



**General Teaching Council  
for Northern Ireland**

Promoting Teacher Professionalism

# Annual Report and Accounts

for the year ended 31 March 2014

2013-2014

[www.gtcni.org.uk](http://www.gtcni.org.uk)



**GENERAL TEACHING COUNCIL**  
**FOR NORTHERN IRELAND**

**ANNUAL REPORT  
AND  
ACCOUNTS**

**FOR THE YEAR ENDED  
31 MARCH 2014**

**Laid before the Northern Ireland Assembly in accordance with paragraph 12 of Schedule 1 to the Education  
(Northern Ireland) Order 1998 by the Department of Education**

**on**

*16<sup>th</sup> January 2015*

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**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**YEAR ENDED 31 MARCH 2014**

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**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**CHAIRPERSON'S FOREWORD**  
**THE YEAR ENDED 31 MARCH 2014**

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**CHAIRPERSON'S FOREWORD**

I have pleasure in presenting the tenth Annual Report published by the General Teaching Council for Northern Ireland.

The report provides a summary of the accounts for the financial year to 31<sup>st</sup> March 2014 and includes for the second time a -governance statement which outlines how the Council's accountability arrangements have operated to maintain a high standard of corporate governance throughout 2013-14.

The report is published at a time when the Council continues to await the publication of a joint Department of Education and the Department of Employment and Learning consultation report to extend the remit of the Council to the Further Education sector. It is expected, thereafter, that a new GTCNI Bill will be introduced to formally establish the Council as an independent professional registration and regulatory body for both teachers and lecturers. The enactment of the GTCNI Bill will mark a significant milestone for the teaching profession in Northern Ireland as it takes on the privilege and responsibility of independent self-regulation with a view to increasing public trust and confidence in the profession.

I am confident that during 2013-14 the Council has taken the necessary developmental steps across all areas of its remit in preparation for the challenges and opportunities that lie ahead.



Ivan Arbuthnot  
Chair, GTCNI

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**PROFESSIONAL ADVISORS**  
**THE YEAR ENDED 31 MARCH 2014**

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**AUDITORS**

Comptroller and Auditor General  
Northern Ireland Audit Office  
106 University Street  
Belfast  
BT7 1EU

**INTERNAL AUDITORS**

ASM  
Horwath House  
20 Rosemary Street  
Belfast  
BT1 1QD

**SOLICITORS**

A&L Goodbody  
42-46 Fountain Street  
Belfast  
BT9 5GN

Blair Employment Law Solicitors  
106 Malone Avenue  
Belfast  
BT9 6ES

Arthur Cox Solicitors  
3 Upper Queen Street  
Belfast  
BT1 6PU

**BANKERS**

Danske Bank (formerly known as Northern Bank Ltd)  
Donegall Square North  
Belfast  
BT1 2HQ

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**MANAGEMENT COMMENTARY – STRATEGIC REPORT**  
**THE YEAR ENDED 31 MARCH 2014**

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## **BACKGROUND**

The General Teaching Council for Northern Ireland is the statutory, professional and regulatory body for the teaching profession and is dedicated to enhancing the status of teaching and promoting the highest standards of professional conduct and practice. The Council was established by the Education (Northern Ireland) Order 1998 and held its first meeting on the 15<sup>th</sup> October 2002.

## **PRINCIPAL OBJECTIVES AND ACTIVITIES**

The Council's responsibilities, as set out in the Education (Northern Ireland) Order 1998, Articles 34-41 as amended by the 2003 and 2006 Education (NI) Orders, are as follows:

- the registration of all teachers in grant-aided schools;
- the approval of qualifications for the purposes of registration;
- the provision of advice to the Department of Education and employing authorities.

Our mission, working in collaboration with the profession and key stakeholders, is to promote teacher professionalism by: advocating the highest standards of professional conduct and practice; ensuring that everyone wishing to teach in Northern Ireland schools and colleges is appropriately qualified, registered and regulated; promoting career-long professional development and providing government and employing authorities with proposals and recommendations for enhancing teachers' professional development; and providing an authoritative voice for the profession, informed by reliable research evidence and practice. Our aspiration is to develop our role, influence and standing as an independent and respected professional body for teachers, which represents and regulates the profession for the greater good of teachers, pupils, parents and the general public. In the conduct of business we are committed to demonstrating our core belief in the value of collaboration, reflection, respect and responsibility. Along with the profession as a whole we share and promote the Department of Education's commitment

to ensuring that every child has equal opportunity to go to a good school where their aspirations will be nurtured, their learning needs met and their welfare supported. (Every School a Good School, DE April 2009)

## **GOVERNANCE AND ACCOUNTABILITY**

The Council is a Non-Departmental Public Body (NDPB) sponsored by the Department of Education. Although a final Management Statement and Financial Memorandum (MSFM) was not agreed until 23 July 2013, the Council has complied with the spirit of the MSFM since October 2012, following the appointment of the 2<sup>nd</sup> Registrar.

In accordance with the Accounts Direction and 2013/2014 year end timetable issued to the Registrar on 24<sup>th</sup> March 2014, as designated Accounting Officer the Registrar is required to ensure that effective systems of internal control are in place and are adhered to, and that the Council complies with all relevant legislation and codes.

The governance statement on pages 18 to 26 outlines how this responsibility has been discharged during the 2013/2014 financial year to support the achievement of the Council's corporate and business objectives and policies, in accordance with the responsibilities assigned to the Registrar and Accounting Officer in Managing Public Money (Northern Ireland) and the principles of the Corporate Governance Code (DAO (DFP) 06/13, in so far as they relate. The statement seeks to provide assurance to the Council and to the teaching profession in Northern Ireland on the prudent management of expenditure incurred on their behalf.

## **CONTEXT**

The Northern Ireland education system continues to face unprecedented change. The review of teacher education which has been underway for over a decade continues, with report expected from the DEL Review of Initial Teacher Education structures being led by Pasi Sahlberg in the foreseeable future. Schools continue to face the challenge of area-based planning. Support bodies continue to await agreement on the establishment of the Education and Skills Authority, which may not now proceed. Divisive debate continues over primary to post-primary transfer arrangements. A challenging review of assessment arrangements 4-14 and of examinations at GCSEs and A Level is on-going and an Early Years 0-6 Strategy has been published. The Northern Ireland Assembly Education Committee has also undertaken



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**MANAGEMENT COMMENTARY – STRATEGIC REPORT**  
**THE YEAR ENDED 31 MARCH 2014**

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an Inquiry into the Education and Training Inspectorate and School Improvement. The Council remains seriously concerned with the current very difficult employment situation facing many teachers, which represents an enormous wastage of talent and resources. In its consultation response to the Executive's Draft Programme for Government 2011-2015, the Council called on the government to set an objective to get the supply/demand of teachers into a reasonable equilibrium by 2020 with identifiable progress made by 2015 and 2017. The Council continues to monitor all these areas and their likely impact on the teacher profession and the quality of teaching, learning and assessment. In the medium to long term there is a need to achieve policy consensus on how our schooling system needs to be remodelled to meet twenty first century challenges so as to allow all our children to be equally valued and nourished to reach their full educative potential.

#### **PURPOSE**

The Council, therefore, acknowledges the ongoing professional development of teachers as the single most crucial factor requiring attention within our education system, not only in terms of morale and performance within the profession, but in terms of our success in meeting the needs of our young people.

The Department of Education's Review of Teacher Education remains a matter of continuing focus for the Council, which aims to contribute to the development of a policy consensus on the way forward and a strategic delivery programme. As far back as 2005, the Council published a strategic report, 'GTCNI Review of Teacher Competences and Continuing Professional Development' which recommended the establishment of a professional development framework in consultation with the broader professional community to effectively identify the competences and parameters for CPD delivery, accreditation and quality assurance.

Currently the Council is revising the Teacher Competences with a view to informing the development of a career-long professional development framework. The core thrust of the Council's work has been, and will continue to be, about empowerment and professional autonomy of the profession.

#### **EQUALITY OF OPPORTUNITY**

We follow the Northern Ireland Civil Service policy that all eligible persons shall have equal opportunity for employment and advancement on the basis of ability, qualifications and aptitude for work.

#### **COUNCIL'S COMMITTEE STRUCTURE**

The Council provides leadership, monitors performance to ensure that the GTCNI's aims and objectives are met and promotes the highest standards of probity and propriety. In order to facilitate this work, the Council delegates different areas of the work to a range of committees as outlined below. The Committees report on the work they have undertaken at the Council meetings and bring forward significant issues for discussion and approval.

##### The General Purposes and Finance (GP&F) Committee

This Committee has responsibility for overseeing the Council's planning and operational processes encompassing:

- Corporate and Business Planning and Annual Reports
- Financial procedures; procurement; budget approval and annual accounts
- Staffing , accommodation, recruitment and staff discipline
- Staff policies including equal opportunities and health and safety

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**THE YEAR ENDED 31 MARCH 2014**

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The Registration and Regulation Committee

This Committee has strategic responsibilities in regard to all aspects of teacher registration and regulation, including:

- The development and maintenance of registration processes, including their anticipated extension to include FE lecturers.
- The commissioning of the registration database and managed services.
- The implications of statutory policies in respect of registration requirements.
- Development of and consultation on future regulation processes
- Monitoring the profile of the profession and its implications for recruitment and supply.

The Policy & Professional Education (PPE) Committee

This Committee has responsibility for the analysis of issues arising from changes and policy decisions within the education service. The Committee exercises an analytical and advisory role in responding to issues emerging from policy developments, administrative changes or emerging trends or conditions within education. It has a specific role in the consideration of issues such as:

- The Professional Code for Teachers.
- Standards of teaching.
- Initial teacher training.
- Professional development.
- Performance management.

The Audit and Risk Management (ARM) Committee

This Committee has responsibility for:

- strategic processes for risk, control and governance and the Governance Statement;
- the accounting policies, the accounts, and the annual report of the organisation, including the process for review of the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors;
- the planned activity and results of both internal and external audit;
- the adequacy of management response to issues identified by audit activity, including external audit's management letter;
- assurances relating to the corporate governance requirements for the organisation;
- (where appropriate) proposals for tendering for either Internal or External Audit services or for purchase of non-audit services from contractors who provide audit services;
- anti-fraud policies, whistle-blowing processes, and arrangements for special investigations; and
- periodically reviewing its own effectiveness and reporting the results of that review to the Council.

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Corporate Governance

To ensure coherence in the operation of the ARM Committee, it is chaired by an independent Council member, who is not the Chairperson of the Council, and reports directly to the Council on the Committee's activities. It also includes in its membership the Chairs of the other Committees. From 26<sup>th</sup> September 2013 the ARM committee co-opted an independent member with particular skills and experience in the areas of finance, audit and risk management. The ARM Committee ensures that the internal control systems, including audit activities, are monitored actively, independently and objectively in order to promote and ensure the highest standards of propriety, accountability and financial management within the Council.

**RESULTS FOR THE YEAR**

The financial statements show a net income after financing of £162,679.

**NON-CURRENT ASSETS**

Details of the movement of non-current assets have been summarised in note 8 to the accounts. The Council do not believe that there is any material difference between the market and historical book values of its non-current assets as at 31 March 2014. The non-current assets are stated at historical cost less depreciation and have not been re-valued during the year.

**REVIEW OF PERFORMANCE AND ACHIEVEMENTS AGAINST THE COUNCIL'S STRATEGIC GOALS, OBJECTIVES AND ACTIVITIES**

The Council agreed its 2013-2016 Corporate Plan (incorporating the 2013-2014 business plan) with the Department of Education in July 2013. The 2013-2016 Corporate Plan identifies four overarching strategic goals but recognises that, in an environment characterised by rapid change, these goals or their associated objectives, may change.

**Goal 1: *To develop as the independent, professional, regulatory body for teachers in Northern Ireland***

**Goal 2: *To promote career-long teacher professional development***

**Goal 3: *To promote teachers' professional voice, status and influence***

**Goal 4: *To ensure effective business management***

Listed below are the key objectives associated with each of the Council's strategic goals and the 2013-2016 achievements noted against each objective.

**Goal 1: *To develop as the independent, professional, regulatory body for teachers in Northern Ireland.***

***Associated with this goal are the following strategic objectives:***

The Council will work collaboratively with key stakeholders to ensure that, by 2016, appropriate advice, structures, processes and mechanism are set in place in relation to:

- statutory legislation, regulations and governance;
- extend registration to include FE lecturers
- professional regulation; and
- course approval to include FE qualifications.

***Achievements in 2013/2014 included the following:***

- working with DE and DEL to inform the drawing up of instructions regarding future statutory legislation;

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**THE YEAR ENDED 31 MARCH 2014**

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- working with DEL and FE stakeholders to establish an FE working group to negotiate and consult upon the potential future registration of FE lecturers; and
- working with Council members to establish a legislation and regulation working group to negotiate and consult upon potential future regulation processes for the teaching profession.

***Goal 2: To promote career-long teacher professional development***

***Associated with this goal are the following strategic objectives:***

The Council will work collaboratively with key stakeholders to:

- Review, consult upon and publish revised professional competence/standards;
- Research, negotiate, design (and pilot aspects of) a coherent framework for career-long professional development, aligned to revised professional competences to influence and inform policy on workforce development;
- Develop and advise on quality assurance criteria for induction, EPD and CPD;
- Develop and advise on appropriate e-portfolio mechanism to facilitate the effective compilation of teacher professional development experiences; and
- Explore the potential to quality assure induction, early professional development and continuous professional development support.

***Progress in this area of work has been hampered by lack of staffing during 2013/14. Achievements in 2013/2014 included the following:***

- initiating a review of the teacher competences;
- initiating the development of a framework for career-long professional development; and
- supporting the continuation of the e-portfolio project.

***Goal 3: To promote teachers' professional voice, status and influence***

***Associated with this goal are the following strategic objectives:***

The Council will work collaboratively with key stakeholders to:

- Undertake/commission and disseminate research in areas related to the Councils remit;
- Consult and engage actively with teachers, policy makers, politicians and other education stakeholders and the general public to raise the profile of, and respect for, teaching as an exacting profession and the most dominant agent contributing to social and economic progress.

***Achievements in 2013/2014 included the following:***

- Undertaking focused research in order to respond to all education consultations;
- Undertaking survey-style research into teachers' perceptions of the usefulness and reliability of Key Stage assessment;
- Conducting a literature review of research regarding school inspection, together with a survey of teachers and principals' perceptions of inspection, to feed into the NI Assembly Education Committee Inquiry into the Education and Training Inspectorate and School Improvement; and
- Engaging directly with Principals at Area Learning Community and Primary Principals' meetings

***Goal 4: To ensure effective business management***

***Associated with this goal are the following strategic objectives:***

- Negotiate and implement a new staffing structure/human resource strategy;
- Monitor, audit and refine admin, financial and personnel policies and systems;
- Ensure appropriate governance, accountability processes and risk management processes are in place;
- Provide effective support service for Council members; and
- Secure and maintain fit for purpose office accommodation

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**THE YEAR ENDED 31 MARCH 2014**

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*Achievements in 2013/2014 included the following:*

- A Management Statement and Financial Memorandum (MSFM) was agreed with the Department of Education in July 2013;
- Financial accounting and reporting systems were reviewed and developed to fulfil regular reporting requirements to the Department of Education in accordance with NDPB requirements;
- Timely, accurate and high quality financial and management information was produced for senior management team GP&F and ARM Committees, Council and the Department of Education throughout the year;
- HMRC accepted the Council's application (September 2013) to register as a charity for tax purposes effective from January 2000;
- The Council's Risk Management Strategy was reviewed and revised and approved by the ARM Committee;
- The Corporate Risk Register was developed in line with the 2013/2014 business plan, aligned to the Department of Education's Risk Management Strategy, routinely reviewed and revised and action plans for improvement monitored throughout the year;
- Procurement policies were developed, reviewed and revised to reflect public procurement policy (NI Executive May 2002, refreshed May 2009) and guidance issued by Central Procurement Directorate (CPD);
- All procurement activities were carried out with CPD to ensure compliance with relevant UK, EU and international procurement rules;
- The principles of economic appraisal were applied with appropriate and proportionate effort and approvals sought from DE in accordance with delegated limits contained within the MSFM;
- 98.8% of all non-disputed invoices were paid within 30 days of terms date;
- Payment of all non-disputed invoices within 10 working days was maximised;
- A comprehensive three year 2013/2016 internal audit strategy was developed, and approved by the ARM Committee and the 2013/2014 internal audit plan was successfully delivered;
- The draft 2012/2013 Annual Report and Accounts were submitted to DE in accordance with the Accounts Direction;
- The Annual Report & Accounts for 2011/2012 were certified by the Comptroller and Auditor General (C&AG) on 13<sup>th</sup> December 2013, laid before the NI Assembly on 17<sup>th</sup> January 2014 and uploaded to the Council's website on 21<sup>st</sup> January 2014;
- The Annual Report & Accounts for 2013/2014 were certified by the C&AG on 7<sup>th</sup> February 2014, laid before the NI Assembly on 28<sup>th</sup> February 2014 and uploaded to the Council's website on 12<sup>th</sup> March 2014;
- A business case for a full staffing restructure was developed and submitted to the Department of Education for approval;
- A performance review staff development (PRSD) process was introduced and training provided to relevant staff as required;
- A number of staff policies were developed, reviewed, amended and approved by the GP&F Committee;
- A training needs analysis was carried out by Council members and in-house training was provided to all members in December 2013 in respect of Governance and Accountability in the public sector;
- Council and Committee meetings were facilitated and took place as agreed with Council; and
- Appropriate support was delivered to Council and Committees by Officers.

**SUSTAINABILITY**

A Waste Minimisation and Recycling Action Plan has been developed to progress and implement the recommendations identified by an audit of the Council's offices and working practices, as part of the Council's Waste Minimisation and Recycling Policy. This action plan has continued to be implemented in 2013/2014.



**Dr Carmel Gallagher**  
**Registrar &**  
**Chief Executive Officer**

**Date: 16/12/2014**

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**MANAGEMENT COMMENTARY – REPORT OF COUNCIL MEMBERS**  
**THE YEAR ENDED 31 MARCH 2014**

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**COUNCIL MEMBERS AND RESPONSIBILITIES**

The Registrar, Dr. Carmel Gallagher, is the Chief Executive Officer of the Council. She is supported by professional staff responsible for the Council's strategic and operational work programmes and by a Council of 33 members, the majority of whom are teachers who reflect the broad professional educational community. 14 members are elected directly by the profession; 5 members are nominated by the Northern Ireland Teaching Council (NITC); 10 members are nominated by broader interests within education, including Higher Education Institutions, Employing Authorities and other agencies; 4 are appointed by the Department of Education for Northern Ireland, of whom 3 reflect the wider public interest and one represents industry and commerce. (The latter post has remained vacant through 2012-13 and 2013-14 due to lack of applicants with a commerce and industry background for which this post was allocated).

All members of the Council are independent, non-executive members and they report on other interests in the Register of Members' Interests which is held in the Council offices. Council Members have corporate responsibility for ensuring that the Council complies with any statutory or administrative requirements for the use of its income from registration fees. They are specifically responsible for:

- ensuring that high standards of administration and decision-making are observed at all times;
- establishing the overall strategic direction of the Council by means of oversight of the production of the Corporate Plan and Annual Business Plan;
- overseeing the delivery of planned results by monitoring performance against agreed strategic objectives and targets;
- formulating a strategy for the security of personal information held so as to comply with the Council's statutory responsibilities; and
- ensuring that the Council does not exceed its powers or functions whether defined in statute or otherwise. Members are normally advised on these matters by the Council's Registrar and its legal advisors.

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**MANAGEMENT COMMENTARY – REPORT OF COUNCIL MEMBERS**  
**THE YEAR ENDED 31 MARCH 2014**

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Council membership for the period was:

**Elected Members**

Nursery School Representative	Mrs Sharon Beattie
Special School Representative	Mr Colm Davis
Primary School Representatives	Mr Brian Carlin Mrs Carney Cumper Mrs Sandra E Douglas Mrs Gillian Dunlop Mrs Mary Leonard (resigned in 2012-13)
Secondary School Representatives	Mrs Rosemary Barton Mr Ian Simons Mr Dermot Hardy Mr Graham Agnew Miss Ciara McCay
Primary School Principal	Mr Brian Jess
Secondary School Principal	Mr Ivan Arbuthnot
<b>Appointed Members</b>	
Northern Ireland Teachers' Council	Mr John Pollock Mrs Gillian Scott Mrs Teresa Graham Ms Daisy Mules Mr David Canning
Association of NI Education and Library Boards	Mr Barry Mullholland  Mr John Devlin
Council for Catholic Maintained Schools	Mr John Colgan Mr Eugene O'Neill
Comhairle na Gaelscolaíochta	Ms Aine Andrews
Governing Bodies Association	Mrs Sheila Crea (resigned in 2012-13)
Northern Ireland Council for Integrated Education	Mrs Frances Donnelly
Transferor Representatives' Council	Miss Rosemary Rainey
Trustees of Catholic Maintained Schools	Mrs Elizabeth McNeice (resigned in 2012-13)
Universities Council for the Education of Teachers	Miss Audrey Curry
Department of Education	Mrs Sally McKee Dr Jennifer Cornyn Mr Sean Lambe 1 vacant post
Independent Audit and Risk Management Committee member	Mr Trevor Salmon (from 26 <sup>th</sup> September 2013)

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**MANAGEMENT COMMENTARY – REPORT OF COUNCIL MEMBERS**  
**THE YEAR ENDED 31 MARCH 2014**

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**FORMAT OF ACCOUNTS**

Our Annual Report and Accounts has been prepared in accordance with the requirements and guidelines set out in the Government's Financial Reporting Manual (FRoM) issued by the Department of Finance and Personnel, which is in force for the financial year for which the accounts are being prepared, and under an Accounts Direction given by the Department of Education in accordance with paragraph 12 of Schedule 1 to the Education (Northern Ireland) Order 1998. The accounting policies contained in the FRoM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

**FUTURE DEVELOPMENTS**

The Council's work in the forthcoming year will include the completion of a number of key initiatives:

- preparation for the anticipated enactment of the General Teaching Council for Northern Ireland Bill (act) in 2015 by the Northern Ireland Assembly which will provide the Council with the powers to establish and maintain a register of teachers and FE lecturers. This will also place a statutory responsibility on the Council to exercise a range of disciplinary powers in relation to both registered teachers and lecturers fitness to practice;
- the review of the Northern Ireland Teacher Competences to include leadership competences and a related competence framework for FE lecturers; and
- the development of advice on a career-long professional development framework for the teaching profession

**AUDITORS**

Our financial statements are audited by the Comptroller & Auditor General for Northern Ireland (C&AG) in accordance with paragraph 12 of Schedule 1 to the Education (Northern Ireland) Order 1998. He is head of the Northern Ireland Audit Office and he and his staff are wholly independent of the Council and the Department. He reports his findings to the Northern Ireland Assembly.

The audit of the financial statements resulted in a notional audit fee of £7,000. Remuneration in respect of non-audit work amounted to £Nil.

The Council confirms that:

- (a) so far as its Registrar/CEO is aware, there is no relevant audit information of which the Council's auditors are unaware, and
- (b) the Registrar/CEO has taken all the steps that she ought to have taken to make herself aware of any relevant audit information and to establish that the Council's auditors are aware of that information.

**PROMPT PAYMENT**

GTCNI is committed to the prompt payment of bills for goods and services received in accordance with the terms of contracts and aims to pay within 10 days but no later than 30 days. GTCNI shall comply with the British Standard for Achieving Good Payment Performance in Commercial Transactions (BS 7890), and with the Late Payment of Commercial Debts (Interest) Act 1998 as amended and supplemented by the Late Payment of Commercial Debts Regulations 2002 DAO (DFP) 12/98 and DAO (DFP) 10/02 refer. This was achieved for 98.8% of all such invoices in 2013/14, and no commercial debt interest was paid or was due in respect of transactions in 2013/14.

**DISABLED PERSONS**

The Council adopts an equal opportunities approach to the recruitment, development and promotion of staff. Full and fair consideration is given to applications for employment from disabled people where they have the appropriate skills and abilities to perform the job.



**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**MANAGEMENT COMMENTARY – REPORT OF COUNCIL MEMBERS**  
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**EMPLOYEE INVOLVEMENT**

Staff are regularly briefed on Council business and future developments. Employees are consulted and kept informed of matters which affect them, by means of staff forums, written communication, informal discussions, and where appropriate, information meetings.

**COMPLAINTS PROCEDURE**

The Council has a complaints procedure in place which adopts a 5 stage referral approach. There were no complaints received during 2013-14.

**HEALTH AND SAFETY**

The Council is committed to adhering to all existing legislation on Health and Safety at work to ensure that staff and visitors enjoy the benefits of a safe environment.

**CHARITABLE DONATIONS**

The Council made no charitable donations during the period.

**PERSONAL DATA RELATED INCIDENTS**

There were no personal data related incidents during the year.

**MANAGING ATTENDANCE**

Absence management continues to be a key objective in order to reduce the level of sick absence within GTCNI. Excluding long term sickness, an average of 3.1 days (2012/2013: 3.7 days) and including long term sickness absence an average of 23.7 days (2012/2013: 9.4 days) were lost through sickness absence during 2013/2014. The Council is committed to reduce absence levels and to ensure that the management of absenteeism is an integral part of a line managers remit.

**IMPORTANT EVENTS OCCURRING AFTER THE YEAR END**

There were no important events occurring after the year end.



**Dr Carmel Gallagher**  
**Registrar &**  
**Chief Executive**

**Date: 16/12/2014**

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**REMUNERATION REPORT**  
**THE YEAR ENDED 31 MARCH 2014**

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**REMUNERATION POLICY**

The remuneration of all Council staff, except for the Registrar, is determined by the National Joint Council for local authorities and other authorities of equivalent status. The National Joint Council's principal role is to reach agreement, based on shared values, on a national scheme of pay and conditions for local application throughout the UK.

The National Joint Council's guiding principles are to support and encourage:

- high quality services delivered by a well trained, motivated workforce with security of employment. To this end employers are encouraged to provide training and development opportunities for employees;
- equal opportunities in employment; equality as a core principle which underpins both service delivery and employment relations; and both the removal of all discrimination and the promotion of positive action;
- a flexible approach to providing services to the community, which meets the needs of employees as well as employers; and
- stable industrial relations and negotiation and consultation between employers and recognised trade unions.

The remuneration of the Registrar, as approved by DE and DFP, involves the introduction of an initial pay range equivalent to L25 to L33 on the NI Leadership scale for teachers. Any annual increase (to include revalorisation and progression) as recommended by GTCNI would be restricted to Public Sector Pay limits. The salary does not attract any performance related pay, bonus payments or any other allowances applicable to the leadership scale.

**Terms and Conditions of Service**

Staff appointments are made in accordance with the Council's Appointments and Promotions Procedure, which requires appointment to be on merit on the basis of fair and open competition. Permanent members of staff hold appointments, which are open-ended until they reach normal retirement age. Staff terms and conditions of employment including salary progression, payment of allowances, leave entitlement and notice periods are outlined in the National Joint Council's Green Book on Pay and Conditions of Service.

**CHAIRPERSON'S EMOLUMENTS**

No remuneration was paid to members of the General Teaching Council except for an allowance to the Chairperson, Mr Ivan Arbuthnot. Mr Arbuthnot's total emoluments comprised an allowance of £10,000.

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**REMUNERATION REPORT**  
**THE YEAR ENDED 31 MARCH 2014**

**SENIOR MANAGEMENT REMUNERATION (Audited)**

Officials	2013-14					2012-13				
	Salary £'000	Bonus payments £'000	Benefits in kind (to nearest £100)	*Pension Benefits (to nearest £'000)	Total	Salary £'000	Bonus payments £'000	Benefits in kind (to nearest £100)	* Pension Benefits (to nearest £'000)	Total
B Ball (a) Acting Registrar (resigned 31 <sup>st</sup> July 2012)	-	-	-	-	-	20-25 (65-70 full year equivalent)	-	-	56,000	75-80
C Gallagher (b) Registrar (appointed 1 <sup>st</sup> October 2012)	65-70	-	100	18,000	85-90	30-35 (65-70 full year equivalent)	-	-	2,000	35-40
G Devlin (c) Senior Education Officer	50-55	-	100	(1,000)	50-55	50-55	-	100	18,000	65-70
J Campbell (d) Acting Planning and Corporate Services Manager (from 2 <sup>nd</sup> January 2013)	45-50	-	100	14,000	55-60	10-15 (45-50 full year equivalent)	-	100	1,000	10-15
Band of highest paid director's total remuneration	65-70					65-70				
Median total remuneration	25,472					24,646				
Ratio	2.65					2.74				

\*The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights. This figure has been calculated and provided to us by NILGOSC.

- (a) No figure for 2013/14 as no longer an employee for pension benefits
- (b) Appointed Registrar 1<sup>st</sup> October 2012
- (c) There was growth in salary from 2012 to 2013 but no growth from 2013 to 2014 and the inflation adjustment in 2013 was 2.2% and 2.7% in 2014
- (d) Appointed Acting Planning and Corporate Services Manager 2<sup>nd</sup> January 2013

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**REMUNERATION REPORT**  
**THE YEAR ENDED 31 MARCH 2014**

**SALARY**

Salary includes gross salary; performance pay, bonuses and any allowances all of which are subject to UK taxation. This report is based on payments made by the Council and thus recorded in these accounts.

**BENEFITS IN KIND**

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HMRC as a taxable emolument.

**BONUSES**

There were no performance related payments paid or due in respect of 2012/2013 or 2013/2014.

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director/employee in their organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest paid director/employee in GTCNI in the financial year 2013/2014 was £67.5k. This was 2.65 times the median remuneration of the workforce, which was £25,472.

The total remuneration includes salary, non-consolidated performance related pay and benefits in kind. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

**PENSIONS OF SENIOR MANAGEMENT (Audited)**

	Accrued pension at age 60 as at 31/03/14 and related lump sum	Real increase in pension at age 60	CETV at 31/03/14	CETV at 31/03/13	Real Increase In CETV
	£000s	£000s	£000s	£000s	£000s
C Gallagher Registrar	0 - 5 plus lump sum of nil	0 - 2.5	20	2	19
G Devlin Senior Education Officer	20 - 25 plus lump sum of 55- 60	0 - 2.5	524	492	18
J Campbell Acting Planning and Corporate Services Manager	0 - 5 plus lump sum of nil	0 - 2.5	19	11	8

**PENSIONS**

The Council is a member of the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) Pension scheme. The Chairman is not a member of the NILGOSC scheme. The NILGOSC scheme is a statutory scheme that benefits on a final salary basis at a normal retirement age of 65. Prior to 1<sup>st</sup> April 2009 benefits accrued at the rate of 1/80<sup>th</sup> of their pensionable salary for each year of service. In addition a lump sum equivalent to 3/80ths of pensionable salary for each year of service, prior to 1<sup>st</sup> April 2009, is payable on retirement. From 1<sup>st</sup> April 2009 the scheme changed and benefits from this date accrue at the rate of 1/60<sup>th</sup> of pensionable salary for each year of service.

The Scheme is funded by contributions made by both employees and employers who have been admitted to the Scheme. Employee contribution rates depend on their pensionable remuneration but will be between 5.5% and 7.5%, while employer contribution rates are determined by the Scheme's actuary every three years.

From April 2011 pensions payable are increased annually in line with changes in the Consumer Price Index (CPI). Prior to 2011, pensions were increased in line with changes in Retail Price Index (RPI).

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**REMUNERATION REPORT**  
**THE YEAR ENDED 31 MARCH 2014**

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**CASH EQUIVALENT TRANSFER VALUES**

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme, an arrangement to secure pension benefits in another pension scheme, or an arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Northern Ireland Local Government Pension Scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance within the guidelines and framework described by the Institute and Faculty of Actuaries and in accordance with guidance used by the Civil Service in Employer Pension Notice EPN 12/2012.

**REAL INCREASE IN CETV**

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employer (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

**COMPENSATION FOR LOSS OF OFFICE**

No awards or compensation payments have been made to former Senior Managers during 2013/2014.

**ILL-HEALTH RETIREMENT**

No individuals retired early on ill-health grounds (2012/2013: nil).

**THIRD PARTIES**

No payments have been made to third parties for services as a Senior Manager.



**Mr Ivan Arbuthnot**  
**Chairperson of GTCNI**



**Dr Carmel Gallagher**  
**Registrar &**  
**Chief Executive Officer**

**Date: 16/12/2014**

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**STATEMENT OF THE COUNCIL'S AND REGISTRAR'S RESPONSIBILITIES**  
**THE YEAR ENDED 31 MARCH 2014**

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Under paragraph 12 of Schedule 1 to the Education (Northern Ireland) Order 1998, the General Teaching Council for Northern Ireland is required to prepare financial statements in the form and on the basis determined by the Department of Education with the approval of the Department of Finance and Personnel (DFP). The financial statements are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Council at the year end and of its income and expenditure, changes in taxpayers equity and cash flows for the financial year. In preparing these financial statements, the Council is required to:

- observe the accounts direction issued by the Department of Education including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Council will continue in operation.

The responsibilities of the Registrar/CEO; including responsibility for the propriety and regularity of the public finances for which the Registrar is answerable, for keeping proper records and for safeguarding the Council's assets, are set out in *Managing Public Money Northern Ireland*



**Dr Carmel Gallagher**  
**Registrar &**  
**Chief Executive Officer**

**Date: 16/12/2014**

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**GOVERNANCE STATEMENT**  
**YEAR ENDED 31 MARCH 2014**

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**1. Introduction**

This Governance Statement is an important element of the Council's Annual Report and Accounts. It provides details of how I, as Accounting Officer, together with the Council and its Committees, have ensured the effective management of the Council's resources during the 2013-14 financial year and the action we have taken to maintain a high standard of corporate governance and an effective level of risk management to support the achievement of corporate and business objectives.

**2. GTCNI's Governance Framework**

The General Teaching Council Northern Ireland (GTCNI) (the Council) is the professional and regulatory body for teachers in Northern Ireland, funded by teachers' annual professional registration fees. GTCNI is governed by a representative Council of 33 members, 29 of whom were nominated or elected in October 2010 to serve for a term of four years until September 2014. 4 members are appointed by the Department of Education.

The Council was designated as a Non-Departmental Public Body (NDPB) effective from April 2012. A Management Statement and Financial Memorandum (MSFM) were agreed with the Department of Education (the sponsor department) in July 2013. The Management Statement sets out a broad framework within which the Council is required to operate and Financial Memorandum defines certain financial provisions which the Council is required to observe. The Council was registered as Charity by HMRC in November 2013 for tax purposes under Charity reference number NI00180 and an application to register with the Charities Commission for Northern Ireland is underway currently.

As Registrar of GTCNI, I am responsible to the Council for the effective leadership and management of the organisation, its staff, its resources and its good governance. As Accounting Officer, I am responsible to the Minister of Education and the Department of Education for ensuring that effective systems of internal control are in place and for the development and implementation of continuous improvement plans.

**2.1 The Council**

The composition of the 33 member Council is defined within legislation.

14 members are elected to represent the various school sectors, including the nursery, special, primary and post primary sector; 15 members are appointed to represent various employer and stakeholder bodies, including the Northern Ireland Teachers' Council; the Association of Education and Library Boards; the Council for Catholic Maintained Schools; Comhairle na Gaelscolaíochta; the Governing Bodies Association; the Northern Ireland Council for Integrated Education; the Transferors' Representatives Council; the Trustees of Catholic Maintained Schools; and the Universities Council for the Education of Teachers (Northern Ireland). 4 members are appointed by the Department of Education. (One of the DE nominated posts representing the commercial sector remained vacant throughout 2013-14). The Chairman, Ivan Arbuthnot, was elected by the Council to serve for the duration of the Council until September 2014.

The Council has corporate responsibility for establishing the overall strategic direction of GTCNI and for promoting the efficient, economic and effective use of staff and other resources within the MSFM framework determined by the Department of Education. The Council set out its overall strategic direction within the Corporate Plan 2013-16 and within the Annual Business Plan 2013-14. This provides an important framework of goals, objectives and performance indicators against which the Council can monitor the performance and progress of the organisation. The Council's role is formalised through Standing Orders and a Code of Practice, which will be reviewed early in 2014-15.

The Council has responsibility for conducting an annual review of the effectiveness of its governance framework, including the system of internal control. In December 2013, following on from last year's review, bespoke in-house Governance and Accountability training was provided to refresh members' understanding of governance and accountability arrangements in the arm's length bodies, including my role as the Accounting Officer and their role and responsibilities as Council members in terms of scrutiny and challenge. The Council assessed its own performance in February 2014 by means of an on-line questionnaire with a rating scale of 1-5 for all questions (*rating scale 1 = Strongly disagree and 5 = Strongly agree*). Almost 80% of Council members responded and a high score of between 3.5 and 4 was recorded for all questions. The outcome of the questionnaire reflects that there has been improvement since the 2013 Council survey overall. A plan has been developed to address areas identified for improvement, including the Council's relationship with its sponsor department and stakeholder engagement.

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**GOVERNANCE STATEMENT**  
**YEAR ENDED 31 MARCH 2014**

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**2.2 *The Council's Committees***

Each member of Council elects to sit on one, or more, of four Committees (the Audit and Risk Management (ARM) Committee; the General Purposes and Finance Committee; The Policy and Professional Education Committee; and The Registration and Regulation Committee). Policy and business approval powers in each area of work are delegated to these Committees. The Chairperson is elected by its members every 2 years and the Terms of Reference of each Committee is reviewed annually.

In 2013-14 the Chairpersons of all but the Audit and Risk Management Committee were re-elected for a further two years. A new Chair was appointed to the Audit and Risk Management Committee in February 2014.

**2.2.1 *The Audit and Risk Management Committee***

While the overall executive responsibility for maintaining and reviewing the systems of internal control rests with the Council and Registrar, the Council is supported by an Audit and Risk Management (ARM) Committee which is responsible for: monitoring the effective development and operation of corporate governance; for testing and challenging the assurances provided to the Registrar; and for providing independent assurance of the adequacy of the Council's governance arrangements, including the risk management framework and the associated controls. Review of the Corporate Risk Register is a standing item on the ARM Committee agenda.

The ARM Committee in turn takes significant assurance from the work of Internal Audit. The Head of Internal Audit is represented at all ARM Committee meetings and reports regularly to the Registrar throughout the year. Due to delays in re-tendering for the internal audit service in 2013-14 there was no Head of Internal Audit present at the ARM Committee meeting in September 2013.

The ARM Committee undertakes a review of its own effectiveness on an annual basis. As a result of the 2012-13 review, members identified the need to strengthen the mix and balance of skills on the Committee to ensure compliance with the Corporate Governance Code 2013. In September 2013 Mr. Trevor Salmon, a qualified professional with specialist skills in finance, human resources, procurement and risk management was appointed as an independent member of the Committee. In addition, an observer from the Department of Education attended each meeting.

**2.2.2 *The General Purposes and Finance Committee***

The General Purposes and Finance Committee has strategic responsibility for overseeing the Council's planning processes, financial procedures, staff matters and accommodation. The main business of the Committee involves overseeing financial and management reporting and staffing matters, including reviewing absence management and approving policies and procedures to ensure the optimum use of the Council's financial and human resources.

**2.2.3 *The Policy and Professional Education Committee***

The Policy and Professional Education Committee has strategic responsibility for analysing and responding to policy developments, administrative changes and emerging trends and conditions within the education service. The main business of the Committee involves overseeing research and consultation with, and on behalf of, the teaching profession and the development of policy papers and advice to the Department of Education and Employing Authorities on all matters relating to teaching.

**2.2.4 *The Registration and Regulation Committee***

The Registration and Regulation Committee has strategic responsibility for all aspects of teacher registration and regulation, including ensuring that an effective professional registration service is provided and providing statistical analysis and advice on the profile of the profession in respect of recruitment and supply. In addition, the Committee is responsible for scrutinising legislative proposals to extend the remit of the Council to include the Further Education sector and for overseeing the development and implementation of appropriate regulatory processes.

**2.2.5 *Governance and Accountability Review (GAR) Meetings***

In addition to Council and Committee meetings, bi-annual Governance Accountability and Review (GAR) meetings are held with Department of Education officials, chaired by the Permanent Secretary. The agenda is set by DE and includes



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items where there may be clear, high-level questions that require a strategic focus. The meetings provide an opportunity for the Department to seek and receive formal assurances from me, as Accounting Officer, that: high standards of governance are in place; that resources are being used in accordance with the requirements of regularity, propriety and value for money; and that the Minister's policy priorities and agreed performance targets contained in the Annual Business Plan are being progressed effectively. The meetings also provide the Council with an opportunity to raise particular issues that merit discussion at a senior level.

Agenda items during 2013-14 have included: the governance and accountability framework; financial performance against budget allocation; performance against corporate and business plan; and key statutory functions. In November 2013 it was agreed at the GAR meeting that the Council's delegated financial limits are currently under review, subject to specific criteria being met.

The table below provides details of the individual attendance of members at Council and Committee meetings throughout 2013-14

Member	Council attendance	Sub- Committee attendance (N.B Total possible attendance is shown in brackets)			
		Audit and Risk Management	General Purposes and Finance	Policy and Professional Education	Registration and Regulation
G Agnew	2(3)		3(3)		
A Andrews	1(3)			2(3)	
I Arbuthnot	3(3)	3(5)	2(3)	3(3)	3(3)
R Barton	1(3)		3(3)		
S Beattie	2(3)			3(3)	
D Canning	2(3)		0(1)	1(2)	
B Carlin	3(3)				1(3)
J Colgan	2(3)			3(3)	
J Cornyn	1(3)				3(3)
S Crea	0(3)		0(1)	1(2)	
C Cumper	2(3)				1(3)
A Curry	2(3)			1(1)	1(2)
C Davis	2(3)				2(3)
J Devlin	3(3)			1(3)	
F Donnelly	2(3)				2(3)
S Douglas	3(3)				3(3)
G Dunlop	1(3)		1(3)		
T Graham	3(3)	5(5)	2(3)	3(3)	3(3)

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Member	Council attendance	Sub-Committee attendance (N.B Total possible attendance is shown in brackets)			
		Audit and Risk Management	General Purposes and Finance	Policy and Professional Education	Registration and Regulation
D Hardy	0 (3)				0(3)
B Jess	3(3)			3(3)	
S Lambe	2(3)			3(3)	
M Leonard	0(3)			1(3)	
C McCay	0(3)			1(3)	
S McKee	3(3)			1(2)	1(1)
E McNeice <sup>1</sup>	0(3)			1(2)	
D Mules	3(3)	3(5)		2(3)	
B Mulholland	3(3)	4(5)			
E O'Neill	0(3)			0(3)	
J Pollock	3(3)	4(5)			3(3)
R Rainey	3(3)	3(5)		2(2)	
G Scott	0(3)	3(5)	3(3)		
I Simons	2(3)			3(3)	
T Salmon <sup>2</sup>	n/a	3(4)			

**3. Highlights of Council and Committee Reports**

During 2013-14 the Council and its Committees each met on at least three occasions (one meeting per school term). The ARM Committee met on 4 occasions.

**3.1 The Council**

During 2013-14 the four main categories of routine business were conducted at Council meetings. These included detailed consideration of minutes and reports from each of its Committees, including policy related matters, registration and regulation matters, business planning, financial and staffing matters and overall governance and risk management as detailed below:

**3.2 The Audit and Risk Management Committee**

During 2013-14 the ARM Committee maintained a consistent focus on scrutinising, testing, challenging and seeking assurances on key areas of business in order to provide independent assurance of the adequacy of the Council's

<sup>1</sup> Resigned 14<sup>th</sup> November 2013

<sup>2</sup> Appointed as independent member of ARM Committee September 2013

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governance arrangements and associated controls.

From 1<sup>st</sup> May 2013 the Committee was provided with details of all Direct Award Contracts (DACs) awarded throughout the year and sought assurances from management that processes were in place to competitively procure goods and services where appropriate. The Committee scrutinised in detail the Council's Annual Report and Accounts for 2011-12 and 2012-13 and recommended that these were signed off by the Chair and Registrar in November 2013 and January 2014 respectively. The Committee also reviewed a series of reports from both internal and external auditors including, the 2011-12 External Audit Report to Those Charged with Governance and the Internal Audit Annual Assurance Report, which provided a formal opinion on the adequacy, reliability and effectiveness of the Council's system of risk management, control and governance. In the opinion of internal audit, the systems of risk management, control and governance for the year ended 31<sup>st</sup> March 2014 were judged to be adequate and to have operated effectively, providing **satisfactory** assurance in relation to the effective and efficient achievement of the Council's objectives. No significant issues were identified.

**3.3 *The General Purposes and Finance Committee***

At each of its meetings in 2013-14 the General Purposes and Finance Committee reviewed the financial and management information and staffing matters for the previous quarter, including staff attendance and average days lost due to sickness absence and associated costs. Management provided the Committee with assurances at each meeting that all absences were being managed in accordance with the Council's Attendance Policy. In May 2013 the Committee approved a staff restructure proposal to go forward to the Department of Education for approval. This matter is still under consideration. The Committee also scrutinised progress being made in the area of procurement of goods and services, following the addition of the Council to the Department of Education's Service Level Agreement with the Central Procurement Directorate. A new Contract Management Policy was approved by the Committee and implemented from October 2013.

**3.4 *The Policy and Professional Education Committee***

In 2013-14 the Policy and Professional Education Committee discussed in detail and approved responses to a number of important consultations including responses to, the Northern Ireland Assembly Education Committee 'Inquiry into the Education and Training Inspectorate and the School Improvement Process'; The CCEA and DE consultations on 'The Fundamental Review of GCSEs and A levels' (DE); the Minister's proposals for alterations to school funding; and the DEL 'Review of the Initial Teacher Education Infrastructure' (DEL). The Committee also approved and monitored the conduct, outcomes and reporting of surveys into teacher perceptions of two policy areas - assessment and inspection - which had been notified to the Council as of concern to the profession.

**3.5 *The Registration and Regulation Committee***

In 2013-14 the Registration and Regulation Committee assumed responsibility for overseeing preparation for the proposed extension of the Council's powers to include the registration of FE lecturers and the scrutiny of legislation to allow the Council to regulate the teaching profession. The Committee set up two working groups: (i) a 'Legislation and Regulation Working Group' to monitor the drafting and passage of the GTCNI Bill and to oversee the development of regulatory processes; and (ii) a 'Further Education Working Group' to facilitate negotiation and consultation with the FE sector regarding the proposal to extend registration and regulation to FE lecturers from 2017. The Committee also monitored the development and implementation of an integrated application handling data project within the main teacher registration database and approved the design and distribution of a professional registration card to replace the annual certificate of approval to teach, which resulted in a long term costs saving to the Council.

**4. *Corporate Governance***

The Council's corporate governance framework comprises the systems and processes, culture and values that underpin and regulate the Council's work. The framework guides how the Council defines its expectations, makes its decisions, empowers management, verifies its performance and accounts for the prudent management of its resources. Supporting the governance framework is a series of procedures and policies which make up the Council's system of internal control. These procedures and policies are designed to facilitate effective, efficient and transparent business management and to identify, prioritise evaluate and mitigate risks which might affect the achievement of the Council's corporate and operational objectives. The Council expects the highest standards of conduct from its members and staff, which are defined and communicated through various policies, codes of conduct, protocols and other documents.

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
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**YEAR ENDED 31 MARCH 2014**

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**4.1 Declaration of interests**

In accordance with the Corporate Governance Framework, a register of members' declared interests is maintained and updated annually. The Register is available to the public for inspection at the Council office during normal working hours.

At the commencement of each meeting members are required to declare any conflicts of interest, which is recorded in the minutes, and is required to withdraw from the meeting when that matter is being discussed. If a member is in doubt of any conflict or potential conflict of interest s/he is required to refer the matter in advance to the Chair of the Committee or the Registrar. During 2013-14 8 interests were declared and recorded on specific Council and Committee minutes.

**4.2 Whistle-blowing**

The Council has a whistle-blowing policy in place, which encourages staff to report any instances of suspected unlawful conduct, financial malpractice, or other actions that might compromise, in any way, the Council's reputation and integrity. There were no whistle-blowing instances during 2013-14.

**4.3 Financial management**

The Acting Planning and Corporate Services Manager holds overall responsibility for management of the Council's finances and is a key member of the Senior Management Team. She provides and follows detailed finance procedures which are set out in the Council's Finance Manual and Financial Memorandum and oversees the budget preparation and financial monitoring process. The Council's financial performance and financial reporting process is monitored continuously by the Senior Management Team on a monthly basis and by the General Purposes and Finance Committee three times a year.

**4.4 Data management**

The Council manages the information it holds in accordance with current legislation including the Data Protection Act. The Council had no data losses reported during 2013- 2014.

**4.5 Compliance with the Corporate Governance Code (2013)**

Although the Corporate Governance Code (2013) has been written for government Departments, Non Departmental Public Bodies are encouraged to consider and adopt the practices set out in the Code wherever it is relevant, practical and suits business needs. Following a review of the Code, and in accordance DAO (DFP) 06/13, the Council considers that, during 2013-14, it has complied with the Code in so far as it relates, apart from the two exceptions outlined below, which are being addressed as follows:

(i) Board Composition

The code states that *“The Board should have a balance of skills and experience appropriate to fulfilling its responsibilities. The membership of the Board should be balanced, diverse and manageable in size”*.

The Composition of the Council is set out in the General Teaching Council for Northern Ireland (Constitution) Regulations (Northern Ireland) 2001. The Regulations state that one of the four members appointed by the Department of Education should be a representative of industry and commerce. This appointment has remained unfilled by the Department during 2013-14. As noted earlier, however, in an effort to address the skills gap in terms of finance, risk management, procurement and corporate services, the Council appointed a professionally qualified independent finance member to its Audit and Risk Management Committee from September 2013.

(ii) Board Effectiveness

The code states *“Evaluations of the performance of individual Board members should show whether each continues to contribute effectively and corporately and demonstrates commitment to the role”*.

Prior to its designation as an NDPB effective from April 2012 the Council has not previously carried out evaluations on the performance of individual board members. The MSFM which was agreed in July 2013 outlines the process of assessment of Departmental appointed members at the end of each financial year. This process will be carried out in the first quarter of 2014-15 for all departmental appointees and all other Council members.

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
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**5. Quality of the data used by the Council**

The Council relies on a range of data to inform its deliberations, including:

- Financial information, including monthly management reports prepared from internal finance systems which comply with the Council's Finance Manual and are subject to rigorous internal controls and internal and external scrutiny;
- Regular reports from internal audit activity and summarised in the Audit Annual Assurance Report;
- Statistical information from the Council's registration data base, which is updated on an on-going basis; and
- Policy advice derived from research, surveys and consultation with stakeholders.

Due to the rigour of the processes and the various checks and controls that are applied in relation to financial, audit and registration information the Council considers that it has confidence in the data received during 2013-14 and can rely on the accuracy, quality and veracity of this data.

In relation to policy advice, during 2013-14 the Council undertook two on-line surveys of teacher perceptions of matters relating to teaching & assessment and inspection - which were highlighted through face to face engagement with Principals groups as of significant concern to the profession such that one was the subject of on-going industrial action by the teachers' unions and the other became the subject of an inquiry by the Assembly Education Committee to which GTCNI was expected to respond. The purpose of the surveys was to garner authentic insight into the perceptions of the profession about policy approaches to these matters with a view to GTCNI, as the sole professional body for teachers, responding from an informed perspective to consultations and negotiations being undertaken by the Department of Education and the Assembly Education Committee to address professional concerns.

In October 2013 the Council complied with a request from the Department of Education to supply suitably anonymous data relating to 500 replies to its survey of teacher perceptions of statutory assessment. In January 2014 the Council complied with a request from the Department of Education to share with the Northern Ireland Statistics and Research Agency (NISRA) its analysis of 1, 677 responses to its survey of teachers' perceptions of the ETI inspection process. In February 2014 the Council also complied with a request from the Department of Education for a Council position statement in relation to advice offered by NISRA. The Council considers that, within the limits of its current resources, and on the basis of comparative analysis of similar consultations undertaken, that it has confidence in the authenticity and representativeness of the data gathered and the quality of the analysis offered.

**6. Ministerial Directions**

During 2013-14 no Ministerial Directions were sought or given.

**7. Risk Management**

The Council has set out a detailed Risk Management Strategy to identify and assess risks that may threaten the achievement of the Council's aims and objectives and to put in place actions to mitigate risks, while recognising that some risks are outside the Council's direct control. In 2013-14 the Council identified 7 corporate risks that could have potentially impacted on the Council's ability to deliver progress on its business plan. Each risk was assessed and mitigating actions were identified and assigned to responsible Officers. During 2013-14 at each of their meetings the Corporate Risk Register was monitored, reviewed and revised by the Senior Management Team, the Audit and Risk Management Committee and the Council. The Council has determined its risk appetite in relation to each risk category as follows:

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Risk Category	Risk Appetite
<b>Role and remit as a professional body</b>	The Council's risk appetite in this area is ' <i>cautious</i> ' meaning that GTCNI has limited tolerance for not fulfilling its role and remit as a professional body. Teachers are the organisation's pay masters and therefore, as the professional body for teachers, paid for by teachers' registration fees, the Council considers that it must be seen to be speaking and acting on behalf of the profession on all matters which affect the quality of teaching and learning. GTCNI will therefore do all it can to improve the Council's communication with, and on behalf of, its core stakeholders.
<b>Independent reputation and credibility</b>	The Council's risk appetite in this area is ' <i>modest</i> ' in terms of maintaining its independent reputation and credibility. As GTCNI is the only Teaching Council in the British Isles to be designated as a Non Departmental Public Body (NDPB) the Council is prepared, as an interim measure, to accept curtailment of previously greater independence from government, pending new legislation to restore fuller freedom in the next 18-24 months. In the interim mitigating steps are being taken to enhance engagement and representation of stakeholders' views in order to minimise curtailment of independence and potential associated loss of credibility and integrity. Through the use of these mitigation measures we would wish to obviate further significant loss of reputation, integrity or credibility.
<b>Legal compliance</b>	The Council's risk appetite is ' <i>Cautious</i> ' in terms of compliance with legal requirements. This means that GTCNI has limited tolerance for risks in this area and would wish to be reasonably sure that the Council would not incur significant censure in relation to legal or regulatory compliance, or that a legal challenge in this area could be successfully defended.
<b>Operational and policy delivery</b>	The Council's risk appetite in relation to exercising its policy consultation and advisory roles is ' <i>Modest</i> '. The Council acknowledges that the policy development arena is complex and requires significant attention to secure buy-in, respect and collaboration. The Council realises that in order to mitigate risks identified by internal audit that an increase in educational staffing, with the right mix of talent and experience is a matter of urgency. Priority actions to minimize the potential of failure include proposing a significant staffing re-structure while working proactively and collaboratively with stakeholders to maximise policy influence in the interim.
<b>Business efficiency</b>	The Council's risk appetite in relation to ensuring business efficiency is ' <i>Modest</i> ', meaning that operational efficiency and value for money are a primary concern; that teachers' fees should and will only be used for the purposes authorized and intended; and that GTCNI is only prepared to accept the possibility of very limited financial loss if essential. Appropriate consideration is therefore given to making VFM, timely and efficient use of funding.
<b>Data-base Information and security</b>	The Council's risk appetite in this area is ' <i>Cautious</i> ', meaning that GTCNI has limited tolerance for risks in relation to the security of data-base information and would wish to be reasonably sure that information and security breaches are unlikely to occur.
<b>Health/Well-being</b>	The Council's risk appetite in this area is ' <i>Averse</i> ', meaning that GTCNI, as the professional body for teachers, is committed to avoiding risk and uncertainty in relation to the physical and psychological well-being of teachers, school students and its own staff.

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**GOVERNANCE STATEMENT**  
**YEAR ENDED 31 MARCH 2014**

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During 2013-14 one corporate risk was removed (in relation to Non-tax compliance); one risk was added (in relation to operational delivery of policy advice; and one risk was considered to have materialised as follows:

- **Non Tax compliance** ó This risk related to the discovery that the Council had not paid corporation tax since its inception as a corporate body. This risk was **removed** from the corporate risk register in November 2013 after the Council received notification from HMRC that the Council would be treated as a charity for tax purposes under Charity Number NI00180, effective from January 2000. The Council has now been called forward to register as a charity by the Charity Commission for Northern Ireland. This process is still underway.
- **Operational and Policy Delivery** ó This risk relates to the Council having *insufficient resource capacity during 2013-14 to research and develop appropriate policy advice on 'all matters relating to teaching'* was **added** to the Risk Register in recognition of staffing pressures in the education area which had been identified through internal audit. This risk continues to be managed by the Registrar taking on education duties and implementing a comprehensive engagement strategy with the profession on major issues of importance to teaching and learning.
- **Business efficiency** - This risk relates to the *impact of the loss of key personnel, the imbalance of staff complement and failure to secure sufficient staffing to deliver statutory requirements and corporate objectives*. This risk **materialised** due to delays in obtaining approval during 2013-14 for a staff restructure, the impact of which was that a significant programme of work relating to the review of teacher competences could not be fulfilled in 2013-14. These activities will be carried forward into 2014-15. The Council will continue to liaise with the Department to secure approval in early 2014-15 so that the heightened risk to the health and well-being of staff is mitigated as soon as possible.

During 2013-14 the Council continued to monitor performance against the Corporate Plan and Annual Business Plan and the Risk Register and continued to liaise with the Department of Education to obtain business case approval to implement a staff restructure that would facilitate the delivery of the Council's plans and objectives on a timely basis.

**8. Significant Governance issues**

The Council continues to liaise with the Department of Education to seek approval for the proposed staff re-structure so that corporate and business plan objectives and targets can be met on a timely basis.

**9. Registrar's Assurance Statement**

On the basis of the review detailed in this governance statement, I consider that during 2013-14 the Council has fulfilled its role effectively and that the Council's systems of internal control, governance and accountability have operated efficiently. As designated Accounting Officer I am confident in providing assurance to Minister, the Department of Education and the teaching profession in Northern Ireland that the expenditure incurred on behalf of the profession has been managed prudently.

Dr Carmel Gallagher



(Registrar and Accounting Officer)

Date: 16/12/2014

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**THE CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY**

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I certify that I have audited the financial statements of the General Teaching Council for Northern Ireland for the year ended 31 March 2014 under the Education (Northern Ireland) 1998. These comprise the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

**Respective responsibilities of the Council, Registrar and auditor**

As explained more fully in the Statement of the Council's and Registrar's Responsibilities, the Council and Registrar are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to examine and certify the financial statements in accordance with the Education (Northern Ireland) 1998. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Financial Reporting Council's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the General Teaching Council for Northern Ireland's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the General Teaching Council for Northern Ireland; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Report of the Council Members to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

**Opinion on regularity**

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.



**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**THE CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY**

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**Opinion on financial statements**

In my opinion:

- the financial statements give a true and fair view of the state of the General Teaching Council for Northern Ireland's affairs as at 31 March 2014 and of the net expenditure, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance with the Education (Northern Ireland) Order 1998 and Department of Education directions issued thereunder.

**Opinion on other matters**

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Department of Education directions made under the Education (Northern Ireland) Order 1998; and
- the information given in the Report of the Council Members and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which I report by exception**

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with Department of Finance and Personnel's guidance.

**Report**

I have no observations to make on these financial statements.



*KJ Donnelly*  
*Comptroller and Auditor General*  
*Northern Ireland Audit Office*  
*106 University Street*  
*Belfast*  
*BT7 1EU*

*5 January 2015*

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR**  
**THE YEAR ENDED 31 MARCH 2014**

	Notes	2013/14	2012/13
		£	£
<b><u>EXPENDITURE</u></b>			
Staff Costs	2	651,070	575,092
Depreciation	8	3,299	7,024
Other expenditure	4	394,142	558,624
Total expenditure		<b>(1,048,511)</b>	<b>(1,140,740)</b>
<b><u>INCOME</u></b>			
Income from activities	5	1,176,468	1,187,950
Other Income	6	12,633	-
Total income		<b>1,189,101</b>	<b>1,187,950</b>
<b>Net Income</b>		<b>140,590</b>	<b>47,210</b>
Interest Receivable	7	16,089	20,442
<b>Net Income after Interest</b>		<b>156,679</b>	<b>67,652</b>
Net Return on Pension Finance	2.3	(1,000)	17,000
<b>Net Income after Financing</b>		<b>155,679</b>	<b>84,652</b>
Credit in respect of notional costs		7,000	7,000
<b>Net Income after financing transferred to Net Expenditure Reserve</b>		<b>162,679</b>	<b>91,652</b>
<b>Other Comprehensive Expenditure</b>			
Actuarial (loss)/gain in respect of pension liability		(99,000)	24,000
<b>Total Comprehensive Income for the year ended 31 March 2014</b>		<b>63,679</b>	<b>115,652</b>

The notes on pages 33 to 44 form part of these financial statements and should be read in conjunction therewith.

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2014**

	Notes	2014 £	2013 £
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	1,991	5,290
<i>Total non-current assets</i>		<u>1,991</u>	<u>5,290</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	10	243,645	57,853
Cash and cash equivalents	11	1,273,079	1,279,996
<b>Total current assets</b>		<u>1,516,724</u>	<u>1,337,849</u>
<b>TOTAL ASSETS</b>		<b>1,518,715</b>	<b>1,343,139</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	(55,646)	(111,749)
<i>Total current liabilities</i>		<u>(55,646)</u>	<u>(111,749)</u>
<b>Non-current assets plus/less net current assets/liabilities</b>		<b>1,463,069</b>	<b>1,231,390</b>
<b>NON-CURRENT LIABILITIES</b>			
Pension (Liability)	2.3	(177,000)	(61,000)
<i>Total non-current liabilities</i>		<u>(177,000)</u>	<u>(61,000)</u>
<b>ASSETS LESS LIABILITIES</b>		<u><b>1,286,069</b></u>	<u><b>1,170,390</b></u>
<b>TAXPAYERS' EQUITY</b>			
Net expenditure reserve		1,286,069	1,170,390
		<u><b>1,286,069</b></u>	<u><b>1,170,390</b></u>

The financial statements were approved on 16<sup>th</sup> December 2014 on behalf of the Council by:



.....  
**Mr Ivan Arbuthnot**

**Chairperson of GTCNI**



.....  
**Dr Carmel Gallagher**

**Registrar &  
Chief Executive Officer**

The notes on pages 33 to 44 form part of these financial statements and should be read in conjunction therewith.

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**STATEMENT OF CASH FLOWS FOR**  
**THE YEAR ENDED 31 MARCH 2014**

	Notes	2013/14	2012/13
		£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net surplus after interest		162,679	91,652
(Increase) in trade and other receivables		(185,792)	(1,671)
(Decrease) in trade payables		(56,103)	12,159
Depreciation charges	8	3,299	7,024
Actuarial loss on pension scheme	2	(99,000)	24,000
Pension scheme movement	2	116,000	(31,000)
<b>Net cash (outflow)/inflow from operating activities</b>		<b>(58,917)</b>	<b>102,164</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	8	-	-
<b>Net cash (outflow) from investing activities</b>		<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Grant-in-aid		52,000	-
<b>Net financing</b>		<b>-</b>	<b>-</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS IN THE PERIOD</b>	11	<b>(6,917)</b>	<b>102,164</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	11	<b>1,279,996</b>	<b>1,177,832</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	11	<b>1,273,079</b>	<b>1,279,996</b>

The notes on pages 33 to 44 form part of these financial statements and should be read in conjunction therewith.

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**STATEMENT OF CHANGES IN TAXPAYERS' EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2014**

	NET EXPENDITURE RESERVE	TOTAL RESERVES
	£	£
<b>Balance at 31 March 2012</b>	<b>1,054,738</b>	<b>1,054,738</b>
<b>Changes in Taxpayers Equity 2012-13</b>		
Actuarial gain on the pension scheme	24,000	24,000
Comprehensive Income for 2012-13	91,652	91,652
Grant-in-aid	-	-
<b>Balance at 31 March 2013</b>	<b>1,170,390</b>	<b>1,170,390</b>
<b>Changes in Taxpayers Equity 2013-14</b>		
Actuarial (loss) on the pension scheme	(99,000)	(99,000)
Comprehensive Income for 2013-14	162,679	162,679
Grant-in-aid	52,000	52,000
<b>Balance at 31 March 2014</b>	<b>1,286,069</b>	<b>1,286,069</b>
	=====	=====

The notes on pages 33 to 44 form part of these financial statements and should be read in conjunction therewith.

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

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**1. Statement of accounting policies**

These financial statements have been prepared in accordance with the 2013/2014 Government Financial Reporting Manual (FReM) issued by the Department of Finance and Personnel (DFP). The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the General Teaching Council for Northern Ireland (GTCNI) for the purpose of giving a true and fair view has been selected. The particular policies adopted by the GTCNI are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

Following the implementation of IAS19R Employee Benefits management considered the changes do not materially impact on figures and disclosures relating to the pension liability and therefore has not required a prior period restatement.

Management have reviewed new accounting standards that have been issued but are not yet effective, nor adopted early for these accounts. Management considers that these are unlikely to have a significant impact on the accounts in the period of initial application.

**1.1 Accounting Convention**

The financial statements have been prepared under the historical cost convention. These accounts have been prepared in pounds sterling and are rounded to the nearest pound.

**1.2 Registration Fee Income**

The annual registration year runs from 1<sup>st</sup> April to the following 31<sup>st</sup> March, with the fee becoming due on 1<sup>st</sup> April every year. The fee is required to be paid in full regardless of the date on which a teacher actually registers with the Council. There is no reduction for part year registration.

**1.3 Grant-in-Aid**

Funding is received from the Department of Education in respect of the Approval of Qualifications function and has been credited to the Net Expenditure Reserve. The grant-in-aid is recognised in the financial period in which the cash is received.

**1.4 Continuing Professional Development (CPD) Expenditure**

CPD expenditure is recognised on receipt of a claim. Where CPD support has been offered but no claim received by the year end these amounts are recorded as commitments.

**1.5 Pensions**

Council employees are given the option of joining NILGOSC and past and present employees of GTCNI participate in the Northern Ireland Local Government Officers' Superannuation Committee Scheme (The NILGOSC Scheme). The NILGOSC scheme is a multi employer, defined benefit scheme, which provides members of participating employers with the benefits related to pay and services at rates which are defined under statutory regulations. To finance these benefits, assets are accumulated in the scheme and are held separately from the assets of the employers. The scheme is funded by employers participating in the NILGOSC scheme who pay contributions at rates determined by an independent professionally qualified actuary on the basis of regular valuations using the projected unit method.

Further information is contained at note 2.3 below.

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**

**NOTES TO THE COUNCIL'S ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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**1.6 Property, plant and equipment**

Property, plant and equipment is defined as any single piece of equipment costing more than £1,000 (inclusive of VAT) that has an estimated economic / operational life of more than one year. Where it is more usual to treat individual components as a group, these are treated as assets so long as their collective value exceeds the capitalisation threshold. Property, plant and equipment has been valued at historic cost at the year end as, in the opinion of the Council, any revaluation adjustments are not material.

**1.7 Intangible assets**

Expenditure on intangible assets which are software licenses and the associated costs of implementation is capitalised where the cost is £1,000 or more. Software licenses paid on a yearly basis are expensed in the year incurred. All software utilised by the Council is purchased externally and is therefore recognised as an intangible asset when it is expected to be in use for greater than one year and exceeds the capitalisation limit.

**1.8 Depreciation**

Fixed assets are depreciated on a straight line basis in order to write off the cost, less estimated residual value of each asset over its expected useful life at the following rates.

Office Equipment .....	20% per annum
Furniture and Fittings .....	20% per annum
Computer Equipment.....	33.33% per annum

**1.9 Inventory**

The Council holds inventory of publications. These have no net realisable value and as a result all related expenditure during the year is charged to the net expenditure account.

**1.10 Leasing**

Rentals payable on leases of property under operating leases are charged to the net expenditure reserve on the basis of costs incurred in the year. Operating lease rentals of equipment are charged to the net expenditure reserve in equal amounts over the term of the lease.

**1.11 Value added tax**

The Council is not registered for VAT. All expenditure and capital purchases in the accounts is stated inclusive of VAT.

**1.12 Corporation Tax**

On 26<sup>th</sup> November 2013 the Council received confirmation from HMRC that it is a charity for tax purposes in line with Paragraph 1 of Schedule 6 Finance Act 2010 under charities reference number NI00180.

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

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**1.13 Staff costs**

Under the requirements of IAS 19: Employee Benefits, all staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave and flexi time as at the year end. The cost of untaken leave has been determined by reviewing data from leave records and the cost of untaken flexi leave has been determined by reviewing data from flexi records.

**1.14 Accounting Estimates**

No material accounting estimates or judgements were made by GTCNI in preparing these accounts.

In accordance with IAS 8, GTCNI reviewed the standards, interpretations and amendments to published standards that became effective during 2013/2014 and which are relevant to its operations.

Following the implementation of IAS19R Employee Benefits management considered the adoption of this standard will have no material impact on its financial position or results of operations.

**1.15 Financial Instruments**

Financial assets and financial liabilities are recognised on the Council's statement of financial position when the Council becomes party to the contractual provisions of the instruments on a trade basis.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and in hand.

*Trade and other receivables*

Trade receivables do not carry any interest and are recognised at the lower of their original invoiced value and recoverable amount. Provision is made when there is objective evidence that the asset is impaired. Balances are written off when the probability of recovery is assessed as being remote.

*Trade and other payables*

Trade payables are not interest bearing and are stated at their nominal value.

**1.16 Operating segments**

The Chief Operating Decision Maker considers GTCNI as one operating unit in making decisions. Management information is generated on a holistic basis for the whole organisation.

**2. Staff numbers and related costs**

**2.1 Total staff costs**

	<b>2012/13</b>		<b>2013/14</b>	
	<b>Total</b>	<b>Total</b>	<b>Permanently employed staff</b>	<b>Others</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Salaries & Wages	464,494	515,185	437,277	77,908
Social Security Costs	30,347	35,547	34,041	1,506
Pension Costs	80,251	100,339	98,800	1,539
<b>Total</b>	<b>575,092</b>	<b>651,071</b>	<b>570,118</b>	<b>80,953</b>



**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**2.2 Average Number of Persons Employed**

The average number of whole-time equivalent persons (including senior management) employed during the year was as follows:

	<b>2012/13 Total</b>	<b>Total</b>	<b>2013/14 Permanently employed staff</b>	<b>Others</b>
Directly employed	<b>15</b>	<b>15</b>	14	1
Other	-	<b>1</b>	-	1
Staff engaged on capital projects	-	-		
<b>Total</b>	<b>15</b>	<b>16</b>	<b>14</b>	<b>2</b>

**2.3 Pension Commitments**

The Council is a member of the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) Pension scheme. The NILGOSC scheme is a statutory scheme that benefits on a final salary basis at a normal retirement age of 65. Prior to 1<sup>st</sup> April 2009 benefits accrued at the rate of 1/80<sup>th</sup> of their pensionable salary for each year of service. In addition a lump sum equivalent to 3/80ths of pensionable salary for each year of service, prior to 1<sup>st</sup> April 2009, is payable on retirement. From 1<sup>st</sup> April 2009 the scheme changed and benefits from this date accrue at the rate of 1/60<sup>th</sup> of pensionable salary for each year of service.

The Scheme is funded by contributions made by both employees and employers who have been admitted to the Scheme. Employee contribution rates depend on their pensionable remuneration but will be between 5.5% and 7.5%, while employer contribution rates are determined by the Scheme's actuary every three years. The employer contribution rate during 2013-2014 was 20%.

In accordance with IAS19, the Council accounts for employer pension contributions as a defined benefit scheme. Under IAS19 the Council is required to account for its share of assets and liabilities in the scheme.

Medical retirement is possible in the event of serious ill-health. In this case pensions are brought into payment immediately without actuarial reduction and with service enhanced as for widow(er) pensions.

Salaries include gross salaries and performance pay but exclude travel lump sums.

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

The latest actuarial valuation of the scheme was carried out at 31 March 2013; the liability and cost calculations are as follows:

**Assumptions as at:**

	<b>31 March 2014</b>	<b>31 March 2013</b>
Price inflation	2.4%	2.8%
Salary Increase Rate	3.9%	5.2%
Discount Rate	4.3%	4.5%

The approximate split of assets for the Fund as a whole is shown in the table below:

<b>Assets (employer)</b>	<b>Asset split at 31/03/14 %</b>			<b>Asset split at 31/03/13 %</b>
	<b>Quoted</b>	<b>Unquoted</b>	<b>Total</b>	<b>Total</b>
Equities	74.2	0.0	74.2	75.6
Bonds	12.0	0.0	12.0	11.4
Property	0.0	11.2	11.2	7.7
Cash	2.6	0.0	2.6	4.7
Other*	0.0	0.0	0.0	0.6
	<b>88.8</b>	<b>11.2</b>	<b>100.0</b>	<b>100.0</b>

\*Other holdings may include hedge funds, currency holdings, asset allocation futures and other financial instruments. It is assumed that these will get a return in line with equities.

<b>Net pension asset at</b>	<b>31/03/14 £'000</b>	<b>31/03/13 £'000</b>
Fair value of assets	3,078	2,736
Present value of funded defined benefit obligation	(3,255)	(2,797)
<b>Net pension (liability) / asset recognised in the Statement of Financial Position</b>	<b>(177)</b>	<b>(61)</b>

**Analysis of amount charged to the Statement of Comprehensive Net Expenditure**

	<b>2014 £'000</b>	<b>2013 £'000</b>
<b>Operating charge</b>		
Current Service Cost	96	81
Past Service Cost	-	-
<b>Other finance costs</b>		
Interest Cost	1	2
Net return	(1)	(2)
<b>Net revenue account cost</b>	<b>97</b>	<b>83</b>

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**Analysis of amount recognised in Statement of Changes in Taxpayers' Equity**

	2014	2013	2012	2011	2010
	£'000	£'000	£'000	£'000	£'000
<b>Actuarial (loss)/gain recognised in the SoCNE</b>	<b>(99)</b>	<b>24</b>	<b>(152)</b>	<b>774</b>	<b>(626)</b>

**Movement in surplus/(deficit) during the year**

	2014	2013
	£'000	£'000
Surplus / (deficit) at the beginning of the year	(61)	(92)
Movement in the year:		
Current service cost	(96)	(79)
Past Service Cost	-	-
Employer contributions	80	69
Net return on assets	(1)	17
Actuarial (loss) gain	(99)	24
<b>Surplus/ (deficit) at the end of the year</b>	<b>(177)</b>	<b>(61)</b>

**2.4 Reporting of Compensation scheme – exit package**

There was no compensation or exit package paid during the financial year. (2012/2013: Nil)

**3. Chairperson's Remuneration**

No remuneration was paid to members of the General Teaching Council except for an allowance to the Chairman.

	2013/14	2012/13
	£	£
Mr Ivan Arbuthnot	10,000	10,000
	<b>10,000</b>	<b>10,000</b>

**4. Other expenditure**

	2013/14	2012/13
	£	£
<b>Registration/Direct Programme Costs</b>		
Database support and maintenance	23,912	24,071
Database Licences	9,945	8,772
Database enhancements	528	7,169
	<b>34,384</b>	<b>40,012</b>

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

<b>4. Other expenditure (continued)</b>	<b>2013/14</b>	<b>2012/13</b>
<b>Continuing Professional Development (CPD) Costs</b>	<b>£</b>	<b>£</b>
Research ó Lesson Studies	25,214	32,035
Research ó AARTS Repository	5,744	5,548
Research ó Teacher Fellowships	4,830	87,586
E Portfolio	2,500	-
CPD Bursary Payments	-	11,638
Research ó General	-	5,219
	<u>38,287</u>	<u>142,026</u>
	=====	=====
 <b>Other Operating Costs – Recurrent Budget</b>		
	<b>2013/14</b>	<b>2012/13</b>
	<b>£</b>	<b>£</b>
Rent and rates	88,033	90,519
Service charge and utilities	47,450	48,166
Professional and consultancy fees	42,734	31,850
Postage	22,158	37,091
Printing and stationery	21,813	31,525
Computer costs	19,236	25,058
Training and recruitment	13,889	21,161
Maintenance services	13,275	13,062
Stakeholder engagement	9,627	15,428
Substitution costs	6,353	8,415
Travel and subsistence - Council	6,216	5,260
Insurances	5,804	6,380
Travel and subsistence ó Staff	5,367	8,413
Hospitality and venue hire	3,540	7,841
Miscellaneous expenses	2,868	2,210
Bank charges	2,062	1,865
Subscriptions	1,734	5,432
Books & newspapers	1,292	1,724
Legal fees	1,020	8,186
Total	<u>314,471</u>	<u>369,586</u>
	=====	=====
 <b>Non cash items</b>		
	<b>2013/14</b>	<b>2012/13</b>
	<b>£</b>	<b>£</b>
Notional audit fee	7,000	7,000
	<u>7,000</u>	<u>7,000</u>
	=====	=====
 <b>Total</b>	<u>394,142</u>	<u>558,624</u>
	=====	=====

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

<b>5. Income</b>	<b>2013/14</b>	<b>2012/13</b>
	<b>£</b>	<b>£</b>
Registration fees	1,176,468	1,187,950
<b>Total</b>	<b>1,176,468</b>	<b>1,187,950</b>
<b>6. Other Income</b>	<b>2013/14</b>	<b>2012/13</b>
	<b>£</b>	<b>£</b>
Department of Employment and Learning	12,633	-
<b>Total</b>	<b>12,633</b>	<b>-</b>
<b>7. Interest receivable</b>	<b>2013/14</b>	<b>2012/13</b>
	<b>£</b>	<b>£</b>
Bank interest receivable	16,089	20,442

**8. Property, plant and equipment**

**8.1 2013/14**

	<b>Office Equipment £</b>	<b>Computer Equipment £</b>	<b>Furniture &amp; Fittings £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
As at 1 April 2013	72,494	46,791	50,217	169,502
Additions	-	-	-	-
Disposals	-	-	-	-
<b>As at 31 March 2014</b>	<b>72,494</b>	<b>46,791</b>	<b>50,217</b>	<b>169,502</b>
<b>Depreciation</b>				
As at 1 April 2013	72,494	41,501	50,217	164,212
Charge for period	-	3,299	-	3,299
Disposals	-	-	-	-
<b>As at 31 March 2014</b>	<b>72,494</b>	<b>44,800</b>	<b>50,217</b>	<b>167,511</b>
<b>Net Book Value</b>				
<b>As at 31 March 2014</b>	<b>-</b>	<b>1,991</b>	<b>-</b>	<b>1,991</b>
As at 31 March 2013	-	5,290	-	5,290
Purchased	-	1,991	-	1,991
Donated	-	-	-	-
<b>Total at 31 March 2014</b>	<b>-</b>	<b>1,991</b>	<b>-</b>	<b>1,991</b>

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**8.2 2012/13**

	<b>Office Equipment £</b>	<b>Computer Equipment £</b>	<b>Furniture &amp; Fittings £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
As at 1 April 2012	72,494	46,791	50,217	169,502
Additions	-	-	-	-
Disposals	-	-	-	-
<b>As at 31 March 2013</b>	<u>72,494</u>	<u>46,791</u>	<u>50,217</u>	<u>169,502</u>
<b>Depreciation</b>				
As at 1 April 2012	72,494	35,496	49,198	157,188
Charge for period	-	6,005	1,019	7,024
Disposals	-	-	-	-
<b>As at 31 March 2013</b>	<u>72,494</u>	<u>41,501</u>	<u>50,217</u>	<u>164,212</u>
<b>Net Book Value</b>				
<b>As at 31 March 2013</b>	<u>-</u>	<u>5,290</u>	<u>-</u>	<u>5,290</u>
As at 31 March 2012	-	11,295	1,019	12,314
Purchased	-	5,290	-	5,290
Donated	-	-	-	-
<b>Total at 31 March 2013</b>	<u>-</u>	<u>5,290</u>	<u>-</u>	<u>5,290</u>

The Council holds no third party assets.

**9. Financial instruments**

The Council's core functions are funded from fee income from teachers' registration. The Council has no borrowings and mitigates its exposure to liquidity risk by managing its resources. Its cash balances are held in commercial bank accounts, none of which expose the Council to interest rate risk. All assets and liabilities are denominated in sterling, so they are not exposed to currency risk.

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

<b>10. Trade receivables and other current assets</b>	<b>2013/14</b>	<b>2012/13</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Prepayments and accrued income	31,557	31,252
Other receivables	212,088	26,601
<b>Total</b>	<b><u>243,645</u></b>	<b><u>57,853</u></b>
<b>Amounts falling due after more than one year:</b>		
Prepayments and accrued income	-	-
Other receivables	-	-
<b>Total</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Analysis of trade receivables and other current assets</b>		
Central Government Bodies	212,088	26,601
Local Authorities	-	-
NHS Trusts	-	-
Public Corporations	-	-
<b>Intra Government Balances</b>	<b><u>-</u></b>	<b><u>-</u></b>
Bodies External to Government	31,557	31,252
Total	<b><u>243,645</u></b>	<b><u>57,853</u></b>
 <b>11. Cash and cash equivalents</b>		
	<b>2013/14</b>	<b>2012/13</b>
	<b>£</b>	<b>£</b>
Balance at 1 April 2013	1,279,996	1,177,832
Net change in cash and cash equivalent balances	<u>(6,917)</u>	<u>102,164</u>
Balance at 31 March 2014	<b><u>1,273,079</u></b>	<b><u>1,279,996</u></b>
 The following balance at 31 March 2014 was held at commercial banks and cash in hand	<b><u>1,273 079</u></b>	<b><u>1,279,996</u></b>

**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**12. Trade payables and other current liabilities**

	2013/14 £	2012/13 £
<b>Amounts falling due within one year:</b>		
Trade payables	15,823	32,150
Other payables	553	974
Accruals and deferred income	37,920	57,811
Other taxation and Social Security: HMRC	1,349	20,814
	<u>55,645</u>	<u>111,749</u>

**Amounts falling due after more than one year:**

Other payables	-	-
Obligations under finance leases	-	-
Obligations under PFI contracts	-	-
<b>Total</b>	<u>-</u>	<u>-</u>

**Analysis of trade payables and other current liabilities**

	2013/14 £	2012/13 £
Central Government Bodies	1,349	21,485
Local Authorities	-	-
NHS Trusts	-	-
Public Corporations	-	-
<b>Intra Government Balances</b>	<u>1,349</u>	<u>21,485</u>
Bodies External to Government	54,296	90,264
<b>Total</b>	<u>55,645</u>	<u>111,749</u>

**13. Commitments under Leases**

**13.1 Operating Leases**

Total future minimum lease payments under operating leases are as follows:

	2013/14 £	2012/13 £
<b>Obligations under operating leases comprises</b>		
Buildings		
Not later than one year	62,316	62,316
Later than one year and not later than five years	88,281	150,597
Later than five years	-	-



**GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

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**14. Other financial commitments**

GTCNI has entered into non-cancellable contracts (which are not leases or PFI contracts), for the payment of Continuous Professional Development (CPD) bursaries. The payments to which GTCNI is committed during 2013/2014, analysed by the period during which the commitment expires are as follows.

	<b>2013/14</b>	<b>2012/13</b>
	<b>£</b>	<b>£</b>
Not later than one year	-	3,000

**15. Capital Commitments**

There were no capital commitments at 31 March 2014 for which contracts had been entered into or authorised by the Council.

**16. Contingent Liabilities disclosed under IAS 37**

There are no contingent liabilities.

**17. Related party transactions**

GTCNI is a non-departmental public body (NDPB) sponsored by the Department of Education (DE) who is regarded as a related party. During the year the GTCNI received Grant-in Aid from the Department in respect of the Approval of Qualifications function. GTCNI also had a number of immaterial transactions with schools in Northern Ireland for which DE is regarded as the parent.

GTCNI appointed Mr Trevor Salmon as an independent non-executive member of its Audit and Risk Management Committee in September 2013. Trevor Salmon is Chairman of the NILGOSC scheme of which the Council is a participating employer.

In addition, GTCNI had a number of material transactions with other government departments and central government bodies as follows:

- (a) Central Procurement Directorate (CPD)
- (b) Department of Employment and Learning (DEL)
- (c) Land and Property Services

During the year, none of the Council members, members of the key management staff, or other related parties undertook any material transactions with GTCNI, other than those disclosed in the Remuneration Report

A register of members' interests is available and can be inspected at the Council's office, Albany House during normal working hours.

**18. Losses and Special Payments**

There were no losses or special payments during the year.

**19. Events after the reporting period**

There are no events after the reporting period other than the corporation tax issue and charity registration outlined on page 9.

The Registrar authorised these financial statements for issue on 5 January 2015