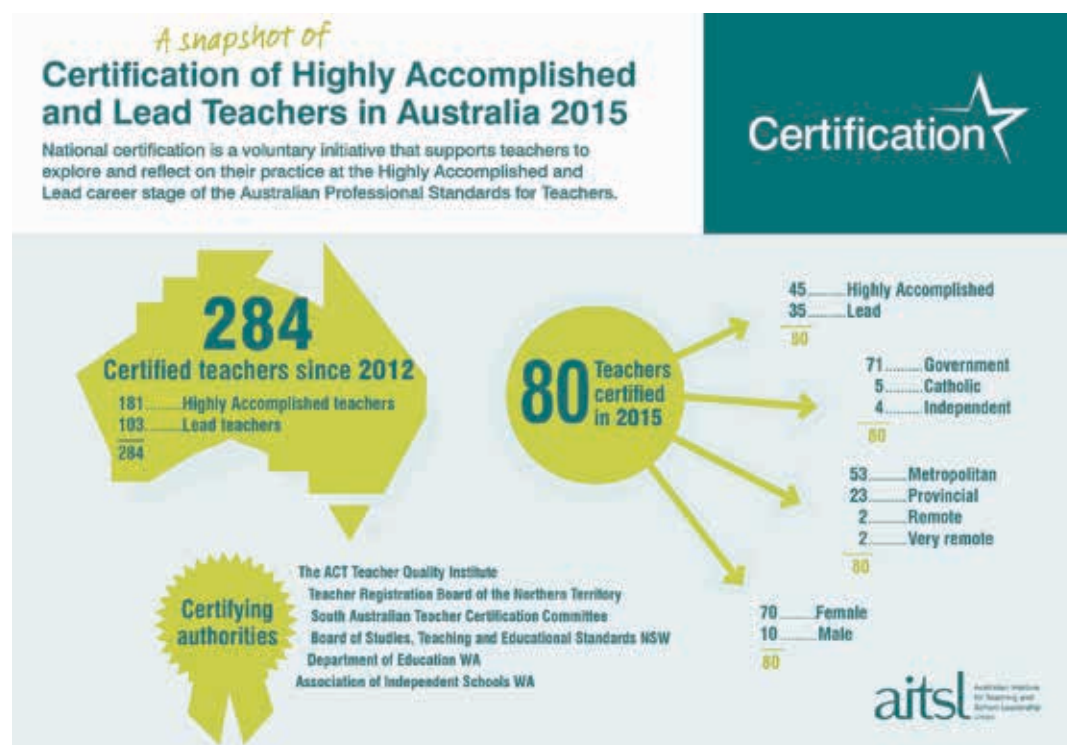
Beginning teacher Induction

Individual Graduate teachers, the profession and the broader community benefit when new teachers are suitably supported to undertake their new responsibilities at the school level.

AITSL has worked closely with a number of experts and stakeholders to develop a consistent national approach to the induction and support for beginning teachers in their first few years of teaching. The draft *Graduate to Proficient: Australian guidelines for teacher induction into the profession* outline what effective induction is, why it matters, the conditions for good induction, the focus for induction, the strategies that are most effective, and the roles played by various agencies and individuals in managing and delivering induction programs.

The transition from an initial teacher education course to the classroom can be challenging. As a nation, we can ill-afford to witness new teachers struggle to make the transition when there is much that can be done to ease the process.

Accordingly, in the area of induction AITSL has:
- commissioned research that uncovers current induction practices occurring in education and non-education settings
- published an annotated bibliography that examines the research into what, and who, is required for effective induction
- developed case studies to highlight effective induction practices in a range of contexts
- developed national guidelines, outlining the three elements that have the greatest impact for an effective induction.

To support the implementation and impact of the guidelines in schools, tools and resources are under development by AITSL. Resources under development include:
- an induction app to support beginning teachers where users can access information and interactive activities related to the four areas of the guidelines: Professional Practices; Professional Identity; Wellbeing; and Orientation
- six video case study examples of successful induction approaches across a range of contexts
- an animation to help promote the importance of effective induction and how the guidelines support this.

Resources assisting the development of teacher expertise

The Teacher Toolkit is a single point of reference for a multiplicity of AITSL's online tools and resources supporting the cultivation of high-impact teaching. In this year's Annual Report, we highlight two key resources: Classroom Observation Strategies and a batch of new Illustrations of Practice.
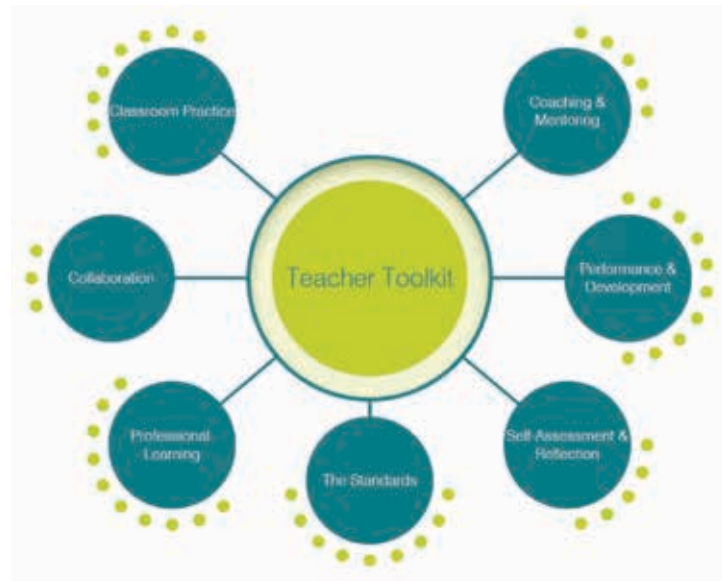
1: Classroom Observation Strategies

This resource, which resides in the Classroom Practice section of the Teacher Toolkit, has proven to be one of AITSL's most popular offerings to the profession. Observation resources are downloaded from the AITSL website about 1,500 times each month.

Classroom observation makes teaching and learning more visible. It moves beyond the notion of a teacher working in professional isolation and encourages colleagues to collaborate to improve teacher practice and student learning.

The resources provide an introduction to some demonstrably effective observation strategies. Combining instructional guides and accompanying videos, the resources explain what teachers need to know to choose and implement an appropriate classroom observation strategy for their school.

Teachers can select the most appropriate strategy to suit their context and use the relevant video with staff to see the strategy in action. The complementary 'how-to' guides act as a basis for agreeing on some structures and protocols to support implementation.

To assist teachers, key areas outlined in observation include:

- Introducing classroom observation
- Instructional coaching
- Instructional rounds
- Learning walks
- Lesson study
- Peer observation
- Videos of practice.

2: New Illustrations of Practice (IOPs)

Another key feature of the Teacher Toolkit are 18 new maths and science IOPs, which can be reached through The Standards section. With the current national and international focus on increasing student engagement in science and mathematics learning, they provide some examples of inspirational teaching within Australia. These IOPs have been developed in consultation with the CSIRO, ACARA, Science by Doing and Primary Connections.

Additionally, in partnership with the Victorian Institute of Teaching, AITSL has developed and published six new Illustrations of Practice filming teachers' practice in early childhood settings. The focus on early childhood stems from the increasing number of jurisdictions that require early childhood teachers to be registered using the Standards, including Victoria (from September 2015) and New South Wales (from July 2016).

AITSL's collection of over 300 IOPs is hugely popular with the profession, with videos being downloaded up to 5,000 times per month.

My Standards app

Since we live in a world that values online connectivity, AITSL took the step in 2014 of introducing the My Standards app. Recently, a second version with enhanced features and benefits was launched. Referenced explicitly to the Standards, the app enables teachers to create a digital collection of video, photo and audio artefacts of their professional practice and growth as it actually happens. It's a simple, reliable and verifiable way to record professional achievements.

Among its multi-media channels, AITSL uses display advertisements in hard copy and online education journals to communicate with the profession.

Teacher Self-Assessment Tool (TSAT)

AITSL emphasises professional reflection among teachers as an important means to ascertain positioning against the Standards. To give structure to such reflection, AITSL introduced the Teacher Self-Assessment Tool (TSAT). A new high-performance version is currently in preparation. In the meantime, the profession is taking advantage of an interim and simplified approach through the Reflection on Practice Tool (RPT). We refer to the TSAT and RPT as tools rather than resources because a tool is used to transform base material into more elaborate value-added material. The TSAT and the RPT are carefully crafted online questionnaires that take 'inputs' of a teacher's responses and elaborately transforms those responses into 'outputs' of positions against the Standards along with the identification of areas of strength and those requiring further development.

Liaison with the profession

As an organisation that relates strongly to the profession, AITSL does not devise, develop and deliver its teacher-oriented policies, tools and resources in isolation. AITSL benefits from the support provided by many thoughtful individuals and entities, including the Focus Group of the Profession, the Professional Growth Network and the Teaching Expert Standing Committee, as listed in the Consultation Groups section of this Annual Report.

Assessment for Migration

AITSL is the assessing authority for school teacher occupations under the *Migration Regulations 1994* for the skilled migration program.

In the year to 30 June 2016, AITSL received 1,343 applications – approximately 10 percent more than the previous year. 87% of applications were assessed as suitable. 60% of applications were for the secondary school teacher occupation.

The majority of applicants completed their initial teacher education in Australia, followed by the United Kingdom and South Africa.

The most common country of birth for applicants was the United Kingdom, followed by China and South Africa.

Futher activities

Corporate Services

The Corporate Services team guides organisational processes in the areas of human resources, procurement and contracting, governance, work health and safety and day-to-day corporate administration. The team also manages the overall organisational requirements in terms of review, development, education, training and awareness of policy and procedures.

During the year in review, Corporate Services continued to provide support, advice and assistance across AITSL. The expert team ensures that organisation has the structure, systems and skills to achieve its mission and effectively manage corporate functions.

A major undertaking for the Corporate Services team was to drive the introduction and implementation of an organisation-wide Project Management Framework. This framework is a set of sequential protocols to guide the formulation, development, implementation and review of AITSL's projects. The framework also functions as a permanent record and a store of corporate memory, so that subsequent and comparable projects can be efficiently managed without being reinvented unnecessarily.

To further strengthen the organisation's controls around financial processes, AITSL initiated an external audit to assess compliance with standards and best practice. While AITSL's controls were found to be robust, a number of modest adjustments were recommended and adopted by the organisation to ensure even stronger financial performance.

As a priority of the team, workplace health and safety awareness and compliance have been pursued primarily through online modules. This mode of delivery enables individuals to undertake the modules at flexible times, free from distractions. Accordingly, all AITSL staff have completed this training.

The team also had a prominent role in the development and implementation of a Staff Engagement Survey. In the coming year, the Corporate Services team will participate in an analysis of the survey's outcomes and consider options to further improve the relationship between the organisation and its employees and to enhance collaboration across AITSL's project teams.

Other priorities for the approaching year include revising AITSL's procurement and contracting processes to ensure that AITSL enters into agreements that deliver maximum value for money. In addition, the effectiveness of the Project Management Framework will be assessed and suggested improvements will be canvassed.

Communications, Online and Social Media (COSM)

Multi-media publishing is a key driver of AITSL's engagement with the teaching profession throughout Australia. Since AITSL is dedicated to serving the needs of the profession in all settings, in every sector and in every jurisdiction, COSM works to maximise the reach of AITSL's policies, advice, customised tools and resources. In practice, this means an increasing (but not exclusive) focus upon accessible web-based publishing and ongoing engagement in the online arena.

At AITSL, we often refer to the website as our 'window on the world', suggesting that we use this platform to present our materials to the national and international marketplace of educational ideas. Our prime focus is to engagingly present evidence-based and practical resources that assist pre-service teachers, teachers and school leaders to cultivate expertise in their professional practice and to increase the magnitude of their impact on student achievement. The AITSL website now attracts well over one million unique visits every year, but we naturally want the quality of those visits to be superlative. Accordingly, COSM has been working with the Enterprise Technology team to undertake a website optimisation project, which should come to fruition in the coming year.

The *eNews*, published eight times a year, is another key ingredient in AITSL's online reach into the teaching profession. Over the past year, the self-selected subscriber base of the *eNews* has grown from 109,000 to 118,000, suggesting that the profession is finding the mode of delivery convenient and the mix of education content relevant and compelling.

AITSL's online analytics reveal a strong stakeholder preference for video-based material, some of which is produced in AITSL's in-house recording and production studio. On an average week, there are about 6,000 views of AITSL's videos, with many 'shares' encouraged through our 27,000 Twitter followers. All of this activity and more besides has helped our organisation to build a 'Klout' score of around 67, placing AITSL well inside the top 5% of online influencers on a global scale. In addition, AITSL's Net Promoter Score - a measure of the likelihood of skateholder recommendation - is a very healthy 63.

Of course, individuals differ and not everyone prefers to hear from AITSL via online channels. AITSL respects this preference by publishing its resources in a range of prominent, hard copy education journals that reach every corner of our nation.

In the year ahead, COSM will be working to further customise AITSL's offerings to our segmented stakeholder groups.

Enterprise Technology (ET)

The Enterprise Technology (ET) team has a key role is enabling AITSL to serve the entire education profession across a vast country. ET does this by adopting strategies and tactics that optimise the capabilities of information technology, both internally and externally. A particular focus this year has been on the effectiveness of AITSL's website and its hosted resources. The website attracts a significant volume of traffic from across Australia – in excess of one million unique visits every year – so it is vital that the user experience is positive.

Accordingly, during the past year ET has worked closely with AITSL's Communications, Online and Social Media (COSM) team, AITSL's staff and external advisers to undertake a review of the organisation's website. This began with a wide-ranging technical audit (Phase 1) that provided clarity in relation to design, structure and performance. This phase culminated in the production of a large format current state map that reflected real-world online interactions with AITSL, including the ways in which AITSL's resources are accessed and used by our visitors. Drawing upon this knowledge and projecting needs and improvements to processes and structures, a future state map was also produced and shared with staff and stakeholders.

Drawing upon the findings of Phase 1, the coming year will see the implementation of Phase 2 – business and functional requirements – which will focus on the theoretical construction of website information architecture with the focus on user-centred design. Further out in the coming year will be Phase 3: website optimisation and design. As well as delivering a superlative user experience, AITSL will ensure that the website meets the Digital Service Standard of the Digital Transformation Office and is compliant with contemporary Web Content Accessibility Guidelines.

Aside from the significant undertakings of the website optimisation project, the ET team has reviewed AITSL's critical information technology infrastructure to further increase security and stability, while driving efficiency and innovation to deliver maximum value to all stakeholders.
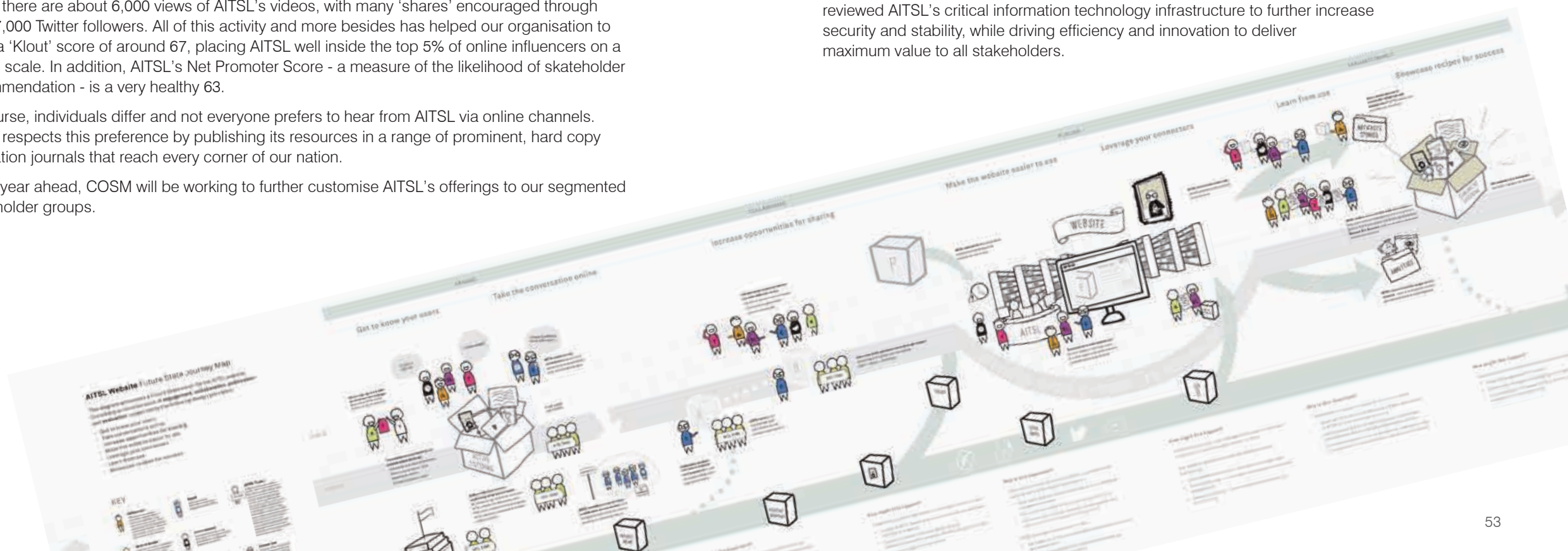
Research and Evaluation

As a thought leadership organisation, a key premise of AITSL's work is that efforts to improve teaching and school leadership must derive from a credible evidence base. Accordingly, AITSL's Research and Evaluation team conducts and commissions research that relates to the organisation's mission, while encouraging other researchers and organisations to supplement the evidence base.

The *Australian Professional Standards for Teachers* (the Standards), developed and disseminated by AITSL, define and promote teaching that maximises student learning. Under the aegis of the Research and Evaluation team, a three-year, mixed-methods evaluation was conducted, concerning the implementation of the Standards nationally from 2013 to 2015. The evaluation is reported in a three-part *InSights* series that makes the findings of the evaluation accessible to teachers, school principals and other stakeholders.

Some of the key findings are as follows:

Educators have good knowledge of, and are positive in their attitudes towards, the Standards

- Seventy per cent of educators nationally indicated they have a 'fair' to 'expert' knowledge of the Standards.

Early career teachers are more positive towards the Standards

- Teachers with five or less years of teaching experience have higher levels of prior use, positive attitudes and intentions to implement the Standards than teachers with over 26 years of experience.

The Standards are perceived to be of benefit to the teaching profession

- Large majorities of school leaders (93%) and teachers (81%) believe that the Standards are important for supporting the teaching profession.

Teachers perceive the Standards to have less impact on their practice than other educators

- Pre-service teachers perceive the Standards to be valuable to them and to have a greater impact on their practice when compared to other educators.

Support measures are critical to successfully implementing the Standards

- Teachers and school leaders are confident that other stakeholders (e.g., school leaders, regulatory authorities, professional learning/development providers) support implementation of the Standards, but less confident that they have the resources to support effective implementation.

A research agenda for initial teacher education

The report of the Teacher Education Ministerial Advisory Group (TEMAG), *Action Now: Classroom Ready Teachers*, identified an urgent need for an improved evidence base on initial teacher education in Australia. Among its recommendations for improvement, the Advisory Group recommended that AITSL develop a national focus on research in initial teacher education. This recommendation was accepted in the Australian Government's response to the *Action Now* report. In addition to the specific recommendation about an improved evidence base, the whole approach to initial teacher education being implemented in response to *Action Now* demands a focus on research, data and evidence.

The new approach will result in initial teacher education programs being accredited based on their impact on their graduates, and those graduates' impact on student learning. This will both require and enable a much sharper focus on what elements of initial teacher education produce this impact. To be effective, such an approach must be underpinned by a national program of research that illuminates these issues.

The research agenda aims to:
- Create a clear direction for initial teacher education research
- Stimulate collaboration and research activity to meet the identified priorities
- Articulate a clear role for AITSL as a catalyst to promote research in these areas.

These aims will help to shape the core activities of the Research and Evaluation team over the coming year.

Financial Report

For the year ended 30 June 2016

Directors' declaration

For the year ended 30 June 2016

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 *Corporations Act 2001* including:

   a) Complying with the Australian Accounting Standards; and

   b) Giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date.

2. In the Directors' opinion 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 2 September 2016 in accordance with a resolution of the directors.

Professor John Hattie
Chair

Stephen Elder
Director

Auditor's independence declaration

Professor John Hattie
Chairman of the Board
Australian Institute for Teaching and School Leadership Limited
PO Box 299
Collins Street West VIC 8007

AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL LEADERSHIP LIMITED
FINANCIAL REPORT 2015–16
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 2016, to the best of my knowledge and belief, there have been:

(i)   no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(ii)   no contravention of any applicable code of professional conduct.

Australian National Audit Office

J. Bushell

Josephine Bushell
Senior Director

Delegate of the Auditor-General

Canberra

2 September 2016

GPO Box 707 CANBERRA ACT 2601
16 National Circuit BARTON ACT
Phone (02) 6203 7300   Fax (02) 6203 7777

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT

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

I have audited the accompanying financial report of Australian Institute for Teaching and School Leadership Limited, which comprises the Statement of Financial Position as at 30 June 2016, the Statement of Comprehensive Income, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, Notes to the Financial Statements comprising of Significant Accounting Policies, and the Directors' Declaration.

Opinion

In my opinion, the financial report of Australian Institute for Teaching and School Leadership Limited is in accordance with the *Corporations Act 2001*, including:

(a)   giving a true and fair view of Australian Institute for Teaching and School Leadership Limited's financial position as at 30 June 2016 and of its performance for the year ended on that date; and

(b)   complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Directors' Responsibility for the Financial Report

The directors of Australian Institute for Teaching and School Leadership Limited are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* 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.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view 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.

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Independent auditor's report

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting my audit, I have complied with the independence requirements of the *Corporations Act 2001*. I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors, would be in the same terms if given to the directors at the time of this auditor's report.

Australian National Audit Office

J. Bushell

Josephine Bushell
Senior Director

Delegate of the Auditor-General

Canberra

2 September 2016

Statement of comprehensive income
For the year ended 30 June 2016

	Notes	2016	2015
		$	$
Income			
Revenue			
Government funding		11,865,544	13,520,000
Sales of services		1,577,423	1,074,431
Interest		63,807	171,471
Other revenue		82,352	126,615
Profit on sale of asset		1,176	2,123
Total income		**13,590,302**	**14,894,640**
Expenses			
Board of Directors		310,095	361,601
Employee benefits	5	6,549,209	6,708,903
Administration		1,892,970	1,869,167
Programs		4,599,422	5,740,468
Depreciation and amortisation	6	232,361	233,629
Write down and impairment of assets		-	77,044
Total expenses		**13,584,057**	**14,990,812**
Net surplus/(deficit) from ordinary activities		**6,245**	**(96,172)**
Total comprehensive income/(loss) for the year attributable to members of the entity		**6,245**	**(96,172)**

The above statement should be read in conjunction with the accompanying notes.

Statement of financial position
As at 30 June 2016

	Notes	2016	2015
		$	$
Assets			
Current assets			
Cash and cash equivalents	10	1,174,653	1,396,739
Held-to-maturity investments		1,316,630	2,371,672
Trade and other receivables		3,560,667	2,822,810
Other assets		6,273	137,540
Total current assets		6,058,223	6,728,761
Non-current assets			
Plant and equipment	6	888,116	1,088,968
Cultural	6,7	12,000	12,000
Total non-current assets		900,116	1,100,968
Total assets		6,958,339	7,829,729
Liabilities			
Current liabilities			
Supplier and other payables	8	1,100,514	1,882,763
Employee provisions	9	363,540	513,995
Other provisions	9	45,075	45,075
Total current liabilities		1,509,129	2,441,833
Non-current liabilities			
Employee provisions	9	162,414	90,135
Other provisions	9	593,629	610,839
Total non-current liabilities		756,043	700,974
Total liabilities		2,265,172	3,142,807
Net assets		4,693,167	4,686,922
Equity			
Retail earnings		4,693,167	4,686,922
Total equity		4,693,167	4,686,922

The above statement should be read in conjunction with the accompanying notes.

Statement of changes in equity
For the year ended 30 June 2016

	Retained earning		Total equity	
	2016	2015	2016	2015
	$	$	$	$
Opening Balance	4,686,922	4,783,094	4,686,922	4,783,094
Comprehensive Income				
Surplus/(Deficit) attributable to the entity	6,245	(96,172)	6,245	(96,172)
Total Comprehensive Income / (Loss) for the year	6,245	(96,172)	6,245	(96,172)
Balance at 30 June	4,693,167	4,686,922	4,693,167	4,686,922

The above statement should be read in conjunction with the accompanying notes.

Statement of cash flow
For the year ended 30 June 2016

	Notes	2016	2015
		$	$
Cash flow from operating activities			
Cash received			
Government funding		12,510,348	14,453,750
Sales of services		1,651,379	1,074,431
Interest		63,807	171,471
Other		90,587	126,615
Total cash received		**14,316,121**	**15,826,267**
Cash used			
Board of Directors		(310,095)	(361,601)
Employees		(6,627,383)	(6,800,685)
Suppliers		(7,621,900)	(6,929,811)
Net GST paid to the Australian Taxation Office		(1,003,537)	(885,588)
Total cash used		**(15,562,915)**	**(14,977,685)**
Net cash from (used in) operating activities	10	**(1,246,794)**	**848,582**
Cash flow from investing activities			
Cash from/(used in)			
Purchase of plant and equipment		(32,008)	(25,385)
Sale of plant and equipment		1,674	2,123
Sale (Purchase) of Held-to-maturity investments		1,055,042	(1,036,643)
Net cash from (used in) investing activities		**1,024,708**	**(1,059,905)**
Net (decrease)/increase in cash held		**(222,086)**	**(211,323)**
Cash at the beginning of the financial year		1,396,739	1,608,062
Cash at the end of the financial year		**1,174,653**	**1,396,739**

The above statement should be read in conjunction with the accompanying notes.

Notes to the financial statement
For the year ended 30 June 2016

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 has been prepared in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in the financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

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 statements were authorised for issue by the Board of Directors on 2 September 2016.

2.2 Economic dependency

AITSL is dependent on the Department of Education and Training for the majority of its revenue used to carry out its ordinary activities. At the date of this report the Board of Directors has no reason to believe that the Department of Education and Training will not continue to support AITSL.

2.3 Use of estimates and judgments

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

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

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

Note 3 – Significant accounting policies

3.1 Revenue

Revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- the probable economic benefits associated with the transaction will flow to the entity.

AITSL receives revenue through a funding agreement with the Department of Education and Training. The full amount of funding received during the reporting period is recognised as revenue.

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement.*

3.2 Taxation

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

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

- except where the amount of GST incurred is not recoverable from the Australian Tax Office; and
- except for receivables and payables.

3.3 Financial Instruments

(i) Non-derivative financial assets

AITSL initially recognises loans and receivables and deposits on the date that they originated. All other financial assets (including assets designated at fair value through surplus or deficit) are recognised initially on the trade date at which AITSL becomes a party to the contractual provisions of the instrument.

AITSL derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by AITSL is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, AITSL has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

AITSL has the following non-derivative financial assets: trade and other receivables, cash and cash equivalents and held to maturity investments.

Trade and Other Receivables

Trade and other receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs.

Cash and cash equivalents

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

Held to Maturity Investment

Held to maturity investments are cash deposits with a specified maturity and subject to insignificant risk of changes in fair value. They are used by AITSL in the management of financial commitments.

(ii) Non-derivative financial liabilities

AITSL initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which AITSL becomes a party to the contractual provisions of the instrument. AITSL derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, AITSL has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

AITSL has the following non-derivative financial liabilities: trade and other payables.

3.4 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.

3.5 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased non-current assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Operating lease payments are expensed on a straight line basis which is representative of the pattern of benefits derived from the leased assets, over the lease term.

All lease incentives for the agreement of a new or renewed operating lease shall be recognised as an integral part of the net consideration agreed for the use of the lease asset, irrespective of the time pattern in which economic benefits from the lease asset are consumed.

Note 4 – New standards and interpretations not yet approved

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2015, and have not been applied in preparing these financial statements. Those which may be relevant to AITSL are set out below. AITSL does not plan to adopt these standards early.

AASB 9 Financial Instruments (2010)

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities.

AASB 9 is effective for annual periods beginning on or after 1 January 2018. The adoption of AASB 9 is not expected to have an impact on AITSL's financial assets or financial liabilities.

AASB 15 Revenue from Contract with Customers

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 revenue, AASB 111 Construction Contracts and IFRIC 13 Customer Loyalty Programmes.

AASB 15 is effective for annual reporting periods beginning on or after 1 January 2018.The adoption of AASB 15 is not expected to have an impact on AITSL's financial statements.

AASB 16 Leases

AASB 16 removes the classification of leases as either operating leases or finace leases for the lessee, effectively treating all leases as finance leases. This will effectively move all off-balance sheet operating leases onto the balance sheet, similar to current finance lease accounting.

AASB is effective for annual reporting periods beginning on or after 1 January 2019. The adoption of AASB 16 is not expected to have an impact on AITSL's financial statements.

Note 5 – Employee benefits

	2016 $	2015 $
Wages and salaries	5,377,170	5,616,489
Superannuation	698,324	729,511
Leave and other entitlements	473,715	362,903
Total employee benefits	6,549,209	6,708,903

Note 6 – Non-current assets

Reconciliation of opening and closing balances (2015-2016)
Plant and equipment

	Computer equipment $	Office equipment $	Fixtures & fittings $	Makegood $	Other plant & equipment $	Total $
As at 1 July 2015						
Gross book value	380,666	139,075	954,320	285,438	21,495	1,780,994
Accumulated depreciation / amortisation	(296,598)	(105,189)	(213,573)	(62,089)	(14,577)	(692,026)
Net book value 1 July 2015	84,068	33,886	740,747	223,349	6,918	1,088,968
Movements						
Purchase of assets	15,313	–	–	–	–	15,313
Write down and impairment	(499)	–	–	–	–	(499)
Present value adjustment	–	–	–	16,695	–	16,695
Depreciation and amortisation expense	(66,980)	(27,595)	(96,290)	(36,104)	(5,392)	(232,361)
Net book value 30 June 2016	31,902	6,291	644,457	203,940	1,526	888,116
Net book value as of 30 June 2016 represented by:						
Gross book value	377,631	133,451	954,320	302,133	21,495	1,789,030
Accumulated depreciation	(345,729)	(127,160)	(309,863)	(98,193)	(19,969)	(900,914)
Closing net book value	31,902	6,291	644,457	203,940	1,526	888,116

Reconciliation of opening and closing balances (2014-2015)
Plant and equipment

	Computer equipment $	Office equipment $	Fixtures & fittings $	Makegood $	Other plant & equipment $	Total $
As at 1 July 2014						
Gross book value	367,933	139,075	1,024,424	422,724	21,495	1,975,651
Accumulated depreciation / amortisation	(238,932)	(77,148)	(120,698)	(34,870)	(9,133)	(480,781)
Net book value 1 July 2014	129,001	61,927	903,726	387,854	12,362	1,494,870
Movements						
Purchase of assets	24,345	–	1,040	–	–	25,385
Write down and impairment	(408)	–	(60,143)	–	–	(60,551)
Adjust opening value (refer Note 9)	–	–	–	(146,775)	–	(146,775)
Present value adjustment	–	–	–	9,489	–	9,489
Depreciation and amortisation expense	(68,870)	(28,041)	(103,876)	(27,219)	(5,444)	(233,450)
Net book value 30 June 2015	84,068	33,886	740,747	223,349	6,918	1,088,968
Net book value as of 30 June 2015 represented by:						
Gross book value	380,666	139,075	954,320	285,438	21,495	1,780,994
Accumulated depreciation	(296,598)	(105,189)	(213,573)	(62,089)	(14,577)	(692,026)
Closing net book value	84,068	33,886	740,747	223,349	6,918	1,088,968

Note 6 – Non-current assets (cont.)

Reconciliation of opening and closing balances (2015-2016)

	Cultural $	Intangibles $
As at 1 July 2015		
Gross book value	12,000	-
Accumulated depreciation / amortisation	-	-
Net book value 1 July 2015	**12,000**	**-**
Movements		
Depreciation / amortisation expense	-	-
Net book value 30 June 2016	**12,000**	**-**
Net Book Value as of 30 June 2016 represented by:		
Gross book value	12,000	-
Accumulated depreciation / amortisation	-	-
Closing net book value	**12,000**	**-**

Reconciliation of opening and closing balances (2014-2015)

	Cultural $	Intangibles $
As at 1 July 2014		
Gross book value	28,000	325,213
Accumulated depreciation / amortisation	-	(324,541)
Net book value 1 July 2014	**28,000**	**672**
Movements		
Depreciation / amortisation expense	-	(179)
Write down and impairment	(16,000)	(493)
Net book value 30 June 2015	**12,000**	**-**
Net Book Value as of 30 June 2015 represented by:		
Gross book value	12,000	325,213
Accumulated depreciation / amortisation	-	(325,213)
Closing net book value	**12,000**	**-**

Accounting Policy

Furniture, Equipment and Cultural Assets
Capitalisation threshold
Purchases of plant 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.

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. AITSL holds a lease agreement to occupy premises at 440 Collins Street, Melbourne. 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, together with recognition of a provision at present value in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Carrying amount
Plant and equipment is carried at cost less, where applicable, accumulated depreciation and impairment losses. Cultural art work is carried at fair value.

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:

Plant and equipment
Computer equipment - 3 years
Office equipment - 3 years
Furniture and fittings - 10 years
Other plant and equipment - 3 years

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

Cultural

Art works - Infinite life (2015: Infinite life)

AITSL has 2 paintings (2015: 2) with an aggregate fair value of $12,000 (2015: $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.

Note 7 – Fair value measurements

Reconciliation of opening and closing balances (2015-2016)

	Category	Fair value measurements at the end of the reporting period	
		Cultural $	Intangibles $
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 8 – Supplier and other payables

	2016 $	2015 $
Salaries and wages	22,510	186,377
Superannuation	2,860	22,797
Creditor and Accrued Expenses	1,058,629	1,666,107
Other	16,515	7,482
Total Other Current Liabilities	**1,100,514**	**1,882,763**

Note 9 – Provisions

	2016 $	2015 $
Employee Provisions		
Annual leave	341,525	357,620
Long service leave	184,429	246,510
Total employee provisions	**525,954**	**604,130**
Employee provisions expected to be settled in:		
No more than 12 months	363,540	513,995
More than 12 months	162,414	90,135
Total employee provisions	**525,954**	**604,130**
Other Provisions		
Provision for makegood	334,445	306,580
Unused lease incentive	304,259	349,334
Total other provisions	**638,704**	**655,914**
Other provisions are expected to be settled in:		
No more than 12 months	45,075	45,075
More than 12 months	593,629	610,839
Total other provisions	**638,704**	**655,914**

AITSL currently has an agreement for the leasing of premises at 440 Collins Street, Melbourne, which has a provision 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.

Movements in the Other Provisions

	Make Good		Lease Incentives	
	2016 $	2015 $	2016 $	2015 $
Opening balance	306,580	422,724	349,334	394,409
Adjustment to opening balance (Note 6)	-	(146,775)	-	-
Borrowing cost adjustment	11,170	21,142	-	-
Present value adjustment	16,695	9,489	-	-
Amortisation of provision	-	-	(45,075)	(45,075)
Balance at 30 June	**334,445**	**306,580**	**304,259**	**349,334**

Note 9 – Provisions (Cont.)

Accounting Policy

Provisions

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

Employee Provisions and Benefits

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

Leave

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

Those liabilities that are not expected to be settled within 12 months are also recognised in the provision for employee benefits as non-current liabilities, but 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.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is recognised as a current liability, even where it is not expected to be settled within 12 months because AITSL will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of the current LSL liability are measured at:

- nominal value-component that AITSL expects to settle within 12 months: and
- present value-component that AITSL does not expect to settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at present value.

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. The liability for superannuation recognised represents the outstanding contributions for the final pay period of the year.

Separation and Redundancy

Provision is made for separation and redundancy benefit payments. AITSL recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Note 10 – Cash flow reconciliation

	2016 $	2015 $
Reconciliation of cash per income statement to statement of cash flows		
Cash at year end as per statement of cash flows	1,174,653	1,396,739
Statement of Financial Position items comprising cash	1,174,653	1,396,739
Difference	**-**	**-**
Reconciliation of operating result to net cash from operating activities		
Surplus/(Deficit) for the year	6,245	(96,172)
Depreciation and amortisation	232,861	233,628
Net write-down and sale of non-financial assets	(1,674)	212,207
Change in assets and liabilities		
Decrease (increase) in receivables	(737,856)	1,002,506
Decrease (increase) in other assets	131,267	(61,028)
Increase (decrease) in supplier payables	(782,252)	(189,556)
Increase (decrease) in other provisions	(17,210)	(161,219)
Increase (decrease) in employee provisions	(78,175)	(91,784)
Net cash from (used in) operating activities	**(1,246,794)**	**848,582**

Note 11 – Senior management personnel remuneration

	2016		2015	
	Executive Managers $	Part-time Directors $	Executive Managers $	Part-time Directors $
Short term employee benefits	1,328,941	241,199	1,310,812	221,700
Post employment benefits	157,955	-	142,127	-
Other long term benefits	18,313	-	(68,132)	-
Termination benefits		-	67,539	-
	1,505,209	**241,199**	**1,452,346**	

The number of senior management personnel that are included in the above are 11 Executive Managers and 13 Part-time Directors (2015: 8 Executive Managers and 14 Part-time Directors).

Note 12 – Related party disclosure

A number of directors of AITSL hold positions in other entities that result in them having significant influence over the financial or operating policies of these entities.

A number of these entities transacted with AITSL through the financial year. These transactions are 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. 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-director related entities.

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

| | Transaction value Year ended 30 June | | Balance Outstanding as at 30 June | |
	2016 $	2015 $	2016 $	2015 $
Purchase of goods and services	775,542	525,336	105,061	639,377

Note 13 – Remuneration of auditors

	2016 $	2015 $
To the Auditor-General for auditing the financial statements	40,000	40,000

No other services were provided by the Auditor-General.

Note 14 – Financial risk management

	2016 $	2015 $
Change in assets and liabilities		
Financial assets		
Loans and receivables		
Cash at bank	1,174,653	1,396,739
Receivables for goods and services	3,560,667	2,822,810
Held to maturity investments	1,316,630	2,371,672
Carrying amount of financial assets	**6,051,950**	**6,591,221**
Financial liabilities		
Financial liabilities at amortised cost		
Trade creditors	1,058,629	1,666,107
Carrying amount of financial liabilities	**1,058,629**	**1,666,107**
Net Income and Expense from Financial Assets		
Loans and receivables		
Interest revenue	63,807	171,471
Net gain from loans and receivables	**63,807**	**171,471**
Net gain from financial assets	**63,807**	**171,471**

Net income and expense from financial liabilities

There was no income or expense from financial liabilities.

Fair value of financial instruments

The carrying amount of all financial assets and financial liabilities are a reasonable approximation of their fair value.

Credit risk

AITSL is exposed to minimal credit risk as none of the receivables are overdue. The maximum exposure to credit risk is the risk that arises from potential default of a debtor. AITSL manages its credit risk by only allowing a debtor relationship with reliable entities or individuals and by monitoring the trade receivables closely.

All account receivable are current. No receivables were considered impaired as at 30 June 2016 or 30 June 2015.

Note 15 – Commitments

	2016 $	2015 $
Commitments payable		
Programs	600,335	1,157,980
Operating Leases	1,198,025	1,848,007
Total commitments payable	**1,798,360**	**3,005,987**

By maturity
Operating lease commitments

AITSL entered a lease for premises at 440 Collins Street, Melbourne during the previous year. The operating lease contract contains a market review clause in the event that AITSL exercises its option to renew. AITSL does not have an option to purchase the leased asset at the expiry of the lease period. AITSL has provided a bank guarantee to the lessor of $316,330, in support of the lease commitment.

A lease incentive provided is apportioned evenly over the term of the lease and recorded in current liabilities as 'Unused lease incentive'.

Payable - minimum lease payments		
- Not more than 12 months	675,981	649,981
- Greater than 12 months but not later than 5 years	522,044	1,198,025
Total operating lease commitments	**1,198,025**	**1,848,006**
Net operating lease commitments	**1,198,025**	**1,848,006**
Programs		
- Not more than 12 months	507,562	1,050,980
- Greater than 12 months but not later than 5 years	92,773	107,000
Total program commitments	**600,335**	**1,157,980**
Net program commitments	**600,335**	**1,157,980**

Note: Commitments are GST inclusive where relevant.

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 16 – Budgetary reports and explanations of major variances

The following tables provide a comparison of the original budget as presented in the 2015-16 Portfolio Budget Statements (PBS) to the 2015-16 final outcome as presented in accordance with Australian Accounting Standards for AITSL. The Budget is not audited.

Statement of Comprehensive Income
for the year ended 30 June 2016

		Budget estimate	
	Actual $'000	Original $'000	Variance $'000
Income			
Revenue			
Government funding	11,866	7,500	4,366
Sales of services	1,577	688	889
Interest	64	100	(36)
Other revenue	82	-	82
Profit on sale of asset	1	-	1
Total income	**13,590**	**8,288**	**5,302**
Expenses			
Board of Directors	310	347	37
Employee benefits	6,549	5,688	(861)
Administration	1,893	1,539	(354)
Programs	4,600	514	(4,086)
Depreciation and amortisation	232	200	(32)
Total expenses	**13,584**	**8,288**	**(5,296)**
Net surplus/(deficit) from ordinary activities	**6**	**-**	**6**
Total comprehensive income for the year attributable to members of the entity	**6**	**-**	**6**

Note 16 – Budgetary reports and explanations of major variances (cont.)

Statement of Financial Position
as at the year ended 30 June 2016

	Actual $'000	Original $'000	Variance $'000
			Budget estimate

Assets

Current assets

Cash and cash equivalents	1,175	3,575	(2,400)
Held-to-maturity investments	1,316	1,390	(74)
Trade and other receivables	3,561	1,875	1,686
Other assets	6	-	6
Total current assets	**6,058**	**6,840**	**(782)**

Non-current assets

Plant and equipment	888	963	(75)
Cultural	12	12	-
Total non-current assets	**900**	**975**	**(75)**
Total assets	**6,958**	**7,815**	**(857)**

Liabilities

Current liabilities

Supplier and other payables	1,100	1,183	83
Employee provisions	364	479	115
Other provisions	45	45	-
Total current assets	**1,509**	**1,707**	**198**

Non-current liabilities

Employee provisions	162	215	53
Other provisions	594	580	(14)
Total non-current liabilities	**756**	**795**	**39**
Total liabilities	**2,265**	**2,502**	**237**
Net assets	**4,693**	**5,313**	**(620)**

Equity

Supplier and other payables	4,693	5,313	(620)
Total equity	**4,693**	**5,313**	**(620)**

Statement of Changes of Equity
for the year ended 30 June 2016

	Retained earnings			Total equity		
	Actual	Budget estimate		Actual	Budget estimate	
		Original	Variance		Original	Variance
	$'000	$'000	$'000	$'000	$'000	$'000
Opening balance						
Balance carried forward from previous period	4,687	5,313	(626)	4,687	5,313	(626)
Comprehensive income						
Surplus for the period	6	-	6	6	-	6
Total comprehensive income	**6**	**-**	**6**	**6**	**-**	**6**
Closing balance as at 30 June	**4,693**	**5,313**	**(620)**	**4,693**	**5,313**	**(620)**

Note 16 – Budgetary reports and explanations of major variances (cont.)

Statement of of Cash Flows
for the year ended 30 June 2016

	Actual $'000	Budget estimate Original $'000	Variance $'000
Cash flow from operating activities			
Cash received			
Government funding	12,510	10,129	2,381
Sales of services	1,651	688	963
Interest	64	100	(36)
Other	91	-	91
Total cash received	**14,316**	**10,917**	**3,399**
Cash used			
Board of Directors	(310)	(347)	37
Employees	(6,627)	(5,895)	(732)
Suppliers	(7,622)	(3,263)	(4,359)
Net GST paid to the Australian Taxation Office	(1,004)	(580)	(424)
Total cash used	**(15,563)**	**(10,085)**	**(5,478)**
Net cash (used in) from investing activities	**(1,247)**	**832**	**(2,079)**
Cash flow from investing activities			
Cash (used) / from			
Purchase of plant and equipment	(32)	-	(32)
Sale of plant and equipment	2	-	2
Sale (Purchase) of Held-to-maturity investments	1,055	982	73
Net cash (used in) from operating activities	**1,025**	**982**	**43**
Net (decrease)/increase in cash held	**(222)**	**1,814**	**(2,036)**
Cash at the beginning of the financial year	1,397	1,761	(364)
Cash at the end of the financial year	**1,175**	**3,575**	**(2,400)**

Explanation of major variances	Affected line items (and statement)
Government Funding Subsequent to the preparation of the original Portfolio Budget Statement, AITSL was advised that it would receive additional funding of $4.5 million for the 2015/16 financial year, to enable it to implement the recommendations of the Teacher Education Ministerial Advisory Group. In addition, the originally budgeted funding was reduced pursuant to an agreement to return $214,000 of funding to enable the department to manage the remainder of a contract regarding literacy and numeracy.	Government Funding Income (Statement of Comprehensive Income), Trade and other receivables, Cash and cash equivalents (Statement of Financial Position), Government Funding (Statement of Cash Flows)
Sales of Services The original budget included income from the provision of migration assessment services. The income from these services has exceeded the expectation by $150,000 due to an increase in demand. In addition, AITSL provided services not originally planned at the time that the original budget was prepared. The total income from these services was $739,000.	Sales of Services income (Statement of Comprehensive Income), Sales of services (Statement of Cash Flows)
Expenses Expenses incurred on employee benefits, administration and programs has increased in response to the additional funding received and the respective program delivery determined in accordance with the funding agreement.	Employee benefits, Administration and Program expenses (Statement of Comprehensive Income), Employees, Suppliers and Net GST Cash used (Statement of Cash Flows)
Prior Year Result The original budget included a surplus for the 2014/15 financial year of $530,000. The final result for the 2014/15 financial year was a deficit of $96,000. This has caused a reduction in the opening balance of retained earnings and equity of $626,000 from the original budget.	Retained Earnings (Statement of Financial Position), Retained Earnings (Statement of Changes of Equity)

Note 17 – Member's guarantee

Australian Institute for Teaching and School Leadership Limited is incorporated under 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 outstandings and obligations of the entity. At 30 June 2016 the number of members was one.

Note 18 – Entity details

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

Consultation Groups

Teaching Qualifications Expert Standing Committee (TQESC)

The Teaching Qualifications Expert Standing Committee (formerly the Teaching Qualifications Advisory Panel) was established to assist AITSL undertake the Assessment for Migration function in a way that furthers the objectives of the skilled migration program, consistent with supporting and advancing the quality of teaching in Australia. The committee seeks a national approach to skilled migration, while having regard to the responsibilities and requirements of state and territory teacher regulatory authorities.

The Teaching Qualifications Expert Standing Committee provides:

- information and advice to AITSL in setting appropriate criteria for assessment of school teacher occupations for skilled migration, having regard to consistency with requirements across Australia

- information and advice to assist AITSL with its approach to the assessment of overseas teaching qualifications

- a forum for discussion and collaboration on school teacher skills assessment and other matters of common interest as these affect school teacher skills assessment.

Teaching Qualifications Expert Standing Committee (TQESC) members

Name	Organisation
Melanie Saba (Chair)	Victorian Institute of Teaching
Liz Campbell-Dorning	Director of Qualifications Recognition Policy at Australian Government Department of Education and Training
Peter Lind	Australasian Teacher Regulatory Authorities (ATRA)
Rhonda Livingstone	Australian Children's Education & Care Quality Authority (ACECQA)
Mary Mooney	Australian Council of Deans of Education (ACDE)

Teaching Expert Standing Committee (TESC)

The Teaching Expert Standing Committee (formerly the Teacher Quality Advisory Committee) reviews and shapes initiatives, resources and support materials associated with the teacher quality agenda and the promotion of the Australian Professional Standards for Teachers (the Standards).

The TESC:

- provides advice and direction on issues relating to teacher quality and the promotion and promulgation of the Standards

- ensures alignment of activities, stakeholder engagement and resourcing associated with teacher quality and the promotion and promulgation of the Standards

- advises on and quality assures the development of resources and materials to support teachers

- considers initiatives and issues generated by the Focus Group of the Profession.

Teaching Expert Standing Committee (TESC) members

Name	Organisation
Geoffrey Newcombe (Chair)	Association of Independent Schools of New South Wales (AISNSW)
David Axworthy	Department of Education (WA)
Christina Coogan	Kedron State High School
Shane Frost	Department of Education (TAS)
Susan Gazis	Australian Professional Teachers' Association
Valerie Gould	Association of Independent Schools of Western Australia (AISWA)
Renae Houston	Australian Government Department of Education and Training
Jayne Johnston	Department for Education and Child Development (SA)
Coralie McAlister	Education and Training Directorate (ACT)
Malcolm McInerney	Australian Alliance of Associations for Education
Fiona Mueller	Australian Curriculum, Assessment and Reporting Authority (ACARA)
Elina Raso	Catholic Education Office - Archdiocese of Melbourne
Judy Rose	Department of Education and Training (VIC)
Melanie Saba	Victorian Institute of Teaching
Matt Wadewitz	Cardijn College

School Leadership Expert Standing Committee (SLESC)

The Australian Institute for Teaching and School Leadership Limited established the School Leadership Expert Standing Committee (formerly the School Leader Quality Advisory Committee) in response to the changing governance arrangements of the AITSL Board.

The SLESC reviews and shapes initiatives, resources and support related to the school leadership agenda and the promotion of the *Australian Professional Standard for Principals* (the Standard) and provides advice to the AITSL Board.

The SLESC:

- ensures alignment of activities and stakeholder engagement associated with the school leadership agenda

- provides advice and direction on issues relating to the promotion and promulgation of the Standard

- considers and advises on engagement strategies focussed on the Standard

- advises on and quality assures development of resources to support school leaders

- considers initiatives and issues generated by the Focus Group of the Profession.

School Leadership Expert Standing Committee (SLESC) members

Name	Organisation
Rob Nairn (Chair)	Australian Secondary Principals Association
Dyonne Anderson	Aboriginal and Torres Strait Islander Principals Association
Bruce Armstrong	Department of Education and Training (VIC)
Simon Breakspear	Learn Labs Global Pty Ltd
Trevor Fletcher	Eastern Fleurieu School
Fiona Forbes	Australian Special Education Principals Association
Stephen Harris	Northern Beaches Christian School
Renae Houston	Australian Government Department of Education and Training
Phil Lewis	Catholic Secondary Principals Australia
Mary Oski	Catholic Education Office Melbourne
Sandra Robinson	Department of Education (NSW)
David Sacks	PwC Australia
Karen Spiller	Association of Heads of Independent Schools of Australia
Patrea Walton	Department of Education and Training (QLD)
Dennis Yarrington	Australian Primary Principals Association

Teacher Education Expert Standing Committee (TEESC)

The Teacher Education Expert Standing Committee (formerly the National Initial Teacher Education Advisory Committee) was established to advise the AITSL Board on the implementation, maintenance and further development of the national approach to accreditation of Initial Teacher Education programs.

The TEESC:

- advises the AITSL Board on the implementation, maintenance and further development of the national approach to the accreditation of initial teacher education

- advises on reports and summaries on the accreditation process received from regulatory authorities

- advises on national responsibilities such as panel training

- advises on other matters relating to initial teacher education requiring the attention of the AITSL Board

- 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.

Teacher Education Expert Standing Committee (TEESC) members

Member name	Expertise
Professor John Hattie (Chair)	AITSL Board
Mr Tom Alegounarias	President, Board of Studies, Teaching and Educational Standards NSW
Professor Greg Craven	Vice-Chancellor, Australian Catholic University
Professor Stephen Dobson	Dean and Head, School of Education, University of South Australia
Professor Helen Huntly	Deputy Vice-Chancellor (Industry, Vocational Training and Access Education), Central Queensland University
Mr Terry Lawless	Principal, Wembley Primary School
Professor Donna Pendergast	Dean and Head, School of Education and Professional Studies, Griffith University
Dr Kaye Price	Indigenous initial teacher education expert
Mr Greg Prior	Deputy Secretary, School Operations and Performance, Department of Education (NSW)
Mr John Ryan	Director, Queensland College of Teachers
Professor Simone White	Chair of Teacher Education, Monash University
Professor John Williamson	Dean, Faculty of Education, University of Tasmania

Observers

Professor Tania Aspland	AITSL Director, Executive Dean, Faculty of Education and Arts, Australian Catholic University
Ms Renae Houston	AG Department of Education and Training observer

Professional Growth Network

The Professional Growth Network was initiated by AITSL in March 2014. The Network comprises individuals from 24 education systems and sectors in Australia, who are responsible for professional learning and/or performance and development in their jurisdiction.

The purpose of the Network is to:

- share the latest research and thinking in performance and development and professional learning

- partner to co-construct resources/tools to support implementation of the Australian Teacher Performance and Development Framework (P&D Framework) and enactment of the Australian Charter for the Professional Learning of Teachers and School Leaders (PL Charter)

- conduct research related to performance and development and professional learning

- showcase practices in performance and development and professional learning in Australian schools

- contribute to the national professional growth agenda.

Developing a national network of leaders in this space provides an opportunity for AITSL to work in partnership with systems and sectors to drive the professional growth of Australian educators.

Professional Growth Network members

Name	Organisation
Mandy Anderson	Queensland Catholic Education Commission
Gail Barker	Association of Independent Schools (NT)
Neil Barker	Department of Education and Training (VIC)
Patrick Barrett	Catholic Education Commission (NSW)
Vicki Baylis	Department of Education (NT)
Renee Berry	Education Directorate (ACT)
Dominic Braybon	Catholic Education, Archdiocese of Canberra and Goulburn
Darryl Buchanan	Association of Independent Schools (NSW)
Donna Bucher	Catholic Education Tasmania
Mark Campling	Department of Education and Training (QLD)
Aderyn Chatterton	Department of Education (NT)
Sharon Cheers	Association of Independent Schools (NSW)

Professional Growth Network (cont.)

Name	Organisation
Monica Conway	Catholic Education (SA)
Nicola Davidson	Association of Independent Schools (WA)
Gary Day	Department for Education and Child Development (SA)
Cath Dillon	Catholic Education Office Melbourne
Margot Foster	Department for Education and Child Development (SA)
Shane Frost	Department of Education (TAS)
Ian Garrity	Association of Independent Schools of the ACT
Peter Glendenning	Department of Education (WA)
Ron Gorman	Association of Independent Schools (WA)
Sandra Harvey	Catholic Education Tasmania
Mary Hudson	Association of Independent Schools of South Australia
Chris Lennon	Catholic Education Office Melbourne
Christine Lucas	Education Directorate (ACT)
Aine Maher	Independent Schools Victoria
Anna McKenzie	ACT Teacher Quality Institute
Karen Milkins-Hendry	Independent Schools Victoria
Michael Morgan	Department of Education (WA)
Kath Morwitch	Association of Independent Schools of the ACT
Leanne Nixon	Department of Education and Training (QLD)
Patricia O'Gorman	Catholic Education Commission (NSW)
Maria Outtrim	Catholic Education Office (WA)
John Percy	Queensland Catholic Education Commission
Terese Phillips	Independent Schools Tasmania
Mary Pickett	Association of Independent Schools of South Australia
Ara Popowski	Independent Schools Tasmania
Sandra Robinson	Department of Education (NSW)
Lyn Smith	Catholic Education, Archdiocese of Canberra and Goulburn
Louise Stewart	Department of Education and Training (VIC)
Bruno Vieceli	Catholic Education (SA)
Cynthia Wearne	Department of Education (NSW)
Leigh Williams	Independent Schools Queensland
Josephine Wise	Independent Schools Queensland
Georgina Wynne	Catholic Education Office (WA)
Bernadette Morriss	Catholic Education Office (NT)

Focus Group of the Profession

The Focus Group of the Profession was formally established in 2011. Since that time it has played a key role in informing and guiding the work of AITSL. The group comprises representatives from education systems and sectors from across Australia.

Members of the group are practising teachers, teacher educators, pre-service teachers and school leaders.

The group met three times within the past financial year and provided valuable feedback and advice on AITSL projects and initiatives.

Focus Group members also champion the work of AITSL, promoting and sharing AITSL resources within their networks.

Focus Group of the Profession members

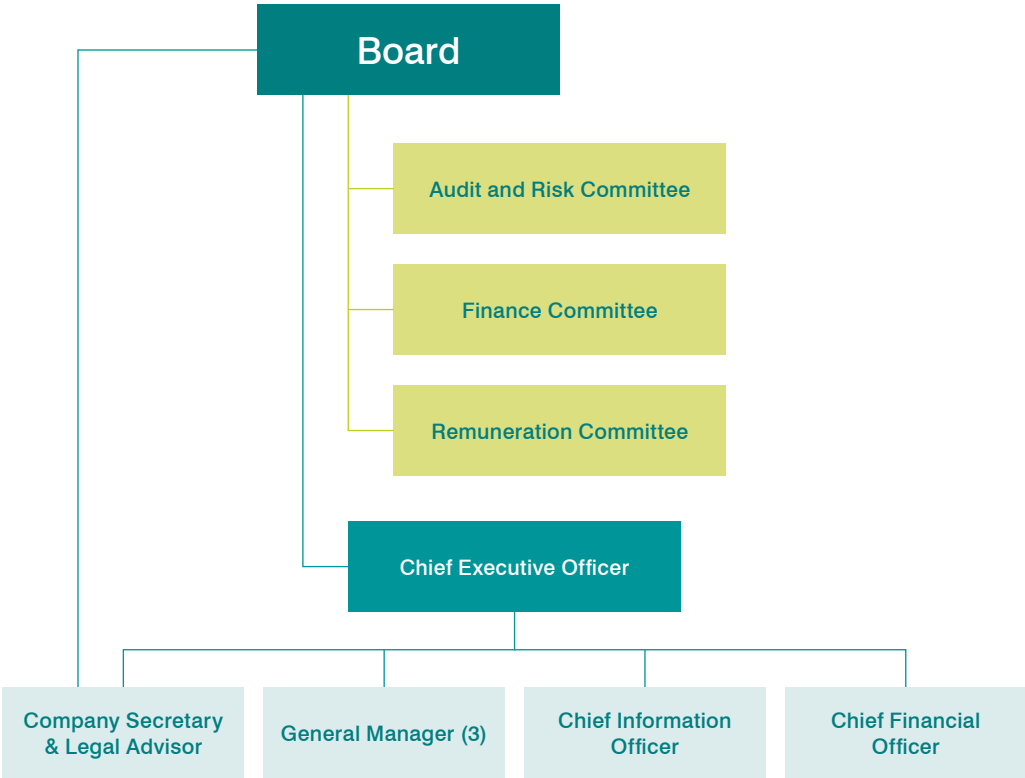| Name	Organisation
School leaders	
Elicia Donovan	Figtree High School (NSW) – Deputy Principal
Jessica Dubois	Pennington Kindergarten (DECD SA) – Director
Sharon Gordon	Winmalee Public School (NSW) – Relief Principal
Ben Hall	Amaroo School (ACT) – Deputy Principal
Yasmine McCafferty	Carey Baptist Grammar School - Kew Campus (VIC) – Deputy Head of Middle School
Karen Money	Melbourne Girls' College – Principal
Julie Percy	St Peter's Primary School – Deputy Principal
Megan Richardson	Holy Rosary Catholic School (ACT) – Deputy Principal
Elizabeth Robinson	Risden Vale Primary School (TAS) – Acting Principal
Nathan Towney	Newcastle High School (NSW) – Principal
Noel Woodley	Atwell College (WA) – Principal
Maria Woords	Sunshine Coast Grammar School (QLD) – Principal
Teachers	
Ben Ballard	Department of Education (NSW) – Networked Specialist Centre Facilitator
Angela Brown	Brisbane Grammar School (QLD) – Head of Department – Art
Demet Caliskan	Hilltop Road Public School (NSW)
Clinton Chiumello	Balwyn High School (VIC) – Director of Humanities
Maggie Davidson	Graduated from Monash University (VIC)
Susan Flinn	Taroona High School (TAS) – A/AST Digital Technology Learning
Kelly Green	Cherbourg State School (QLD)

Focus Group of the Profession (cont.)

Name	Organisation
Teachers	
Anna Joyce	Clifton Hill Primary School (VIC)
Elyse McHardy	St. Mary's Parish Primary School (VIC)
Gavin Pinnington	St Joseph's School (SA)
Neil Quinn	St Mary's Star of the Sea (NSW) – Science coordinator
Kelly Reynhout	Humpty Doo Primary School (NT)
Kelly Taylor	Peel Language Development School (WA)
Preservice teachers	
Samantha Di Mieri	Charles Darwin University, Melbourne (VIC)
Wilhemina Higgins	Monash University (VIC)
Teacher educators	
Collette Alexander	Australian Catholic University (QLD) – Director, Accreditation
Sally Knipe	La Trobe University, Albury-Wodonga Campus (VIC) – Associate Professor
Graeme Lock	Edith Cowan University (WA) – Associate Professor
Simone White	Monash University (VIC) – Chair of Teacher Education

Appendices

Appendix 1: AITSL organisational structure
as at 30 June 2016

Appendix 2: Consultancies and funding contracts let

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

During 2015-16, 90 new consultancy contracts were entered into involving total actual expenditure of $3,054,707.19 (incl GST). In addition, 34 ongoing consultancy contracts were active during 2015-16, involving total actual expenditure of $7,095,493.65 (incl GST).

Appendix 3: Summary of compliance index
For the year ended June 30 2016

Under the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule) AITSL is required to provide an index of the mandatory annual report requirements from section 28E of the PGPA Rule. Below is an index which provides the location of these mandatory requirements within this annual report.

Public Governance, Performance and Accountability Rule 2014

Subject	Rule	Location	Page
The annual report includes the purposes of the company as included in the company's corporate plan for the period	28E(a)	Corporate Governance Statement	9
The annual report includes the names of the persons holding the position of responsible Minister or responsible Ministers during the period, and the titles of those responsible Ministers	28E(b)	Corporate Governance Statement	9
The annual report includes any directions given to the entity by a Minister during the period	28E(c)	N/A	N/A
The annual report includes government policy orders (under section 93 of the PGPA Act) and any instances of non-compliance	28E(d)	N/A	N/A
The annual report includes particulars of non-compliance with a direction or order under 28E(c) or (d)	28E(e)	N/A	N/A
Information about directors is provided, including names, qualifications, experience, attendance at Board meetings, and whether the director is an executive or non-executive director	28E(f)	Directors Report	16-32
The annual report provides an outline of the organisational structure	28E(g)	Corporate Governance Statement	9
		Directors Report	16-32
		Appendix 1: AITSL organisational structure	94
The annual report provides an outline of the location of major activities and facilities	28E(h)	Corporate Governance Statement	13

Public Governance, Performance and Accountability Rule 2014 (cont.)

Subject	Rule	Location	Page
The annual report provides an outline of the main governance practices used during the period	28E(i)	Corporate Governance Statement	8 - 13
The decision-making process undertaken by the Board in relation to transactions with related entities	28E(j)	Corporate Governance Statement Financial Report (Note 12)	10 76
Number and aggregate value of related entity transactions	28E(k)	Corporate Governance Statement Financial Report (Note 12)	10 76
Any key activities and changes that affected the operations or structure of the organisation	28E(l)	Directors Report	32
The annual report provides details of judicial decisions and decisions of administrative tribunals that have had, or may have, significant impact on the operations	28E(m)	N/A	N/A
The annual report provides details of reports about the authority by the Auditor General, a parliamentary committee, the Commonwealth Ombudsman or the Office of the Australian Information Commissioner, Australian Securities and Investments Commission	28E(n)	N/A	N/A
Explanation if any information is missing from a subsidiary that is required to be included in the annual report	28E(o)	N/A	N/A
An index of mandatory annual report requirements identifying where relevant information can be found in the annual report	28E(p)	Appendix 3: Summary of Compliance	95-96