



General Teaching Council
for Northern Ireland

Promoting Teacher Professionalism

Annual Report + Accounts

for the year ended 31 March 2016

2015 / 2016



www.gtcni.org.uk

GENERAL TEACHING COUNCIL
FOR NORTHERN IRELAND

**ANNUAL REPORT
AND
ACCOUNTS**

**FOR THE YEAR ENDED
31 MARCH 2016**

**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

9 June 2017

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Contents

Performance Report

- Foreword by the Chairperson	1
- Overview	2-3
- Performance Analysis	3-4

Accountability Report

Corporate Governance Report	
- Report of Council	5
- Statement of Council's and Accounting Officer's Responsibilities	9
- Governance Statement	10-16
Remuneration Report and Staff Report	17-21
Assembly Accountability Report	22
The Certificate of the Comptroller and Auditor General to the Northern Ireland Assembly	23-24

Financial Statements

Statement of Comprehensive Net Expenditure	25
Statement of Financial Position	26
Statement of Cash Flows	27
Statement of Changes in Taxpayers Equity	28
Notes to the Financial Statements	29-42

PERFORMANCE REPORT

FOREWORD BY THE CHAIRPERSON

PERFORMANCE REPORT

FOREWORD BY THE CHAIRPERSON

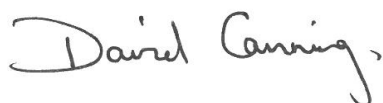
I am pleased to present the 2015/16 Annual Report published by the General Teaching Council for Northern Ireland.

The report provides a summary of the audited accounts for the financial year to 31st March 2016 and the work carried out by the General Teaching Council for Northern Ireland in this period.

There were a number of significant changes for the Council in 2015-16. The Council's membership was fully reconstituted in three phases from October 2015 to April 2016, including the election of teachers' representatives, and limited powers to regulate the teaching profession were transferred from the Department of Education to the Council on 1st April 2015.

During the year the General Teaching Council for Northern Ireland continued to maintain and improve registration services to teachers and develop its approach to professional regulation. The Council also worked closely with the Department of Education on the Strategy for Teacher Professional Learning, 'Learning Leaders', which was published in March 2016 and looks forward to working with the Department and other stakeholders on the implementation of the strategy.

The Council also initiated a programme of work to examine its effectiveness, particularly in relation to corporate governance and risk management.



David Canning
Interim Chair, GTCNI

PERFORMANCE REPORT - OVERVIEW

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.

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 on all matters relating to teaching including the standards of entry to the profession; the training, career development and performance management of teachers; standards of teaching and teachers' conduct.

The mission of the General Teaching Council for Northern Ireland, 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 is appropriately qualified, registered and regulated; promoting career-long professional development and providing government and employing authorities with recommendations for enhancing teachers' career-long professional development; and providing an authoritative voice on behalf of the profession, informed by reliable research, evidence and practice.

It continues to be the General Teaching Council's aspiration to develop its 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 its business, the Council is committed to demonstrating its core belief in the value of collaboration, reflection, respect and responsibility. Along with the profession as a whole, the General Teaching Council for Northern Ireland shares and promotes the Department of Education's vision of *'Every young person achieving to his or her full potential at each stage of his or her development'*.

GOVERNANCE AND ACCOUNTABILITY

The Council is designated as a Non-Departmental Public Body (NDPB) sponsored by the Department of Education. The designated Accounting Officer the Chief Officer is required to ensure that effective systems of internal control are in place and adhered to, and that the Council complies with all relevant legislation and codes.

The Governance Statement on page 10 addresses governance and assurance issues relating to the management of expenditure and the discharge of responsibilities during the 2015/16 financial year to support the achievement of the Council's objectives. This is in accordance with the responsibilities assigned to the 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 to GTCNI. In my governance statement I can only provide limited assurance to the Minister, Department of Education and the general teaching profession in relation to the governance arrangements in the Council.

CONTEXT

The Council operates within the wider context of the Minister's Corporate Plan for Education 2012-16. This sets out a clear strategic direction – and that puts pupils first and is designed to ensure that all young people regardless of their background can succeed to their full potential.

PERFORMANCE REPORT - OVERVIEW cont..:

PURPOSE

The thrust of the Council's work continues to be, about enhancing respect for, and trust in, the teaching profession by promoting teacher professionalism, autonomy, professional voice and influence.

As the professional registration and regulatory body for teachers in Northern Ireland, one of the Council's core purposes is to maintain and improve its professional registration service so that only those who are appropriately qualified can teach in grant-aided schools in Northern Ireland. On 1st April 2015, the Council commenced work on another of its core purposes that of professional self-regulation, when it received limited regulatory powers to investigate cases of professional misconduct.

The Council has continued to promote the importance of teachers' professional development. To achieve this, the Council has worked in partnership with the Department of Education and other stakeholders to bring to fruition the Minister's vision and strategy 'Learning Leaders- A Strategy for Teacher Professional Learning'.

EQUALITY OF OPPORTUNITY

The Council meets its equality of opportunity obligations and these are set out in its Equal Opportunities Policy

COUNCIL'S COMMITTEE STRUCTURE

The Council, which is representative of the teaching profession and other stakeholders, sets the strategic direction for work within its remit and is supported by an Executive Team of salaried employees. The Council delegates some of its responsibilities to the following committees:

- The General Purposes and Finance (GP&F) Committee
- The Registration and Regulation (R&R) Committee
- The Policy & Professional Education (PPE) Committee
- The Audit and Risk Assurance (ARA) Committee

PERFORMANCE REPORT - PERFORMANCE ANALYSIS

RESULTS FOR THE YEAR

The Council had a net income after financing of £1,846 for the year.

CORPORATION TAX

The General Teaching Council for Northern Ireland (the Council) received confirmation from HMRC in 2013 that it is a charity for tax purposes under Paragraph 1 of schedule 6 Finance Act 2010 and is a charitable company effective from January 2000.

Subsequently the Charity Commission for Northern Ireland (CCNI) was established and the Council was obliged to apply to the CCNI to be recognised as a charity, which it did on 23 June 2014

In February 2016 the CCNI advised the Council of its intent to decline its application on the basis that its purposes were not wholly charitable. In particular, the Commission has pointed out that GTCNI has been set up (in legislation) in part to provide advice to the Department of Education, which in the Commission's view is not a charitable purpose but rather a furtherance of government policy.

In October 2016, the CCNI advised that in the absence of evidence from the Council to refute their conclusion they were preparing to issue their letter of final determination. The Council has kept in regular contact with CCNI and but has yet to receive a letter or a positive indication of when this might be expected. In the meantime the Council has also contacted

HMRC who have advised that having considered the information provided, the CCNI are the main regulators and the Council must wait for their letter of final determination

Dependent upon the CCNI issuing a letter of final determination, the Council may be liable retrospectively for corporation tax on its registration fee income for a number of years. In addition the Council may also be liable retrospectively for rates. At this juncture there is uncertainty about whether or not the letter will issue, the timing of any such letter and the position that HMRC may take. If the CCNI issues a letter of final determination the Council may be liable retrospectively for corporation tax on its registration fee income for a number of years. In addition the Council may also be liable retrospectively for rates. At this juncture there is uncertainty about whether or not the letter will issue, the timing of any such letter and the position that HMRC may take. Bearing in mind these uncertainties a range of £0 to £340k is possible. Accordingly the Council considers this to be an unquantifiable liability subject to disclosure.

NON-CURRENT ASSETS

The movement of non-current assets is summarised in the notes to the accounts. The Council does not believe that there is any material difference between the market and historical book values of its non-current assets as at 31 March 2016. The non-current assets are stated at historical cost less depreciation and have not been re-valued during the year.

PERFORMANCE AGAINST CORPORATE GOALS

During the year the Council delivered on its corporate goals as set out in the annual business plan for 2015-16.

- The Council continued to monitor all its activities to ensure that where possible it supported the Department of Education in fulfilling its statutory duties to encourage and facilitate the development of integrated education.
- The Council continued to monitor all its activities to ensure that where possible it supported the Department of Education in fulfilling its statutory duties to encourage and facilitate the development of Irish Medium Education.
- The Council continued to make the case for an independent professional body for teachers in Northern Ireland.
- The Council agreed its Conduct rules as the basis for developing its regulatory processes.
- The Council continued to ensure that all individuals wishing to teach in a grant-aided school in Northern Ireland were registered.
- The Council continued to approve qualifications to teach in Northern Ireland.
- The FE Working Group continued with the preparation for the registration and regulation of the FE workforce and welcomed the publication in January 2016 of the Department for Employment and Learning FE Strategy 'Further Education Means Success'.
- The Council continued to work with Department of Education and other stakeholders on promoting the importance of teachers' professional development and welcomed the publication of the Minister's policy proposals set out in 'Leading Learners- A Strategy for Teacher Professional Learning'.
- The Council rebranded and launched its annual student teacher award scheme as the STAR Award Programme. It also continued to support the 'BEST' Award FE Lecturer'.
- 100% of all non-disputed invoices were paid within 30 days of receipt of invoice.
- The Annual Report & Accounts for 2014/15 were laid on time before the NI Assembly on 18 March 2016

ACCOUNTABILITY REPORT

CORPORATE GOVERNANCE REPORT

REPORT TO COUNCIL

COUNCIL MEMBERS

The General Teaching Council for Northern Ireland (GTCNI) (the Council) is the professional registration and regulatory body for teachers in Northern Ireland. The Council's work is funded by teachers' annual registration fees. GTCNI is governed by a representative Council of 33 members. Twenty nine were elected or nominated in October 2010 to serve for a term of four years until 14 October 2014. Four members are appointed by the Department of Education under the public appointment's process. However, as no applicants were felt to be representative of industry and commerce [GTCNI (Constitution) Regulations (Northern Ireland) 2001, paragraph 7 (d) (i) (the 2001 Constitution Regulations) this position was left vacant. The term of office for appointed members was extended until 14 October 2015; Department of Education appointed members until the 29 February 2016 and elected members until 14 April 2016. As and from the 15 April, the Council will be fully reconstituted in accordance with the 2001 Constitution Regulations.

SENIOR MANAGEMENT TEAM

The Registrar, Dr Carmel Gallagher, was the Chief Executive Officer of the Council. She was supported by professional staff responsible for the Council's strategic and operational work programmes. Dr Gallagher was absent since the beginning of March 2016 and Barry Jordan, a senior official of the Department of Education was appointed as interim Chief Officer from 22 March 2016. During the year the following staff served as members of the Senior Management Team: Dr Carmel Gallagher (Registrar), Mr Barry Jordan (from 22 March 2016), Mr Gerry Devlin (Senior Education Officer continued to oversee and take responsibility for registration and regulation) and Mr Ken Rainey (Head of Planning and Corporate Services from 1 May 2015).

FORMAT OF ACCOUNTS

The Annual Report and Accounts has been prepared in accordance with the requirements and guidelines set out in the Government's Financial Reporting Manual (FReM) issued by the Department of Finance (formerly 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 FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

PROMPT PAYMENT

The Council is committed to the prompt payment of bills for goods and services received in accordance with the terms of contracts. It aims to pay invoices within 10 days and no later than 30 days. GTCNI complies 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. During the year the Council paid 84% of its invoices within 10 days and 100% of all invoices within 30 days, and as such no commercial debt interest was paid or due.

AUDITORS

The Council's 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. The Northern Ireland Audit Office and its staff are wholly independent of the Council and the Department of Education. The Comptroller & Auditor General reports his findings to the Northern Ireland Assembly.

The Council incurred a notional audit fee of £10,000 in respect of the audit of the financial statements. The Northern Ireland Audit Office received no remuneration in respect of non-audit work during the year.

The Council confirms that:

- so far as its interim Chief Officer is aware, there is no relevant audit information of which the Council's auditors are unaware;

- the interim Chief Officer has taken all the steps that she ought to have taken to make himself aware of any relevant audit information and to establish that the Council's auditors have been made aware of that information.

CORPORATE GOVERNANCE REPORT cont...

Council membership for the period was as follows:

Elected Members

Nursery School Representative	Mrs Sharon Beattie (to April 2016) Ms Joanne Burns (from April 2016)
Special School Representative	Mr Colm Davis (to 18 March 2015) Mr Paul Fitzpatrick (from April 2016)
Primary School Representatives	Mr Brian Carlin (to April 2016) Mrs Carney Cumper (to April 2016) Mrs Sandra E Douglas (to April 2016) Mrs Gillian Dunlop (became NITC Rep Oct 2015) Mr John Kerr (to April 2016) Mr Chris Murdock (from April 2016) Ms Catriona Mullan (from April 2016) Ms Grainne McAleer (from April 2016) Ms Delma Beggs (from April 2016) 1 Vacant Seat
Secondary School Representatives	Mr Graham Agnew (to April 2016) Mrs Rosemary Barton (to April 2016) Mr Colin McAllister (resigned 29 September 2015) Miss Ciara McCay (to April 2016) Mr Ian Simons (to April 2016) Ms Susan Parlour (from April 2016) Mr Raymond Beggs (from April 2016) Mr Brendan Morgan (from April 2016) Ms Siobhan McElhinney (from April 2016) Mr Clive Bowles (from April 2016)
Primary School Principal	Mr Brian Jess (to April 2015) Mr Brian McGrath (from April 2016)
Secondary School Principal	Mr Ivan Arbuthnot (to April 2016) Vacant (from April 2016)
Appointed Members	
Northern Ireland Teachers' Council	Mr John Pollock (to November 2015) Mrs Gillian Scott (to October 2015) Mrs Teresa Graham (to October 2015) Ms Daisy Mules (to October 2015) Mr David Canning (Continuing term) Mrs Gillian Dunlop (from Oct 2015) Ms Louise O'Prey (from October 2015) Mr Gordon White (from April 2016) Mr Paddy McAllister (from October 2015)
Association of NI Education and Library Boards	Mr Barry Mullholland (to October 2015) Mr John Devlin (to October 2015) Mr David Cargo (from October 2015) Mrs Monica Culbert (from October 2015)
Council for Catholic Maintained Schools	Mr John Colgan (to October 2015) Mr Eugene O'Neill (replaced by Mr Terry Murphy (to December 2014)

GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND: YEAR ENDED 31 MARCH 2016

	Replaced By Malachy Crudden (from February 2014) Paul O'Doherty (from October 2015)
Comhairle na Gaelscolaíochta	Ms Aine Andrews (Continuing term)
Governing Bodies Association	Mrs Sheila Crea (to September 2015) Mrs Mary Lou Winchborne (from October 2015)
Northern Ireland Council for Integrated Education	Mrs Frances Donnelly (to March 2015) Ms Clíodhna Scott-Wills (from May 2015)
Transferor Representatives' Council	Miss Rosemary Rainey (Continuing term)
Trustees of Catholic Maintained Schools	Mrs Carmel McCartan (Continuing term)
Universities Council for the Education of Teachers	Miss Audrey Curry (to October 2015) Mr Martin Hagan (from October 2015)
Department of Education	Mrs Sally McKee (to February 2016) Dr Jennifer Cornyn (to February 2016) Mr Sean Lambe (to February 2016) Mr Paul Boyle (from February 2016) Ms Sheila Fleming (from February 2016) Ms Vicky Johnston (from February 2016) Ms Maria Mullally (from February 2016)

In addition, Mr Trevor Salmon was co-opted to the Council and served as an independent non-executive member of the Audit and Risk Assurance Committee throughout the year.

COMPLAINTS PROCEDURE

The Council has a complaints procedure in place. Two complaints were received during 2015/16.

HEALTH AND SAFETY

The Council is committed to adhering to Health and Safety legislation 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 breaches during the year.

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 all parties including those considered disabled.

CORPORATE GOVERNANCE REPORT cont...

FUTURE DEVELOPMENTS

The Council continues to work on a number of key initiatives, including:

- supporting the enactment of limited legislation to exercise a range of disciplinary powers in relation to the registered teachers' fitness to practice;
- progressing the review of the Northern Ireland Teacher Competences to include leadership competences;
- providing advice on a career-long professional development framework for the teaching profession.

RECONSTITUTION OF COUNCIL

As and from 15 April 2016, the Council is reconstituted in accordance with the GTCNI (Constitution) Regulations (Northern Ireland) 2001, however, there is a requirement to hold a by-elections to fill the places for two teacher representatives.

CHAIRPERSON

Mr Ivan Arbuthnot served as Chairperson of Council from 1 April 2015 until 4 January 2016. In the period 26 August - 25 November 2015 Mr Arbuthnot suffered from illness, during which time Dr Jennifer Cornyn covered the work of the Chairperson of Council. Dr Cornyn was elected as interim Chairperson on 5 January 2016, and held this post until 29 February 2016 when she ceased to be a Council member. Mr David Canning was elected as interim Chairperson of Council on 4 April 2016.

IMPORTANT EVENTS OCCURRING AFTER THE YEAR END

DE appointed Anne Dickson interim Chief Officer and Accounting Officer on 21 November 2016 replacing Barry Jordan.

DE is conducting a review of the administration, management and operations of the Council as provided for in the Council's Management Statement and Financial Memorandum.



Anne Dickson
Interim Chief Officer and Accounting Officer

Date: 15 May 2017

CORPORATE GOVERNANCE REPORT cont...

STATEMENT OF THE COUNCIL'S AND ACCOUNTING OFFICER'S RESPONSIBILITIES

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 (formerly the Department of Finance and Personnel). 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 Accounting Officer/ Chief Officer (including responsibility for the propriety and regularity of the public finances for which the Chief Officer is answerable and responsibility for keeping proper records and for safeguarding the Council's assets) are set out in 'Managing Public Money Northern Ireland'.



Anne Dickson
Interim Chief Officer and Accounting Officer

Date: 15 May 2017

CORPORATE GOVERNANCE REPORT cont...

GOVERNANCE STATEMENT

Introduction

This Governance Statement is an important element of the Council's Annual Report and Accounts. It provides details of how the Accounting Officer, together with the Council and its Committees, managed the Council's resources during the 2015-16 financial year and of actions taken to maintain effective corporate governance and risk management to support the achievement of corporate and business objectives.

GTCNI's Governance Framework

The General Teaching Council Northern Ireland (GTCNI) ('the Council') is the professional and regulatory body for teachers in Northern Ireland and is funded by teachers' annual professional registration fees.

During 2015-16, GTCNI was governed by a representative Council of thirty three members. From 15 April 2016 the Council has been fully reconstituted in accordance with the 2001 Constitution Regulations.

The Council is designated as a Non-Departmental Public Body (NDPB) and, as a result, a Management Statement and Financial Memorandum (MSFM) is in place with the Department of Education as sponsor Department. The Management Statement sets out the broad framework within which the Council is required to operate, while the Financial Memorandum defines certain financial provisions which the Council is required to observe.

Dr Carmel Gallagher held the post of Registrar and Accounting Officer for GTCNI until 31 October 2016. During a period of absence, Mr Barry Jordan was appointed as Interim Accounting Officer and Chief Officer on 22 March 2016 and I succeeded Mr Jordan on 21 November 2016.

As interim Chief Officer I am responsible to the Council for the effective operational leadership and management of the organisation, its staff, its resources and its good governance. As interim 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.

The Council

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 2015/16. This provides a framework of goals 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.

The Council's Committees

During the 2015/16 reporting period, each member of Council elected to sit on one, or more, of four Committees: the Audit and Risk Assurance (ARA) Committee; the General Purposes and Finance Committee (GP&F); The Policy and Professional Education Committee (PPE); and The Registration and Regulation Committee (R&R). The table below summarises the attendance of Members at Council and Committee meetings in 2015-16.

GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND: YEAR ENDED 31 MARCH 2016

2015-2016

Member	Sub- Committee attendance <i>(Total possible attendance is shown in brackets)</i>				
	Council attendance	Audit and Risk Assurance	General Purposes and Finance	Policy Professional Education	Registration and Regulation
G Agnew	3 (4)	1 (2)	2 (2)		
A Andrews	3 (4)		2 (2)	0 (2)	
I Arbutnot	3 (4)	0 (3)	1 (2)	1 (2)	2 (3)
R Barton	1 (4)		2 (2)		
S Beattie	3 (4)			1 (2)	
D Canning	3 (4)			1 (2)	
B Carlin	2 (4)				3 (3)
J Colgan	0 (2)**			1 (1)	
J Cornyn	4 (4)****	2 (2)	1 (2)	1 (1)	2 (3)
S Crea	0 (2)**				
M Crudden	3 (4)		2 (2)		
C Cumper	2 (4)				
A Curry	2 (2)**				0 (0)
J Devlin	2 (2)**			1 (1)	
S Douglas	3 (4)		2 (2)		2 (3)
G Dunlop	2 (4)	1 (1)	2 (2)		
T Graham	2 (2)**	2 (2)	1 (1)	1 (1)	1 (1)
B Jess	4 (4)			0 (2)	
S Lambe	2 (4)****			2 (2)	
J Kerr	0 (0)			1 (2)	
C McAllister	0 (1)**				
C McCay	3 (4)			1 (2)	
C McCartan	3 (4)			2 (2)	
S McKee	2 (4)****		1 (2)		
D Mules	2 (2)**	1 (2)		1 (1)	
B Mulholland	2 (2)**	2 (2)			
J Pollock	3 (3)***	3 (3)	2 (2)	1 (1)	2 (2)

GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND: YEAR ENDED 31 MARCH 2016

R Rainey	4 (4)	3 (3)	1(1)	2 (2)	
G Scott	1 (2)**	0 (2)	0 (1)		
I Simons	2 (4)			2 (2)	
T Salmon	N/A	3 (3)			
C Scott-Wills	1 (4)				3 (3)
L O'Prey	2 (2)*****				2 (2)
P McAllister	2 (2)*****			1 (1)	
M Winchborne	2 (2) *****		1 (1)		1 (1)
M Hagan	2 (2)*****			1 (1)	
M Culbert	1 (2)*****				2 (2)
D Cargo	2 (2)*****	1 (1)			
P O'Doherty	2 (2)*****				2 (2)
P Boyle	2 (2)*****				
S Fleming	0 (2)*****				
V Johnston	0 (2)*****				
M Mullally	0 (2)*****				

* Resigned September 2015

** Term of office ended October 2015

*** Resigned November 2015

**** Term of office ended February 2016

***** New Member

The Audit and Risk Assurance Committee

While overall responsibility for maintaining and reviewing the systems of internal control rests with the Council and its interim Chief Officer, the Council was supported by the ARA Committee. The Committee was responsible for: monitoring the effective development and operation of corporate governance; testing and challenging the assurances provided to the interim Chief Officer; and for providing independent assurance of the adequacy of the Council's governance arrangements, including the risk management framework and the associated controls.

The ARA Committee in turn took assurance from the work of Internal Audit. A representative of Internal Audit was represented at all ARA Committee meetings and reported regularly to the Registrar and interim Chief Officer throughout the year. In addition, an observer from the Department of Education attended each meeting.

During 2015-16, the ARA Committee scrutinised and approved the 2014-15 Annual Report and Accounts, monitored the implementation of audit recommendations; oversaw the commissioning of the Board Effectiveness Review; and approved the 2015/16 audit programme.

The General Purposes and Finance Committee

The GP&F Committee had strategic responsibility for overseeing the Council's planning processes. The main business of the Committee involved overseeing financial and management planning and reporting procedures. The GP&F Committee also oversaw staff matters, including reviewing absence management and approving policies and procedures to ensure optimum use of the Council's financial and human resources.

The Policy and Professional Education Committee

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

The Registration and Regulation Committee

The R&R Committee had strategic responsibility for all aspects of teacher registration and regulation, including ensuring that an effective professional registration service is maintained so that only qualified teachers are permitted to teach in grant-aided schools in Northern Ireland. The Committee was responsible for providing statistical analysis and advice on the profile of the profession in respect of recruitment and supply.

Corporate Governance & 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.

Concerns about GTCNI's corporate governance were a prevalent feature within the organisation during 2015-16. Although the Council had a range of governance structures in place it is apparent that they had not been operating in a manner which is consistent with the underlying requirements and spirit of the Corporate Governance Code.

This is evidenced by the conclusions of the 2015 Board Effectiveness Review which highlighted the need for significant improvements. The outgoing Council had begun a process of addressing these issues. However, progress was limited due to a number of factors, including the ongoing reconstitution of the Council which was taking place in three phases from the period October 2015 – April 2016.

In December 2015 the Department of Education introduced a number of special measures to strengthen the existing governance framework for its oversight of the organisation, which involved an increase in the frequency of Governance and Accountability Review meetings from six-monthly to monthly, and the presence of a DE representative in observer status at all subsequent Council meetings.

In February 2016 DE withdrew delegated authority from the Council and appointed a senior officer of the Department as interim Accounting Officer.

Corporate governance workshops took place in May and June 2016, attended by 29 Council members, at which there was a positive desire on the part of those attending to address the issues. Based on the work carried out at these events, a revised Corporate Governance Framework, incorporating the Statutory and Governance Framework; Standing Orders and a Code of Conduct for Council members was developed. This Framework draws from the existing MSFM and best practice approaches in other NDPBs and addresses:

- The clarification of the Council's remit;
- Role clarification – Council Chair, members, Chief Officer and other officers;
- Matters reserved for decision by Council;
- Committees to support the business of the Council
- Required values, standards and behaviours for Council members; and
- The strategic context governing the operation of the Council as an NDPB.

The Framework was agreed unanimously by Council in June 2016 and has provided a solid foundation for the subsequent conduct of Council business.

DE accepted in June 2016 that the Council's work in this area has successfully addressed all of the issues falling to GTCNI from the 2015 Board Effectiveness Review.

The Council's committees have since been reconstituted to support the effective operation of the council. This work built on earlier work by the outgoing Council and established four new committees with effect from October 2016: a Policy, Regulation and Registration committee; a Human Resources Committee; a Finance and General Purposes Committee and an Audit and Risk Assurance committee.

Governance and Accountability Review (GAR) Meetings

Under normal circumstances bi-annual Governance Accountability and Review (GAR) meetings are held with Department of Education officials. These are chaired by the Permanent Secretary based on an agenda set by the Department and including items where a strategic focus is required. The meetings provide an opportunity for the Department to seek and receive formal assurances from the Accounting Officer that standards of governance are appropriate; resources are being used in accordance with the requirements of regularity, propriety and value for money; and 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.

As explained above, under the special measures introduced in December 2015, the Registrar of GTCNI and the Chair of the Council have been required to attend more frequent GAR meetings with the Department.

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/interim Chief Officer. During 2015-16 interests were declared and recorded in Council and Committee minutes as appropriate.

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 a number of whistle-blowing reports to the Department of Education in 2015/16, which are being reviewed by the Department's Internal Audit.

Financial management

The interim Chief Officer has overall responsibility for management of the Council's finances. I operate within the terms of my designation set out in the letter of appointment from the Permanent Secretary.

Data management

The Council manages the information it holds in accordance with current legislation including the Data Protection Act. I am advised that the Council had no data losses reported during 2015-16.

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.

It is apparent that the Executive Team could have done more to bring relevant information to the attention of the Council in the past. However the new Corporate Governance Framework has provided clarification on the respective roles of the Council Chair, members, Chief Officer and other officers and sets out clearly those matters that are reserved for decision by Council, and how the newly reconstituted committees will support the business of the Council.

Ministerial Directions

During 2015-16 no Ministerial Directions were sought or given.

Internal Audit Assurance

I note the annual report from the Council's internal auditors which provides an assurance that systems in relation to internal control were adequate and operating effectively thereby providing satisfactory assurance in that area. However, I also note the internal audit assessment that systems in respect of risk management and governance were ineffective and therefore providing limited assurance of effectiveness in those areas.

In addition, in response to concerns from my predecessor, our auditors undertook additional work during May 2016 in relation to contract management. They found that existing risk management, control and governance systems in place for procurement and contract management were inadequate and/or ineffective and provided a limited level of assurance regarding the achievement of the Council's objectives in relation to procurement and contract management. The Executive team has since actioned all priority 1 and 2 recommendations from this report.

There is positive progress to report on these areas, building on work by the outgoing Council. As already outlined, significant improvements have been made in relation to corporate governance structures and arrangements. In addition, the development of a new risk management framework, which was unanimously endorsed by Council in December 2016 is an important step forward (see below).

At a meeting of the ARAC on 21 November 2016, the Committee requested the Council's internal auditors to complete an independent view of the new governance arrangements and progress made on risk management and procurement and contracts management.

The review concluded that significant progress has been made by management in relation to the implementation of the recommendations made during their earlier review of procurement and contract management (final report dated 8 February 2017).

On the basis of the internal audit work undertaken during 2016/17 the internal auditors concluded in their Annual Assurance report that the Council's systems in relation to governance, risk management, and internal control were adequate and operated effectively thereby providing satisfactory assurance in relation to the effective and efficient achievement of the Council's objectives.

Risk Management

The Council had a corporate risk management framework in place. However the Governance issues experienced during the course of 2015-16 called for a review and strengthening of that approach to risk management. The issue was considered by Council members at the Corporate Governance workshops in May / June, and officers subsequently developed a new Risk Management Framework and Corporate Risk Register. The newly-constituted Audit and Risk Assurance Committee supported this work and the new Risk Management Framework and Corporate Risk Register were adopted by Council in December 2016.

The recent internal audit's review of the Council's new risk management framework and updated risk register (final report dated 8 February 2017) concluded that the Council has established risk management processes which are in line with best practice guidance and are working effectively to identify the key risks facing the Council and to manage those risks to an acceptable level.

Significant Governance Issues

GTCNI was registered as a charity with HMRC in 2012 for tax purposes. Following the establishment of the Charity Commission for Northern Ireland (CCNI) the Council was obliged to apply to it for recognition as a charity. CCNI has subsequently advised the Council of its intent to decline this application on the basis that our purposes are not wholly charitable, in particular, our statutory duty to provide advice to the Department of Education. A formal determination reflecting this situation has not yet been received from CCNI. An assessment of GTCNI's corporate model may be necessary following this determination.

Concerns about corporate governance within GTCNI were widespread throughout 2015/16. They were reflected in the findings of the Board Effectiveness Review, the intervention of the Department of Education and withdrawal of delegated authority and a number of internal staff grievances and whistle-blowing incidents which have been reported to the Department of Education's Internal Audit Team.

The limited assurance in relation to governance, risk management and procurement and contract management by our internal audit for this period has resulted in a concerted work programme by officers, overseen by the Audit and Risk Assessment Committee, to address the issues identified.

The Department of Education has indicated that it intends to conduct a fundamental review of the administration, management and operation of GTCNI in April 2017. This review was provided for in the Council's original MSFM. The Council has welcomed the review and has given its commitment to work with the Department in taking it forward.

Interim Accounting Officer's Assurance Statement

On the basis of the review detailed in this governance statement, it is clear that during 2015-16 the Council faced significant governance and risk management challenges.

Substantial progress, reflecting work commenced by the outgoing Council and carried forward by the incoming Council, has considered the governance, risk management and procurement management issues. The Department of Education has accepted that the Council's work on corporate governance has addressed the issues raised in the Board Effectiveness Review falling to the Council.

In addition, based on the internal audit work undertaken during 2016/17 the internal audit assurance statement found that the Council's systems in relation to governance, risk management and internal control were adequate and operated effectively thereby providing satisfactory assurance in relation to the effective and efficient achievement of the Council's objectives.

As outlined above, the Council continues to work through the governance issues. I am confident that the newly constituted Council is seized with the importance of continuing to implement and monitor the improvements made thus far. Combined with constructive support from the Department of Education to help address areas of concern, the new Council has provided a level of stability and determination to oversee positive progress across all areas of the Council's business.

On the basis of this progress and the expectation of continuing improvements, I believe that the Council is moving to a position where reasonable assurance can be provided that the organisation is operating effectively.



Anne Dickson
Interim Chief Officer and Accounting Officer
15 May 2017

REMUNERATION AND STAFF REPORT

REMUNERATION POLICY (Audited information)

The remuneration of Council staff, with the exception of the interim Chief Officer, 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. To this end equality is a core principle which underpins both service delivery and employment relations; and
- stable industrial relations and negotiation and consultation between employers and recognised trade unions.

The remuneration of the Registrar, as approved by the Department of Education and Department of Finance (formerly the Department of Finance & Personnel), was set initially at the pay range equivalent to L25 to L33 on the NI Leadership scale for teachers. Annual reviews (which include revalorisation) are restricted within public sector pay limits. The Registrar does not receive performance related pay, bonus payments or any other allowances applicable to the leadership scale.

Terms and Conditions of Service

Staff appointments are made on merit, in accordance with the Council's Appointments and Promotions Procedure, on the basis of fair and open competition. Staff terms and conditions of employment including salary progression, payment of allowances, leave entitlement and notice periods as outlined in the National Joint Council's Green Book on Pay and Conditions of Service.

CHAIRMAN'S EMOLUMENTS (Audited information)

The Chairman, Mr Ivan Arbuthnot, received an allowance of £7,500 during the year. Dr Jennifer Cornyn received an allowance of £5,000 for her term served as interim Chair during the year.

MEMBER EMOLUMENTS (Audited information)

No remuneration was paid to members of the General Teaching Council during the year.

STAFF REPORT (Audited information)

Total Staff Costs (Audited information)

	2015/16 Permanently employed staff £	2015/16 Others £	2015/16 Total £	2014/15 Total £
Salaries & Wages	485,153	123,248	608,401	552,445
Social Security Costs	38,607	6,670	45,277	35,327
Pension Costs	128,649	14,126	142,775	104,164
Total	652,409	144,044	796,453	691,936

STAFF REPORT contd...

Average Number of Persons Employed (audited information)

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

	2015/16 Permanently employed staff No	2015/16 Others No	2015/16 Total No	2014/15 Total No
Directly employed	15	2	17	15
Other	1	1	2	2
Engaged on capital projects	-	-	-	-
Total	16	3	19	17

STAFF ABSENCE (Audited information)

GTCNI staff sickness levels, excluding long term sickness, averaged 4.07 days in 2015/16 (4.74 days in 2014/15). Sickness levels, including long term sickness, averaged 23.29 days in 2015/16 (4.74 days in 2014/15). The management of absenteeism is an integral part of a line manager's remit.

GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND: YEAR ENDED 31 MARCH 2016

STAFF REPORT cont...

SENIOR MANAGEMENT REMUNERATION (Audited)

Officials	2015-16					2014-15				
	Salary £'000	Bonus payments £'000	Benefits in kind * (to nearest £100)	*Pension Benefits (to nearest £'000)	Total £'000	Salary £'000	Bonus payments £'000	Benefits in kind (to nearest £100)	* Pension Benefits (to nearest £'000)	Total £'000
C Gallagher, Registrar	65-70	-	100	22,000	87-92	65-70	-	100	18,000	83-88
G Devlin, Senior Education Officer, Acting Head of Registration & Regulation **	50-55	-	100	41,000	91-96	50-55	-	100	13,000	63-68
K Rainey Head of Planning and Corporate Services ***	45-50 (50-55 full year equivalent)	-	100	16,000	61-66 (65-70 full year equivalent)	50-55	-	100	n/a	n/a
J Cohen, Further Education Officer	45-50	-	100	16,000	61-66	45-50	-	100	12,000	57-62
Band of highest paid director's total remuneration	65-70					65-70				
Median total remuneration	26,293					25,727				
Ratio	2.57					2.65				

* 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 by NILGOSC.

** 1.8% growth in pension benefits in 2015/16. The inflation adjustment in 2016 and 2015 was 1.8% and 2.7% respectively.

*** Appointed Head of Planning and Corporate Services 1st May 2015.

STAFF REPORT cont...

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 (Audited information)

There were no performance related payments paid or due in respect of 2015/2016 (2014/2015 nil).

FAIR PAY DISCLOSURE (audited information)

The Council is required to disclose the relationship between the remuneration of the highest paid employee and the median remuneration of the organisation's workforce. The banded remuneration of the highest paid employee in the year 2015/16 was £65-70k (2014/2015: £65k-£70k). This was 2.57 (2014/2015: 2.65) times the median remuneration of the workforce, which was £26,293 (2014/2015:£25,727)

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

PENSIONS OF SENIOR MANAGEMENT (Audited)

	Accrued pension at age 60 as at 31/03/16 and related lump sum £000s	Real increase in pension and lump sum at pension age £000s	CETV at 31/03/16 £000s	CETV at 31/03/15 £000s	Real Increase In CETV £000s
C Gallagher, Registrar	0 - 5 plus lump sum of nil	0 - 2.5 plus nil increase in lump sum	64	41	19
G Devlin, Senior Education Officer, Acting Head of Registration & Regulation	20 - 30 plus lump sum of 60-65	0 - 2.5 plus 0-2.5 increase in lump sum	604	561	48
K Rainey Head of Planning and Corporate Services	0 - 5 plus lump sum of nil	0 - 2.5 plus nil increase in lump sum	10	n/a	6
J Cohen, Further Education Officer	0 - 5 plus lump sum of nil	0 - 2.5 plus nil increase in lump sum	19	9	6

STAFF REPORT cont...

PENSIONS

The Council participates in the Northern Ireland Local Government Officers' Superannuation Committee Scheme (NILGOSC). NILGOSC is a multi-employer defined benefit scheme in which it is possible for an employer to identify its share of the assets and liabilities on a consistent basis. The NILGOSC scheme is a funded defined benefit plan with benefits earned up to 31 March 2015 being linked to final salary. Benefits from 1 April 2015 are based on a Career Average Revalued Earnings scheme.

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 and are set between 5.5% and 10.5% for 2015/16. The employer's contribution rate to the NILGOSC scheme is 20%.

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 NILGOSC scheme. The CETV figures 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 with 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: EXIT PACKAGE (Audited information)

No awards or compensation payments were made during the year. (2014-2015: nil)

ILL-HEALTH RETIREMENT (Audited information)

No individuals retired early on ill-health grounds during the year.

THIRD PARTIES (Audited information)

No payments were made during the year to third parties for services as senior managers

ASSEMBLY ACCOUNTABILITY REPORT


LOSSES AND SPECIAL PAYMENTS (Audited information)

There were no losses or special payments during the year

FEES AND CHARGES (Audited information)

Registration fees :The annual registration year runs from 1st April to the following 31st March, with the fee becoming due on 1st 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.

Other Income: Funding from the Department for Employment and Learning for a further Education Officer post is recorded under Other Income. The corresponding salary and related expenses is included under staff costs.



David Canning
Chairperson

Date: 15 May 2017



Anne Dickson
Interim Chief Officer and Accounting Officer

Date: 15 May 2017

GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

I certify that I have audited the financial statements of the General Teaching Council for Northern Ireland for the year ended 31 March 2016 under the Education (Northern Ireland) Order 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 and Staff Report and the Assembly Accountability Report that is described in these reports as having been audited.

Respective responsibilities of the Council, Accounting Officer and auditor

As explained more fully in the Statement of the Council's and Accounting Officer's Responsibilities, the Council and Accounting Officer's 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 audit, certify and report on the financial statements in accordance with the Education (Northern Ireland) Order 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 Auditing Practices Board'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 Annual Report 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 who 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.

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 2016 and of the net income 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.

THE CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

Emphasis of matter

I draw attention to Note 15 to the financial statements which describes the uncertainty related to whether the General Teaching Council for Northern Ireland is considered a charity by the Charities Commission for Northern Ireland. As a consequence, uncertainty remains as to quantum of any potential tax liability resulting from a change in status. My opinion is not qualified in respect of this matter.

Opinion on other matters

In my opinion:

- the parts of the Remuneration and Staff Report and the Assembly Accountability 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 Performance Report and Accountability 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 parts of the Remuneration and Staff Report and Assembly Accountability 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's (formerly Department of Finance and Personnel) 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*

Date: 16 May 2017

STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2015/16 £	2014/15 £
<u>EXPENDITURE</u>			
Staff Costs	2	796,453	691,936
Depreciation	8	1,290	1,991
Other expenditure	4	454,783	372,439
Total expenditure		<u>(1,252,526)</u>	<u>(1,066,366)</u>
<u>INCOME</u>			
Income from activities	5	1,179,583	1,179,145
Other Income	6	63,824	60,456
Total income		<u>1,243,407</u>	<u>1,239,601</u>
Net Income		(9,119)	173,235
Interest Receivable	7	6,965	10,499
Net Income after Interest		(2,154)	183,734
Net Return on Pension Finance	2	(6,000)	(5,000)
Net Income after Financing		(8,154)	178,734
Credit in respect of notional costs	4	10,000	7,000
Net Income after financing transferred to Net Expenditure Reserve		1,846	185,734
Other Comprehensive Expenditure			
Actuarial gain/(loss) in respect of pension liability		167,000	(46,000)
Total Comprehensive Income for the year ended 31 March 2016		<u>168,846</u>	<u>139,734</u>

The notes on pages 29 to 42 form part of these financial statements and should be read in conjunction therewith.

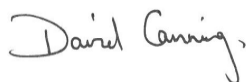
GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND: YEAR ENDED 31 MARCH 2016

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	Notes	2016 £	2015 £
NON-CURRENT ASSETS			
Property, plant and equipment	8	5,234	-
Total non-current assets		5,234	-
CURRENT ASSETS			
Trade and other receivables	10	60,163	46,726
Cash and cash equivalents	11	1,807,605	1,745,599
Total current assets		1,867,768	1,792,325
TOTAL ASSETS		1,873,002	1,792,325
CURRENT LIABILITIES			
Trade and other payables	12	(113,353)	(67,522)
Total current liabilities		(113,353)	(67,522)
Non-current assets plus net current assets		1,759,649	1,724,803
NON-CURRENT LIABILITIES			
Pension (Liability)	2	(110,000)	(244,000)
Total non-current liabilities		(110,000)	(244,000)
ASSETS LESS LIABILITIES		1,649,649	1,480,803
TAXPAYERS' EQUITY			
Net expenditure reserve		1,649,649	1,480,803
		1,649,649	1,480,803

The notes on pages 29 to 42 form part of these financial statements and should be read in conjunction therewith.

The financial statements were approved on 15 May 2017 on behalf of the Council by:



.....
David Canning
Interim Chairperson



.....
Anne Dickson
Interim Chief Officer and Accounting Officer

GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND: YEAR ENDED 31 MARCH 2016

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2015/16	2014/15
		£	£
CASH FLOWS FROM OPERATING ACTIVITIES			
Net surplus after interest		1,846	185,734
Decrease / (Increase) in trade and other receivables		(13,437)	196,919
Increase / (Decrease) in trade and other payables		45,831	11,876
Depreciation charges	8	1,290	1,991
Actuarial gain on pension scheme	2	167,000	(46,000)
Pension scheme movement		(134,000)	67,000
Net cash inflow / (outflow) from operating activities		68,530	417,520
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	8	(6,524)	-
Net cash flow from investing activities		(6,524)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Grant-in-aid		-	55,000
Net financing		-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS IN THE PERIOD	11	62,006	472,520
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	11	1,745,599	1,273,079
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	11	1,807,605	1,745,599

The notes on pages 29 to 42 form part of these financial statements and should be read in conjunction therewith.

GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND: YEAR ENDED 31 MARCH 2016

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2016

	NET EXPENDITURE RESERVE £	TOTAL RESERVES £
Balance at 31 March 2014	1,286,069	1,286,069
Changes in Taxpayers Equity 2014/15		
Actuarial (loss) on the pension scheme	(46,000)	(46,000)
Comprehensive Income for 2014/15	185,734	185,734
Grant-in-aid	55,000	55,000
Balance at 31 March 2015	1,480,803	1,480,803
Changes in Taxpayers Equity 2015/16		
Actuarial gain on the pension scheme	167,000	167,000
Comprehensive Income for 2015/16	1,846	1,846
Grant-in-aid	-	-
Balance at 31 March 2016	1,649,649 =====	1,649,649 =====

The notes on pages 29 to 42 form part of these financial statements and should be read in conjunction therewith.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

1. Statement of accounting policies

These financial statements have been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by the Department of Finance (formerly the Department of Finance and Personnel). 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 for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Council are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

Management have reviewed new accounting standards that have been issued but are not yet effective. 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 1st April to the following 31st March, with the fee becoming due on 1st 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 received from the Department of Education in the previous financial year related to 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

The following disclosures relate to the funded liabilities within the Northern Ireland Local Government Officers' Pension Fund (the "Fund") which is part of the Local Government Pension Scheme (Northern Ireland) (the "LGPS").

The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2015 being linked to final salary. Benefits after 31 March 2015 are based on a Career Average Revalued Earnings scheme. Details of the benefits earned over the period covered by this disclosure are set out in the 'LGPS (Benefits, Membership and Contributions) Regulations (Northern Ireland) 2009' (as amended).

The funded nature of the LGPS requires participating employers and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS (Administration Regulations (Northern Ireland) 2009 (as amended) and the Fund's Funding Strategy Statement. The latest actuarial valuation was at 31 March 2013 and the contributions to be paid until 31 March 2017 resulting from that valuation are set out in the Fund's rates and Adjustment Certificate. An Actuarial Valuation of the Fund will be carried out in March 2016 and as part of that valuation a new Rates and Adjustment Certificate will be produced for the three year period from 1 April 2017.

The Funding Administering Authority may invest a small proportion of the Fund's investments in the assets of some of the employers participating in the Fund if it forms part of their balanced investment strategy.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

1.5 Pensions (cont)

The assets allocated to the employer in the Fund are notional and are assumed to be invested in line with the investments of the Fund for the purposes of calculating the return to be applied to those notional assets over the accounting period. The Fund is large and holds a significant proportion of its assets in liquid investments. As a consequence there will be no significant restriction on realising assets if a large payment is required to be paid from the Fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investments and the approximate split of the assets for the Fund as a whole (based on data supplied by the administering authority) is shown in the disclosures.

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 comprise software licenses and the cost of IT 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 Reserve.

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

Since 2013 HM Revenue & Customs has recognised the Council as a charity for tax purposes in line with Paragraph 1 of Schedule 6 Finance Act 2010.

1.13 Staff costs

In accordance with IAS 19: Employee Benefits, staff costs (including leave and flexi time accrued) are recorded as an expense as soon as the organisation is obligated to pay them.

NOTES TO THE COUNCIL'S ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 cont...

1.14 Accounting estimates

No material accounting estimates or judgements were made by the Council in preparing these accounts. In accordance with IAS 8, the Council has reviewed the standards, interpretations and amendments to published standards that became effective during 2015/2016 and which are relevant to its 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. In particular:

- 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 the Council 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 (Audited information)

	2015/16	2014/15
	£	£
Wages & salaries	608,401	552,445
Social Security Costs	45,277	35,327
Pension Costs	<u>142,775</u>	<u>104,164</u>
Less: recoveries in respect of outward secondments	<u>-</u>	<u>-</u>
Total Net Costs charged to Administration	<u>796,453</u>	<u>691,936</u>

A break-down of the above costs into permanent staff and others can be found in the Remuneration and Staff Report within the Accountability Report on page 18.

2.2 Average Number of Persons Employed (audited information)

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

	2015/16	2015/16	2015/16	2014/15
	Permanently employed staff	Others	Total	Total
	No	No	No	No
Directly employed	15	2	17	15
Other	1	1	2	2
Engaged on capital projects	-	-	-	-
Total	<u>16</u>	<u>3</u>	<u>19</u>	<u>17</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 cont....

2.3 Pension and Similar Obligations

As explained in the accounting policies, the Council participates in the Northern Ireland Local Government Officers' Superannuation Committee Scheme (NILGOSC). NILGOSC is a multi-employer defined benefit scheme in which it is possible for an employer to identify its share of the assets and liabilities on a consistent basis. The NILGOSC scheme is a funded defined benefit plan with benefits earned up to 31 March 2015 being linked to final salary. Benefits after 31 March 2015 are based on a Career Average Revalued Earnings 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.

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 and are set between 5.5% and 10.5% for 2015-16. The employer's contribution rate to the NILGOSC scheme is 20%.

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

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 the assets and liabilities in the scheme.

The Council has included a pension charge to the Statement of Comprehensive Net Expenditure (SOCNE) for 2015/16 totalling £142,775.

The latest formal valuation of the fund for the purpose of setting employer's actual contributions was at 31st March 2013 with the next formal valuation due at 31st March 2016. A valuation was carried out by a qualified independent actuary for the purposes of meeting the requirements of IAS19 for these accounts.

The major assumptions used by the actuary were:

	31 March 2016	31 March 2015	31 March 2014
	% p.a.	% p.a.	% p.a.
Rate of increase in salaries	3.30%	3.30%	3.90%*
Rate of increase in pensions	1.80%	1.80%	2.40%
Discount rate	3.40%	3.20%	4.30%
Pension accounts revaluation rate	1.8%	1.8%	n/a

*Salary increases were assumed to be 1% p.a. until 31 March 2016, reverting to the long term assumption shown thereafter.

The Council's share of the assets of the Scheme was:

	Assets at	Assets at
	31 March 2016	31 March 2015
	£'000	£'000
Equities	2,599	2,548
Property	477	440
Corporate Bonds	232	227
Government Bonds	206	199
Cash	83	70
Other	18	7
Fair value of assets	<u>3,615</u>	<u>3,491</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 cont....**2.3 Pension and Similar Obligations (cont)**

Statement of Financial Position	2016 £'000	2015 £'000
Fair value of assets	3,615	3,491
Present value of funded defined benefit obligation	<u>(3,725)</u>	<u>(3,735)</u>
Pension asset/(liability) recognized in the Statement of Financial Position	<u>(110)</u>	<u>(244)</u>
Changes to the Present value of Defined Benefit		
Obligation during the Accounting Period		
Opening defined benefit obligation	3,735	3,255
Current Service Cost	129	107
Interest expense on defined benefit obligation	118	138
Contributions by participants	37	30
Actuarial (gains) /losses due to changes in financial assumptions	(144)	338
Actuarial (gains)/losses due to changes in demographic assumptions	-	-
Actuarial (gains)/losses due to liability experience	(36)	(21)
Net benefits paid out	<u>(114)</u>	<u>(112)</u>
Closing defined benefit obligation	<u>3,725</u>	<u>3,735</u>
Changes to the fair value of assets during the accounting period		
Opening Fair Value of Assets	3,491	3,078
Interest income on assets	112	133
Re-measurement gains/(losses) on assets	(13)	271
Contributions by the employer	102	91
Contributions by participants	37	30
Net benefits paid out of the fund	<u>(114)</u>	<u>(112)</u>
Closing Fair Value of Employer Assets	<u>3,615</u>	<u>3,491</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 cont....

2.3 Pension and Similar Obligations (cont)

Charges to the Statement of Comprehensive Net Expenditure (SOCNE)

	2015/16	2014/15
	£'000	£'000
Amounts included in Staff Costs		
Operating Charge: Current service cost	129	107
Amounts charged to Pension Financing Charge		
Other Finance Costs: Interest on net defined liability/(asset)	<u>6</u>	<u>5</u>
Pension expense recognized in SOCNE	<u>135</u>	<u>112</u>
Amounts recognized in Other Comprehensive Expenditure (OCE)		
Return on plan assets below/(in excess of) that recognized in net interest.	13	(271)
Actuarial (gains)/ losses due to changes in financial assumptions	(144)	338
Actuarial (gains)/losses due to changes in demographic assumptions	-	-
Actuarial (gains)/losses due to liability experience	<u>(36)</u>	<u>(21)</u>
Total losses recognized in OCE	<u>(167)</u>	<u>46</u>

Amounts for the current and previous accounting periods	2015/16	2014/15	2013/14
	£'000	£'000	£'000
Fair value of employer assets	3,615	3,491	3,078
Present value of funded defined benefit obligation	3,725	3,735	3,255
	<u>(110)</u>	<u>(244)</u>	<u>(177)</u>
(Liability) recognized on the Statement of Financial Position			
Experience (Losses) / Gains on assets	<u>13</u>	<u>(271)</u>	<u>(221)</u>
Experience (Gains)/Losses on liabilities	<u>(36)</u>	<u>(21)</u>	<u>425</u>
Actuarial (Gains)/Losses on assets	<u>13</u>	<u>(271)</u>	<u>(221)</u>
Actuarial (Gains)/Losses on liabilities	<u>(180)</u>	<u>317</u>	<u>320</u>
Actuarial (Gains)/Losses recognized in OCE	<u>(167)</u>	<u>46</u>	<u>99</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 cont....**2.3 Pension and Similar Obligations (cont)****Sensitivity Analysis**

IAS19 valuation results depend critically on the principal assumptions used in the calculations. Each factor is considered in isolation i.e. the “impact on liability” assumes all other factors are constant.

Asset Volatility: The liabilities used for accounting purposes are calculated using a discount rate with reference to corporate yield bonds. If assets underperform, the yield will create a deficit in the accounts. The Fund holds a significant proportion of growth assets which while expected to outperform corporate bonds in the long term creates volatility and risk in the short term in relation to the accounting figures.

Changes in Bond Yield: A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the increase in the assets as a result.

Inflation Risk: Most pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to higher liability value. The assets are either unaffected or loosely correlated with inflation meaning that an increase in inflation will increase the deficit.

Life Expectancy: The majority of the Fund’s obligations are to provide benefits for the life of the members following retirement, so increases in life expectancy will result in an increase in liabilities.

Exiting employers: Employers who leave the Fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the employer (or guarantor) is not able to meet this exit payment the liability may in certain circumstances fall on other employers in the Fund. Further the assets on exit in respect of “orphan liabilities” may in retrospect, not be sufficient to meet the liabilities. This risk may fall on other employers. “Orphan liabilities” are currently a small proportion of the overall liabilities of the Fund.

The sensitivity of the principal assumptions used to measure the liabilities as at 31 March 2016 are set out below:

Discount rate assumption

Adjustment to discount rate	+0.1% p.a.	-0.1% p.a.
Present value of total obligation (£m)	3.657	3.794
% change in present value of total obligation	-1.8%	1.8%
Projected service cost (£m)	0.121	0.129
Approximate % change in projected service cost	-3.2%	3.2%

Rate of general increase in salaries

Adjustment to salary increase rate	+0.1% p.a.	-0.1% p.a.
Present value of total obligation (£m)	3.742	3.708
% change in present value of total obligation	0.5%	-0.5%
Projected service cost (£m)	0.125	0.125
Approximate % change in projected service cost	0.0%	0.0%

Rate of increase to pensions in payment and deferred pensions assumption, and rate of revaluation of pension accounts

Adjustment to pensions increase rate	+0.1% p.a.	-0.1% p.a.
Present value of total obligation (£m)	3.777	3.674
% change in present value of total obligation	1.4%	-1.4%
Projected service cost (£m)	0.129	0.121
Approximate % change in projected service cost	3.2%	-3.2%

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 cont....

2.3 Pension and Similar Obligations (cont)

Post retirement mortality assumption

Adjustment to mortality age rating assumption*	-1 year	+1 year
Present value of total obligation (£m)	3.823	3.627
% change in present value of total obligation	2.6%	-2.6%
Projected service cost (£m)	0.129	0.121
Approximate % change in projected service cost	3.4%	-3.4%

*A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them.

Comment on Mortality assumptions:

The mortality assumptions are based on the recent actual mortality experience within the Fund and allow for expected future mortality improvements. Sample life expectancies resulting from these mortality assumptions are shown below.

	Males	Females
Current pensioners	22.3 years	24.8 years
Future pensioners	24.5 years	27.2 years

2.4 Reporting of Compensation scheme – exit package (audited information)

There was no compensation or exit package paid during the financial year. (2014/15: nil)

3. Chairperson’s Remuneration

The Chair, Mr Ivan Arbuthnot, served as Chair of Council for most of the year. Mr.Arbutnot received an allowance of £7,500 during the year. Dr Jennifer Cornyn received an allowance of £5,000 for her term served as interim Chair during the year. Mr David Canning was elected as Interim Chair by Council on 4th April 2016.

	2015/16	2014/15
	£	£
Chairperson’s allowance	12,500	10,000
	12,500	10,000
	=====	=====

4. Other Expenditure

Continuing Professional Development (CPD) costs

	2015/16	2014/15
	£	£
Research – AARTS Repository	-	792
	-	792
	=====	=====

Registration Costs

	2015/16	2014/15
	£	£
Database support and maintenance	28,791	29,027
Database Licences	9,956	8,754
Database enhancements	12,268	-
	51,015	37,781
	=====	=====

GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND: YEAR ENDED 31 MARCH 2016**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 cont....****4. Other Expenditure (cont)**

Other Operating Costs	2015/16	2014/15
	£	£
Rent and rates	61,124	60,293
Professional & Consultancy costs	57,762	60,859
Service charge and utilities	48,505	46,001
Election costs	37,184	-
Computer costs	31,234	27,892
Legal fees	28,996	20,353
Training and recruitment	23,751	17,318
Postage	20,080	9,698
Printing and stationery	19,547	20,490
Maintenance services	12,821	11,772
Stakeholder engagement	11,113	5,832
Travel and subsistence - Council	9,600	8,236
Hospitality and venue hire	8,174	5,978
Substitution costs	6,930	11,715
Insurances	6,180	5,489
Travel and subsistence – Staff	2,635	7,027
Miscellaneous expenses	2,467	2,807
Bank charges	2,373	1,976
Subscriptions	1,748	1,659
Books & newspapers	1,544	1,471

393,768**326,866****Non-cash items**

Notional audit fee	10,000	7,000
	10,000	7,000
Total Other Expenditure	454,783	372,439

5. Income from activities

	2015/16	2014/15
	£	£
Registration fees	1,179,583	1,179,145
	1,179,583	1,179,145

6. Other Income

	2015/16	2014/15
	£	£
Department of Employment and Learning	63,824	60,226
Miscellaneous	-	230
	63,824	60,456

7. Interest receivable

	2015/16	2014/15
	£	£
Bank interest receivable	6,965	10,499

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 cont....

8. Property, plant and equipment

	Current Year			
	Office Equipment £	Computer Equipment £	Furniture & Fittings £	Total £
Cost or valuation				
As at 1 April 2015	72,494	46,791	50,217	169,502
Additions	-	6,524	-	6,524
Disposals	-	-	-	-
As at 31 March 2016	<u>72,494</u>	<u>53,315</u>	<u>50,217</u>	<u>176,026</u>
Depreciation				
As at 1 April 2015	72,494	46,791	50,217	169,502
Charge for period	-	1,290	-	1,290
Disposals	-	-	-	-
As at 31 March 2016	<u>72,494</u>	<u>48,081</u>	<u>50,217</u>	<u>170,792</u>
Net Book Value				
As at 31 March 2015	-	-	-	-
As at 31 March 2016	<u>-</u>	<u>5,234</u>	<u>-</u>	<u>5,234</u>
Purchased	-	-	-	-
Donated	-	-	-	-
Total at 31 March 2016	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Council holds no third party assets.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 cont....

8. Property, plant and equipment (cont)

	Prior Year			Total £
	Office Equipment £	Computer Equipment £	Furniture & Fittings £	
Cost or valuation				
As at 1 April 2014	72,494	46,791	50,217	169,502
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March 2015	<u>72,494</u>	<u>46,791</u>	<u>50,217</u>	<u>169,502</u>
Depreciation				
As at 1 April 2014	72,494	44,800	50,217	167,511
Charge for period	-	1,991	-	1,991
Disposals	-	-	-	-
As at 31 March 2015	<u>72,494</u>	<u>46,791</u>	<u>50,217</u>	<u>169,502</u>
Net Book Value				
As at 31 March 2014	-	1,991	-	1,991
As at 31 March 2015	-	-	-	-
Purchased	-	-	-	-
Donated	-	-	-	-
Total at 31 March 2015	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Council holds no third party assets.

GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND: YEAR ENDED 31 MARCH 2016

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 cont...

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 materially expose the Council to interest rate risk. Assets and liabilities are denominated in sterling. The Council is not materially exposed to currency risk.

10. Trade receivables and other current assets

	2016	2015
	£	£
Amounts falling due within one year:		
Prepayments and accrued income	36,691	27,079
Other receivables	23,472	19,647
Total	<u>60,163</u>	<u>46,726</u>
	=====	=====
Amounts falling due after more than one year:		
Prepayments and accrued income	-	-
Other receivables	-	-
Total	<u>-</u>	<u>-</u>
	=====	=====

11. Cash and cash equivalents

	2016	2015
	£	£
Balance at 1 April	1,745,599	1,273,079
Net change in cash and cash equivalent balances	<u>62,006</u>	<u>472,520</u>
Balance at 31 March	<u>1,807,605</u>	<u>1,745,599</u>
	=====	=====
The following balances at 31 March were held at commercial banks and in cash in hand:	<u>1,807,605</u>	<u>1,745,599</u>
	=====	=====

GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND: YEAR ENDED 31 MARCH 2016

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016cont....

12. Trade payables and other current liabilities

	2016	2015
	£	£
Amounts falling due within one year:		
Trade payables	45,709	35,728
Other payables	-	142
Accruals and deferred income	67,643	30,672
Other taxation and Social Security	-	980
	<u>113,353</u>	<u>67,522</u>
	=====	=====
Amounts falling due after more than one year:		
Other payables, accruals and deferred income	-	-
Obligations under finance leases	-	-
	<u>-</u>	<u>-</u>
	=====	=====

13. Commitments under Leases

	2016	2015
	£	£
Total future minimum lease payments under operating leases are as follows:		
Obligations under operating leases comprises:		
Buildings:		
Not later than one year	25,965	62,316
Later than one year and not later than five years	-	25,965
Later than five years	-	-
Equipment:		
Not later than one year	4,976	4,976
Later than one year and not later than five years	830	5,806
Later than five years	-	-

14. Capital Commitments

There were no capital commitments at 31 March 2016 for which contracts had been entered into or authorised by the Council.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 cont....

15. Contingent Liabilities disclosed under IAS 37

The General Teaching Council for Northern Ireland (the Council) has recognised the following unquantifiable contingent liability. GTCNI received confirmation from HMRC in 2013 that it is a charity for tax purposes under Paragraph 1 of schedule 6 Finance Act 2010 and is a charitable company effective from January 2000.

Subsequently the Charity Commission for Northern Ireland (CCNI) was established and the Council was obliged to apply to the CCNI to be recognised as a charity, which it did on 23 June 2014

In February 2016 the CCNI advised the Council of its intent to decline its application on the basis that its purposes were not wholly charitable. In particular, the Commission has pointed out that GTCNI has been set up (in legislation) in part to provide advice to the Department of Education, which in the Commission's view is not a charitable purpose but rather a furtherance of government policy.

In October 2016, the CCNI advised that in the absence of evidence from the Council to refute their conclusion they were preparing to issue their letter of final determination. The Council has kept in regular contact with CCNI and but has yet to receive a letter or a positive indication of when this might be expected. In the meantime the Council has also contacted HMRC who have advised that having considered the information provided, the CCNI are the main regulators and the Council must wait for their letter of final determination

If the CCNI issues a letter of final determination the Council may be liable retrospectively for corporation tax on its registration fee income for a number of years. In addition the Council may also be liable retrospectively for rates. At this juncture there is uncertainty about whether or not the letter will issue, the timing of any such letter and the position that HMRC may take. If the CCNI issues a letter of final determination the Council may be liable retrospectively for corporation tax on its registration fee income for a number of years. In addition the Council may also be liable retrospectively for rates. At this juncture there is uncertainty about whether or not the letter will issue, the timing of any such letter and the position that HMRC may take. Bearing in mind these uncertainties a range of £0 to £340k is possible. Accordingly the Council considers this to be an unquantifiable liability subject to disclosure.

16. Related party transactions

The Council is a non-departmental public body (NDPB) sponsored by the Department of Education (DE) which is regarded as a related party. The Council entered into a number of immaterial transactions with schools in Northern Ireland for which DE is regarded as the parent.

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

- Central Procurement Directorate (CPD)
- Department for Employment and Learning (DEL)

During the year, none of the Council members, members of the key management staff, or other related parties undertook any material transactions with the Council, 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.

17. Losses and Special Payments (audited information)

There were no losses or special payments during the year.

18. Events after the reporting period

DE appointed Anne Dickson interim Chief Officer and Accounting Officer on 21 November 2016 replacing Barry Jordan.

DE is conducting a review of the administration, management and operations of the Council as provided for in the Council's Management Statement and Financial Memorandum.

The interim Chief Officer and Accounting Officer authorised these financial statements for issue on 16 May 2017