



Cyngor Addysgu Cyffredinol Cymru
General Teaching Council for Wales

Annual Report and Accounts 2005 - 2006



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Foreword by the Chairperson

Dear colleagues,

A recent contractor working for the Council on an internal project said that, in his view, “the Council was punching well above its weight”. I agree with his conclusion. Certainly, the Council has had another very successful year in terms of its achievements, all the more remarkable when one considers that this is largely due to the efforts of 24 committed and talented staff. On the regulatory side, once again we have the highest number of teachers (38,500) ever registered with the Council. Since our inception, we have enjoyed excellent levels of employer compliance in registering teachers, so I put this increase down to the fact that qualified teachers who are not in state schools are wanting to identify with the wider profession through registering with their professional body. This year, we awarded Qualified Teacher Status to nearly 2150 teachers including GTP and EEA qualified teachers. During the year and in line with the Council’s objective to promote the highest standards of professional conduct and practice, we revised the *Professional Code for Teachers* to create the *Statement of Professional Values and Practice* and produced a new guidance document *Professionalism in Practice*. Both of these documents, I believe, will help teachers understand better the standards to which teachers aspire and how this may operate in practice.

In the last three months of the operational year, we prepared for the introduction in May of a system to determine the suitability of a person to be a registered teacher. The inability to make such a determination has long been an anomaly for the Council and, although the new arrangements have been introduced over a very short timescale, the Council is now able to apply the same standards to someone applying to be registered as we would to a serving registered teacher. We will do this by requiring an enhanced disclosure from the Criminal Records Bureau from all teachers who wish to register for the first time or re-register after a period of deregistration. The new process will give even greater assurance to parents and the general public about the high expectations we have in the profession. Alongside this new requirement, Council members and former Council members who sit on our professional conduct and competence committees have continued to investigate and hear cases of professional misconduct. Seventeen cases were concluded in the year. We have also continued our work as the independent appeals body for teachers who wish to appeal against the outcome of their induction period. All of these functions illustrate the Council’s contribution to promoting high standards of professional conduct and practice.

Council has continued to play a very active role in advising the Assembly Government and others on a range of professional issues in accordance with its remit set out in the 1998 and 2002 Acts. Most notable was the submission of advice to the Minister for Education, Lifelong Learning & Skills on a Professional Development Framework focusing on the professional milestones and standards which should underpin teachers’ CPD. I was very pleased that the Minister was able to give her ‘in principle’ support for the Council’s proposals. At her request, we continued to take the lead through the operational year by reconvening the multi-agency Task Group to focus on how we can improve the professional recognition and accreditation aspects of CPD. This culminated in a consultation which once again elicited strong support for the proposals. At the end of the year, work also began on the development of standards for Chartered Teacher.

Elsewhere, within the Council's advisory remit, officers of the Council played a key role in Professor John Furlong's Review of Initial Teacher Training Provision in Wales. This included contributions to the review Support Group and by providing data from the Register to help profile the situation in Wales. As well as its central public protection function, the Register is proving itself to be a unique, reliable and up to date source of information about registered teachers for use in policy matters. The Council continues to be seen as a valuable contributor to the deliberations of the Education, Lifelong Learning & Skills Committee of the National Assembly and has been invited on a number of occasions to present evidence and make presentations to the Committee.

In accordance with the Council's stated aim of being an informed and knowledge-based organisation, I am pleased to report that we were represented at the first ever international teaching council conference in Edinburgh in July 2005 and that the Chief Executive led a significant inter-country collaborative research project on the mutual recognition of teaching qualifications across the four countries of the UK and the Republic of Ireland.

The Council has certain operational responsibilities for CPD and, in particular, administers a CPD funding programme on behalf of the Assembly Government. It is pleasing to say that the effect of a three year Assembly budget for this work has meant that close to 3,500 teachers received funding to support their individual professional development needs. We have worked closely with LEAs to pilot approaches to helping teachers to disseminate the results of their professional learning to colleagues, thus building professional self-confidence and promoting good practice. As a result of planning and development over the year, from September we will also be implementing an improved system for ensuring that new teachers receive funding for professional development for the first three years of their careers. This should make the GTCW the 'one stop shop' for the individual professional needs of teachers throughout their careers.

Last but by no means least, Council has worked to help raise the status of the profession by working through the media to portray to society the valuable roles played by teachers. In the year, 37 press releases were issued about teachers and teaching totalling an advertising value equivalent of just under a third of a million pounds. One of the highlights of the year for me was our second Wales Education Lecture which was addressed by Professor Tim Brighouse, Chief Adviser for London Schools.

May I conclude by thanking all those who have helped make 2005-2006 another successful year for GTCW – the Minister and her officials, the many representatives and nominees who have contributed to the Council's thinking on a range of policy issues, the initial teacher education and training sector, LEAs, teacher unions, and most of all, the headteachers and teachers of Wales.

More detail on the Council's achievements will be found in this report and accounts.

Yours sincerely,



Mal Davies
Chairperson

Executive summary

Key Successes during 2005-2006

The General Teaching Council for Wales is proud to highlight the following key successes during the year 2005–2006:

- The highest number of teachers – over 38,000 registered with the Council, demonstrating high levels of employer compliance and an increase in voluntary registrations.
- Preparing a system for determining suitability for registration, to strengthen the Council's contribution to the promotion of high standards of professional conduct in the interests of pupils and parents.
- Providing the public and employers with a reliable and up to date source of information about registered teachers.
- Submitting advice on a Professional Development Framework for teachers to the Minister for Education and Lifelong Learning and gaining her support for the Council's proposals.
- Close to 3,500 teachers received funding through the Council-administered funding programme to support their individual professional development needs.
- Devising an improved system for ensuring that new teachers receive funding for professional development for the first three years of their careers.
- In line with the Council's objective to promote the highest standards of professional conduct and practice, two new guidance documents were developed, the *Statement of Professional Values and Practice* and *Professionalism in Practice*.
- As part of the GTCW's commitment to contribute to policy development, the Council played a key role in the production of Professor John Furlong's Review of Initial Teacher Training Provision in Wales.
- In accordance with the Council's stated aim of being an informed and knowledge-based organisation, the GTCW successfully managed a significant collaborative research project on the mutual recognition of teaching qualifications.

Introduction

This Annual Report of the General Teaching Council for Wales covers the operational year 1 April 2005 to 31 March 2006.

The General Teaching Council for Wales is the self-regulating professional body for teachers in Wales and was established by the 1998 Teaching and Higher Education Act. The Council came into being on 1 September 2000. The 1998 Act was amended by the Education Act 2002 and during this year the Council was given additional responsibilities, through Assembly Regulations in respect of handling Induction appeals.

General Teaching Councils also exist in England, Scotland, Northern Ireland and the Republic of Ireland. The GTCW has sought to co-operate with its sister Councils and to learn from their experiences.

The principal aims of the Council set out in the 1998 Act are:

- to contribute to improving the standards of teaching and the quality of learning, and
- to maintain and improve standards of professional conduct amongst teachers, in the interests of the public.

The Council is responsible for:

- advising the National Assembly for Wales and other designated bodies on:
 - standards of teaching;
 - standards of conduct for teachers;
 - the role of the teaching profession;
 - the training, career development and performance management of teachers;
 - recruitment to the teaching profession;
 - medical fitness to teach;

and, if required by the National Assembly for Wales, any other matters relating to teaching;

- establishing and maintaining a Register of Qualified Teachers in Wales;
- providing a Professional Code for registered teachers;
- carrying out disciplinary functions relating to teachers accused of serious professional misconduct and / or incompetence.

At the request of the Welsh Assembly Government, the Council may undertake activities designed to promote recruitment to the teaching profession and the continuing professional development (CPD) of teachers.

From 1 April 2004 the Council has been self-funding for all its core functions. However, the Council receives funding from the Welsh Assembly Government for the following activities: administering the award of Qualified Teacher Status, administering a Continuing Professional Development (CPD) Funding Programme for teachers, and the hearing of Induction appeals and the issuing of Induction certificates.

The Council had 25 members during the reporting period. 12 members were directly elected by teachers with effect from September 2004. Members' names, occupations and categories of membership are listed in the Annual Report & Accounts.

For the period covered by this Annual Report, the Chairperson of the Council was Mal Davies. Jacquie Turnbull was the Deputy Chairperson of Council. Senior staff were: Gary Brace (Chief Executive), Hayden Llewellyn (Deputy Chief Executive Teachers' Qualifications, Registration and Professional Standards), Julia Evans (Deputy Chief Executive Finance, Personnel and Corporate Services) and Karen Evans (Policy and Planning Manager).

Planning the Council's Activities

The Council's activities for the period from 1 April 2005 to 31 March 2006 were outlined in the Corporate Plan 2005-2008 and Operational Plan 2005-2006. The Council's performance against the targets and measures in the Operational Plan 2005-2006 provide the main focus for this Annual Report.

The Operational Plan focused on five objectives:

- Objective 1: to maintain and promote the highest standards of professional conduct and practice;
- Objective 2: to provide an independent, representative and authoritative voice for the profession on teaching issues;
- Objective 3: to develop a culture of professional development amongst teachers;
- Objective 4: to communicate the positive contribution of the teaching profession to society;
- Objective 5: to provide efficient, effective and robust finance, personnel and administrative systems that support the delivery of the Council's objectives.

Objective 1: to maintain and promote the highest standards of professional conduct and practice

The Council has a key role in maintaining and promoting the highest standards of professional practice and conduct within the teaching profession in the interests of the public, teachers and pupils.

Achievements

Administering the award of Qualified Teacher Status (QTS)

The annual college exit process and dispatch of the QTS certificates were completed to deadline. This involved effective liaison with Initial Teacher Education and Training Institutions (ITET) in Wales in identifying students expected to complete their initial teacher training and the allocation of teacher reference numbers and the award of QTS to those deemed eligible. In total, the Council awarded QTS to 2,043 trainees.

In addition, the Council has successfully determined 28 applications for QTS from teachers from other parts of the UK (Scotland, Northern Ireland and Guernsey) and the European Economic Area in accordance with both internal and European Community timelines. The Council has also awarded QTS to 76 individuals who have qualified through the employment-based routes of the Graduate Teacher Programme (GTP) and the Registered Teacher Programme (RTP).

Maintaining the Register of Qualified Teachers

The Council aims to provide an efficient, secure and confidential information service from the Register of Qualified Teachers to members of the profession, employers and the public. The Council has continued to maintain and improve the Register during the past operational year, processing new applications for registration as appropriate and further populating existing records with new information, such as teachers' qualifications.

The Council has maintained effective working relationships with employers in Wales, and there is a high level of compliance by employers in checking the Register to ensure only registered teachers are employed as qualified teachers in maintained schools. At 31 March 2006, 38,498 teachers were registered. At 1 March 2006, 1,542 Newly Qualified Teachers (NQTs) were registered.

Providing information from the Register

The Council has continued to use the information provided by the Register of Qualified Teachers to inform its advice, policy development, operations and procedures, and publications.

In March 2006, the Council published its fifth Annual Statistics Digest, providing a unique insight into the balance and composition of the profession in Wales.

Information and data in regard to Induction and the National Professional Qualification for Headship have also been provided in response to requests from the Welsh Assembly Government.

Professional Standards

During the Operational year, the Council, in consultation with the profession, reviewed its *Professional Code* and subsequently developed a new revised document, the Statement of Professional Values and Practice. In conjunction with this work, a second guidance leaflet, *Professionalism in Practice*, was also developed.

Implementing the Council's disciplinary functions

The Council is responsible for investigating and, if necessary, hearing cases of alleged unacceptable professional conduct or serious professional incompetence by registered teachers, or where they have been convicted of a relevant offence.

The Council has considered all cases referred to it in accordance with the timescales and standards set out in its Disciplinary Procedures and Rules.

During the reporting year, the Council concluded a total of 17 cases. The following tables provide a summary of this work.

Table 1: Cases concluded by the Council in the operational year 2005-2006

Council Actions	Number of Cases
Cases concluded by an Investigating Committee or authorised officers as no case to answer, no further action or case discontinued	10
Cases considered by a Professional Conduct Committee, following referral by an Investigating Committee	7

Table 2 Outcomes of Cases considered by a Professional Conduct Committee in the operational year 2005-2006

Type of Disciplinary Order	Number of Cases
Prohibition	1
Suspension (without conditions)	0
Suspension (with conditions)	0
Conditional registration	1
Reprimand	4
Facts proved but not deemed to be unacceptable professional conduct	0

Induction appeals

Since 1 September 2003, the Council has had responsibility for hearing appeals from NQTs who fail assessment against the end of Induction standard, but are dissatisfied with such a decision.

The Council has considered all appeals referred to it in accordance with the timescales and standards set out in its Guidance and Procedure for the Hearing of Induction Appeals.

During the reporting year, the Council heard one appeal. The following table provides a summary of this work.

[Table 1: Outcomes of appeals heard by the Council in the operational year 2005-2006](#)

Council Actions	Number of Cases
Appeal allowed	0
Appeal dismissed	1
Induction period extended	0
A different period of extension substituted (where the appellant has appealed against a decision to have an Induction period extended)	0

KEY SUCCESSES

- working in consultation with teachers to review the *Professional Code*.
- in line with the Council's objective to promote the highest standards of professional conduct and practice, two new guidance documents were developed, the *Statement of Professional Values* and *Practice and Professionalism in Practice*.
- continuing to administer effectively its disciplinary functions in accordance with key principles and timescales.
- the highest number of teachers – over 38,000 registered with the Council.
- continuing to develop and extend the Register of Qualified Teachers.

Objective 2: to provide an independent, representative and authoritative voice for the profession on teaching issues

The Council has a key role in providing an authoritative voice for the teaching profession on teaching issues. It is committed to enabling members of the profession to influence future developments in teaching and education. The Council's advice is shaped by the views of teachers and other stakeholders. The GTCW aims to publicise its advice in order to achieve maximum influence on policy and policy-makers.

Achievements

Contributing to the development of advice and policy on teaching issues

Recruitment, retention and supply of teachers

The Council completed an initial review of progress towards the 65 recommendations from its *Action Plan for Teacher Recruitment and Retention in Wales* (2003) and presented its findings to the Welsh Assembly Government's Education and Lifelong Learning (ELL) committee in July 2004. Following this, the Council was commissioned by the ELL committee to monitor further progress against the original recommendations and to produce a report of its findings by summer 2006. The Council worked closely with Professor John Furlong's group which was tasked by the Welsh Assembly Government with conducting a review of Initial Teacher Training provision in Wales. Following the publication of the 'Furlong Report' the Deputy Chairperson and the Chief Executive presented an initial GTCW response to the report to the Education and Lifelong Learning Committee. A formal interim response setting out the Council's position was subsequently finalised and sent to the Minister in March.

The Teaching Profession of the Future

The Council engaged teachers and other stakeholders in a consultation exercise designed to open up a debate amongst the profession on its future. At the end of the consultation period, a report was finalised which was based on responses from the profession. This report is to be submitted to the Welsh Assembly Government.

Responding to consultations and contributing to working groups

The Council liaised with and responded to consultations by the Welsh Assembly Government and other organisations.

During the year, the Council responded to the following consultations:

- the Education (Induction Arrangements for School Teachers) (Wales) Regulations;
- the Review of Initial Teacher Training;
- Proposed amendments to the GTCW (constitution) Regulations 1999, as amended;
- Standards for QTS.

Contribute to working groups on issues of relevance to teachers

Council members were represented on the following groups:

- *14-19 learning pathways overarching steering group;*
- *The Assembly Education and Lifelong Learning Committee's Special Educational Needs policy review;*
- *Foundation Phase Training and Development Sub-Group*
- *Post-Qualification Applications (PQA) to Higher Education Stakeholders Group*

Council officers were represented on the following groups:

- *Teacher Support Cymru Advisory Group*
- *Teacher Training Recruitment Forum*
- *Teacher Education Liaison Group*
- *Pedagogy Project Group*
- *Narrowing the Gap*
- *Teaching and Learning Research Programme Thematic Seminar series project*
- *Wales Education Steering Group*
- *GTCs Five Nations Group*
- *GTCs Five Nations CPD Sub Group*
- *GTCs Five Nations Mutual Recognition Sub Group*
- *Estyn Post-16 Inspection Forum*
- *National Taskforce for People with Disabilities and ITT*
- *National Professional Qualification for Headship Project Board*

Being an informed, knowledge-based organisation

Gathering the views of teachers and other stakeholders

The Council is committed to engaging members of the profession in its work. The Council has attempted to achieve this goal through enabling teachers and other stakeholders to participate in consultations and advice development in a range of ways, such as formally responding to consultations, either by post or electronically, or by attending seminars and conferences. Specifically, teachers were involved in the consultation on the *Teaching Profession of the Future*, which included the creation of a dedicated micro-website. The profession was also engaged in the review of the *Professional Code*, and, as part of the consultation on the accreditation and recognition of teachers' continuing professional development (part of the work on the Professional Development Framework), teachers and headteachers were invited to participate in a series of mini-conferences held around Wales.

Commissioning research

The Council, working on behalf of its sister GTCs, has successfully managed a significant research project on the mutual recognition of teaching qualifications. The final report by the National Foundation for Educational Research was completed by the end of the operational year. In addition, the Council was also involved in the early stages of devising a second inter-GTC collaborative project to investigate teachers' experiences of continuing professional development.

KEY SUCCESSES

- successfully involving the profession in consultations and policy and advice development.
- in accordance with the Council's stated aim of being an informed and knowledge-based organisation, the GTCW successfully managed a significant collaborative research project on the mutual recognition of teaching qualifications.

Objective 3: to develop a culture of professional development amongst teachers

Building on its advice set out in *Continuing Professional Development: an Entitlement for All* (2002), the Council is determined to contribute to the development of a culture of continuing professional development amongst the profession. The successful development of such a culture involves the formulation of a clear Professional Development Framework for teachers and depends upon the acceptance of such a Framework by teachers. The Council also works to ensure that teachers are able to access funding for their own individual development needs through effectively administering the Continuing Professional Development Funding Programme.

Achievements

Creating a Professional Development Framework

To develop a coherent framework of professional milestones and standards

In 2003, the Council was invited by the Welsh Assembly Government to take a lead role in devising a Professional Development Framework for Wales. In order to progress this work, a multi-agency Task Group was formed which included teachers, headteachers and representatives of the Association of Directors of Education Wales, Universities Council for the Education of Teachers (UCET) Cymru, Estyn, the Welsh Assembly Government and the University of Wales Subject Committee for Education.

Following an extensive consultation exercise with the profession and other stakeholders, the Council submitted its initial advice on a Professional Development Framework to the Minister in July 2005. The Minister formally accepted this advice in September.

A key aspect of this advice was the establishment of a milestone for Chartered Teacher. A Task and Finish Group comprising of serving teachers from around Wales was established to develop a set of professional standards for this milestone. The group held its first meeting in March.

Professional development recognition and accreditation

In order to take forward the second stage of work in formulating a Professional Development Framework, a new Task Group was convened. This group met five times in the course of its work and developed a consultation document which examined issues surrounding the relationship between professional development, accreditation and professional recognition. The consultation exercise began in February and ended in April 2006.

Managing the Continuing Professional Development (CPD) Funding Programme

On completion of the three pilot phases of the CPD Funding Programme, and their evaluation, the Welsh Assembly Government decided to place individually focussed CPD on a permanent footing and invited the Council to administer the programme from April 2004.

Administering a CPD Funding Programme for teachers

In the operational year 2005-2006, 3,499 teachers received funding. The following tables summarise the range and scope of funded projects undertaken.

Table 3: Individual Projects by category and educational phase (data on application forms processed up to 31 March 2006)

Education phase Project Type	Nursery	Primary	Secondary	Special Schools	Supply / other	Total
Professional development bursaries	0	1,899	1,022	93	45 (including PRUs)	3,059
International bursaries	0	8	12	0	1	21
Teacher research scholarship	0	22	14	2	0	38
Teacher sabbatical	0	14	4	0	N/A	18
Total	0	1,943	1,052	95	46	3,136

The total number of successful networks in the period was 46. Teachers from some 290 schools across all phases were involved in these networks. Table 4 illustrates these projects by education phase.

Table 4: Teachers involved in Professional Networks by education phase

	Nursery	Primary	Secondary	Special Schools	Supply / other	Total
Professional Networks	0	266	92	2	3	363

Information regarding allocation of funding and funding amounts can be found in the Annual Report and Accounts.

Disseminating the CPD activities of teachers

Since agreeing a dissemination strategy in the previous operational year, the Council has worked steadily to increase opportunities for teachers to share their professional learning and experiences with colleagues. Notable examples of such dissemination activities include, a joint conference with Cardiff local education authority, the facilitation of teachers presenting at events such as the national Pedagogy conference and the Wales Education 2005 Conferences. In addition, the Council has assisted teachers to share their experiences through a range of publications, such as local and national newspapers. In particular, at the close of the operational year, the Council produced a supplement in the *Western Mail*, 'Teaching Talk', illustrating teachers' successful CPD projects in the primary sector.

Planning new arrangements for funding Induction and Early Professional Development (EPD)

Towards the end of the year, the GTCW began to plan, devise and consult on a new process for ensuring that teachers in the first three years of their careers receive the funding for professional development to which they are entitled. This process will be implemented in the school year 2006-2007.

KEY SUCCESSES

- gaining Ministerial approval for the recommendations for a Professional Development Framework for teachers.
- promoting a culture of continuing professional development amongst teachers by effectively administering the CPD Funding Programme such that 3,499 teachers received funding.
- successfully facilitating the dissemination of the CPD activities of teachers such that others can readily access information about colleagues' CPD activities.

Objective 4: to communicate the positive contribution of the teaching profession to society

The Council seeks to communicate the positive role and contribution of teachers to society. In so doing, the Council seeks to challenge negative images of the profession in the media and society at large and to highlight the successes of the profession in raising standards of achievement.

Achievements

Highlighting the work of teachers

Developing a proactive press and media programme

The Council generated 37 press releases during this operational year. Press coverage focused on the achievements of teachers and the work of the organisation itself, such as, the Continuing Professional Development Funding Programme and completed projects, the Professional Development Framework, the balance and composition of the profession in Wales and recruitment and retention issues. The Council has achieved widespread overall media coverage which has encompassed all of the Welsh regions and both English language and Welsh media. This media profile included national and regional newspapers and the specialist press (*Times Educational Supplement Cymru*). In the broadcast media, the Council's coverage included BBC Radio Wales and S4C.

The Council is engaged in monitoring and evaluating its media profile and activities. Detailed analyses of media coverage are incorporated into the Council's quarterly reviews. During the reporting period, the Council generated an advertising value equivalent of £313,681.

Working with other stakeholders to promote teaching as a high status profession

Promoting teaching as a career

The Council has supported the work of the Welsh Assembly Government, the Teacher Training Recruitment Forum, Teacher Training Agency and Initial Teacher Education and Training Institutions. In addition, the Council has produced press releases highlighting the work of teachers. Towards the end of the operational year, the supplement, *Teaching Talk*, which focused on successful and innovative CPD activities, was published in the *Western Mail*.

Events, exhibitions and presentations

The Council exhibited at teacher union conferences, International Professional Development Association (IPDA) seminar, Eisteddfodau and other events associated with education in Wales and beyond. Members and officers have attended, spoken or participated at a variety of events including:

- Wales Education Conference 2005
- Wales Education Convention 2005
- Urdd National Eisteddfod
- National Eisteddfod
- NUT conference
- PAT conference
- NAHT (Wales) conference
- NASUWT conference
- NUT conference
- UCET conference
- UCET Cymru conference
- Governors Wales conference

GTCW officers also visited each of the Initial Teacher Education and Training institutions in Wales to present to final year students.

The Wales Education Lecture

The second Wales Education Lecture took place on 3 October 2005 and was very well received. Members of the teaching profession, Assembly officers and Members, the Minister for Education and Lifelong Learning and representatives from other stakeholder organisations very much enjoyed Professor Tim Brighouse, Chief Advisor for London Schools, talking about inspirational teaching under the title *Teachers: a comprehensive success*. The success, of this, the second annual lecture, has further cemented its status in the education calendar of Wales. The text of the lecture has been published and a copy sent to every school in Wales. In addition, video footage of the lecture was placed on the GTCW website.

Maintaining the Council's website

The Council's website includes information about its registration, policy development, continuing professional development and disciplinary work. The Council's website attracted a total of 58,203 visits over the course of the year, representing an average of 4,850 visits each month. The number of visits peaked during the autumn and winter quarters.

Teaching Wales journal

Three editions of the professional journal were produced and distributed directly to registered teachers and to other stakeholders.

Networking

The Chairperson and senior officers have had three formal meetings with representatives of the teaching unions and associations during the reporting period. Officers of the Council also met regularly with representatives from the Welsh Assembly Government, Local Education Authorities, Estyn, the Higher Education Funding Council for Wales (HEFCW) and representatives from HEIs. Additionally, members and officers have met regularly with colleagues from the other General Teaching Councils and the Chairperson and senior officers attended the inaugural international Teaching Councils conference in Edinburgh. The Chairperson and Chief Executive signed the 'Edinburgh Declaration' committing the Council to collaborative working with other international Teaching Councils.

KEY SUCCESSES

- firmly establishing the Wales Education Lecture as a fixture in the education calendar.
- consolidating and building new international links with colleagues from other Teaching Councils.
- continuing to build a pro-active press and media programme.
- increasing visits to the GTCW website.

Objective 5: to provide efficient, effective and robust financial, personnel and administrative systems that support the delivery of the Council's objectives

Since 1 April 2004, the Council has been self-funding for its core functions via teachers' registration fees. The Council also receives funding from the Welsh Assembly Government to administer the Continuing Professional Development Funding Programme for teachers, the awarding of Qualified Teacher Status and the hearing of Induction appeals.

The Council is committed to making maximum use of its resources through careful planning, monitoring and internal control.

Achievements

Planning and Policy: Review and Implementation

The Council's planning process

The Council outlined its objectives for the period 2005–2008 in its Corporate Plan. A more detailed breakdown of the Council's activities and budgets including sub-objectives, targets and performance measures for the period from 1 April 2005 to 31 March 2006 was included in the Operational Plan 2005-2006.

The Council undertook quarterly reviews of progress against the targets and performance measures indicated in the Operational Plan. In addition, this Annual Report provides a summary of overall progress against the plan.

Implementing and reviewing policies

The three employee for a; the Personnel Forum, the Health and Safety Forum and the Welsh Language Forum have continued to consolidate their work.

A draft statutory Welsh Language Scheme has been developed, consulted upon and submitted to the Welsh Language Board for approval.

Internal control and value for money

Implementing a system to collect teachers' registration fees

As part of its annual fee collection exercise, the Council collected annual registration fees successfully from all eligible teachers through the financial year, totalling some 38,500 teachers.

Internal control

The Council's internal auditors regularly monitor procedures to ensure efficiency and effectiveness. In total, 30 audit days were completed during the reporting period. A range of activities were reviewed, including key financial controls, Corporate Governance, risk management, Freedom of Information, the Professional Development Funding Programme, QTS, business continuity

planning, registration subscriptions and follow up on recommendations from the 2004-2005 audit activities.

Senior officers of the Council continued to undertake a quarterly review of the Risk Register to ensure that the Council is ready to meet key risks.

The Council received an unqualified audit opinion of its 2004-2005 accounts from the National Audit Office. The Annual Report and Accounts were laid in the Assembly by 31 August 2005 in accordance with legislation.

Staff and Staff Development

Implementing a Training Policy

The Council is committed to developing its staff. Training activities are reviewed and evaluated twice yearly. In addition, an in-house database of training resources is being developed.

All Council officers completed performance appraisals for the period up to 31 March 2005 and agreed Forward Job Plans with their line managers setting out their tasks and key objectives for the next twelve months.

Council members

Support for Council members

The GTCW provided support for members of its Council in order that the Council and its committees are able to function effectively. The GTCW ensures that individual Council members, committees, sub committees and task groups have access to high quality, accurate and timely information which facilitates good practice and informed decision making.

KEY SUCCESSES

- successfully collecting the annual registration fee from teachers in April 2005.
- effectively supporting members of the Council.
- ensuring that Council staff receive regular feedback on their performance and support for their training and development.
- implementing a successful planning, monitoring and reporting system to ensure that Council remains focused on its objectives.

Member attendance at Council and its Standing Committees,
1 April 2005 – 31 March 2006

<u>Member</u>	<u>Council attendance</u>	<u>Standing Committee attendance</u>			
	<u>- total possible</u> <u>in brackets</u>	<u>Executive</u>	<u>Policy</u>	<u>Registration</u>	<u>Audit & Scrutiny</u>
	<u>(4)</u>	<u>(4)</u>	<u>(4)</u>	<u>(4)</u>	<u>(3)</u>
Mr Frank Bonello	3	-	-	3	-
Mrs Jean Campion	3	-	-	2	-
Mr Ron Carrotte	3	-	-	-	2
Mr Tim Cox	4	3	-	-	-
Dr Elwyn Davies	4	-	2	-	-
Mr Mal Davies	4	4	4	-	-
Mrs Sheila Drayton	3	3	-	-	-
Mr Mike Edwards	3	-	-	-	3
Mr Ian Guy	3	-	-	4	-
Mr Anthony Hughes	4	4	-	-	-
Mrs Angela Jardine	4	-	4	-	-
Miss Sue Jenkins	3	3	-	-	-
Mr Goronwy Jones	1	1	-	-	-
Mr Gareth Jones	3	3	-	-	-
Mrs Nichola Jones	2	-	2	-	-
Mrs Valerie Merriman	4	-	-	-	3
Mrs Suzanne Nantcurvis	4	-	-	1	-
Mrs Rosemond Nelson	4	-	-	4	-
Mr Richard Parry Jones	3	-	-	3	-
Emeritus Prof Gareth Roberts	4	-	-	3	-
Mrs Jane Setchfield	4	-	3	-	-
Ms Jacky Tonge	3	-	-	-	1
Mrs Jacquie Turnbull	4	4	3	-	-
Mrs Gwen Williams	4	-	4	-	-
Mr Peter Williams	4	-	3	-	-

Notes: In addition to Council meetings and those of its Standing Committees, members sit on a variety of project related Council Task Groups, Boards and sub-Committees, as well as representing the Council on external committees. All members sit on Investigating, Professional Conduct/Competence and Induction Appeals Committees on a case-by-case basis to deal with professional standards issues relating to individual registered teachers.

The General Teaching Council for Wales

Annual Report and Accounts for the year ending 31 March 2006

Directors' Report

History and statutory background

The General Teaching Council for Wales was established under the Teaching and Higher Education Act 1998 and came into existence on 1 September 2000. The Council's remit and functions were amended by the Education Act 2002.

The Cabinet Office has designated the Council as a professional self-regulating body. During the year of account, the Council has been self-financing from teachers' registration fees, except for those aspects of work which are funded by means of Welsh Assembly Government grant. The Welsh Assembly Government issues a grant offer letter to the Council setting out the conditions to be complied with in respect of the specific aspects of work that it funds. The Council sets out its financial procedures and rules in its Standing Orders and Finance Manual.

Under Paragraph 14 of Schedule 1 of the Teaching and Higher Education Act, the Council is required to prepare in respect of each financial year, a statement of accounts. These accounts have been prepared in accordance with the Accounts Direction issued by the National Assembly for Wales dated 10 August 2001. A copy of the Accounts Direction is available from the Council on request.

Principal objectives and activities

The principal aims of the Council are set out in the 1998 Teaching and Higher Education Act. They are to contribute to improving the standards of teaching and the quality of learning, and to maintain and improve standards of professional conduct amongst teachers, in the interests of the public. Further details are set out in the Annual Report.

Review of activities and developments

For the financial year ending 31 March 2006, the Council reported a surplus of £53,000 (£174,000 surplus in 2004-2005) and net assets of £852,000 (£829,000 as at 31 March 2005). Tangible fixed assets acquired during the year totalled £12,000.

Work continued on the establishment of a Professional Development Framework and a consultation on a second strand of work began during the year. The Welsh Assembly Government provided £21,400 to assist in the consultation process, in consequence of having invited the Council to take the lead in the development.

Preliminary work to introduce a new system for funding newly-qualified teachers' Induction and Early Professional Development years took place during 2005-2006. This was funded by the Assembly Government (£13,500). A further new area of activity was planning for the introduction for the Council to determine the suitability of a teacher to be registered via a Criminal Records Bureau check. Costs of the work will mainly fall into 2006-2007.

Future developments

During the financial year commencing 1 April 2006, the Council will complete preparatory work in respect of administering the funding of Induction and Early Professional Development, before formally commencing its responsibility for this new function on 1 September 2006. Development work will also begin in preparing to pilot a Chartered Teacher Programme in Wales from September 2007.

Payment of creditors

Under the Late Payment of Commercial Debt (Interest) Act 1998, the Council is required to pay undisputed supplier invoices within agreed contractual terms and conditions, or within 30 days of the receipt of goods, services or a valid invoice, whichever is the later. This was achieved for 93.4% of all such invoices during 2005-2006 (90.9%, in 2004-2005), and no Commercial Debt Interest was paid or was due in respect of transactions in 2005-2006.

Pension liabilities

Please see the Remuneration Report and Note 1.8 for detail of the Council's pension liabilities.

Audit of Accounts

The Auditor General for Wales is the statutory external auditor of the Council appointed under the Teaching and Higher Education Act 1998.

Bentley Jennison were the Council's appointed internal auditors for the year of account.

Disclosure of audit information

As far as the Chief Executive is aware there is no relevant audit information of which the Council's auditors are unaware. It is confirmed that all the steps that should be taken to make the Chief Executive aware of any relevant audit information and to establish that the Council's auditors are aware of any such information have been taken.

Council membership and responsibilities

The Council had 25 members during the reporting period. Twelve members were directly elected by teachers from September 2004. Mr Mal Davies was elected by Council members as Chairperson of Council and Mrs Jackie Turnbull as Deputy Chairperson of Council for a two-year period with effect from the same date.

Twelve members were appointed to the Council by the National Assembly for Wales from September 2003. Nine were appointed following nominations made by teaching unions and other educational bodies, and three members were directly appointed by the National Assembly for Wales. A further directly appointed member took up membership in September 2004. During the year, all appointed members were asked by the Minister to extend their membership by a further year to 31 August 2007 to enable a consultation on the GTCW constitution to take place. All members accepted this invitation.

Council Members

The Council has 25 members. For the operational year from 1 April 2005 to 31 March 2006, the Council members were:

Mal Davies	Chairperson, Headteacher, Willows High School, Cardiff *
Jacque Turnbull	Deputy Chairperson, education and training consultant #
Frank Bonello	Teacher, Tonypandy Community College, Rhondda Cynon Taf +
Jean Campion	Teacher, Mount Pleasant Primary School, Newport +
Ron Carrotte	Teacher, Maes y Dderwen School, Ystradgynlais, Powys *
Tim Cox	Teacher, Bryn Hafren Comprehensive School, Vale of Glamorgan+
Elwyn Davies	Headteacher, Pencoed Comprehensive School, Bridgend +
Sheila Drayton	Consultant in professional and organisational development #
Michael Edwards	Headteacher, Maes y Coed Primary School, Pontypridd *
Ian Guy	Senior lawyer (education), Neath Port Talbot #
Anthony Hughes	Headteacher, Pontrhydyfen Primary School, Neath Port Talbot +
Angela Jardine	Teacher, Gabalfa Primary School, Cardiff +
Sue Jenkins	Headteacher, St Josephs RC High School, Newport *
Nichola Jones	Assistant Head, Special Educational Needs Specialised Services, Bridgend County Borough Council *
Gareth Jones	Headteacher, Bryn Celynnog Comprehensive School, Rhondda Cynon Taf *
Goronwy Jones	Headteacher, Baden Powell Primary School, Cardiff +
Valerie Merriman	Teacher, Abergwynfi Infant School, Neath Port Talbot +
Suzanne Nantcurvis	Teacher, Ysgol Dinas Bran, Denbighshire +
Rosemond Nelson	Athrawes Fro with responsibility for a Welsh Language Centre, Carmarthenshire +
Richard Parry Jones	Director of Education, Ynys Môn *
Gareth Roberts	Educational Consultant and Emeritus Professor of Education, University of Wales, Bangor *
Jane Setchfield	Teacher, Llanedeyrn High School, Cardiff +
Jacky Tonge	Former Chief Executive, Powys County Council #
Gwen Williams	Former Headteacher, Edwardsville Infants School, Merthyr Tydfil +
Peter Williams	Former Provincial Education Officer, Church in Wales *

+ Elected Members

* Nominated Members

Directly Appointed Members

Council Members have corporate responsibility for ensuring that the Council complies with any statutory or administrative requirements for the use of public funds and its income from registration fees. They are specifically responsible for:

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

Council members' other interests

The Council maintains a Register of Interests which is held at the Council's offices and is available for inspection by the public on request.

Charitable donations

During the year, the Council made no charitable donations.

Management Commentary

Full detail of the Council's achievement of objectives in the year is given in the published Annual Report and Accounts document.

Risks and uncertainties

The Council maintains a Risk Register of all identified risks which is reviewed on a quarterly basis.

Employment Policy

The Council adopts an equal opportunities approach to the recruitment, development and promotion of staff. Full and fair consideration is given to applications for employment from disabled people where they have the appropriate skills and abilities to perform the job. Employees are consulted and kept informed of matters which affect them, by means of staff forums, written communication, informal discussions and, where appropriate, information meetings.

Remuneration Report

The Remuneration Report details remuneration practices in respect of Council members and senior staff:

Members' remuneration

The Chairperson and Deputy Chairperson are the only members of Council to be remunerated. Neither member is entitled to membership of the Council's pension scheme. During the year, Mr Mal Davies continued as Chairperson of the Council. As a serving headteacher, this appointment is treated as a secondment and a proportion of his salary is reimbursed to his employer. Mr Davies receives no remuneration directly nor any benefits-in-kind.

All other Council members are paid for their expenses only, including the reimbursement of costs incurred in travelling to meetings and also payment of supply cover costs to the relevant school, as appropriate. All expenditure relating to the Chairperson, Deputy Chairperson and Council members is reported as Members' costs at Note 4 (Direct programme costs).

Senior staff remuneration

The salary, pension entitlements and the value of any taxable benefits in kind of the most senior officers of the Council were as follows:

Salary

'Salary' includes gross salary; performance pay or bonuses; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on payments made by the Council and thus recorded in these accounts.

	2005-06 £'000	2004-05 £'000
Reimbursement of costs - Chairperson: Mr Mal Davies (Deputy Chairperson to 31 August 2004 and Chairperson from 1 September 2004)	32	20
Remuneration of Chairperson: Professor John Andrews (Chairperson to 31 August 2004)	-	11
Remuneration of Deputy Chairperson: Mrs Jacquie Turnbull (Deputy Chairperson from 1 September 2004)	5	3

With the exception of the Chief Executive, all staff salaries are based on the National Assembly for Wales salary scales. The Chief Executive's remuneration is subject to review on an annual basis, based on performance as determined by the Remuneration Committee. The Remuneration Committee is a sub-committee of the Executive Committee, and consists of the Chairperson of the Council and two other members of that committee.

	Salary, 2005-06 £000's	Salary, 2004-05 £000's	Real increase in pension and related lump sum at age 60, £000's	Accrued pension at age 60 at 31/03/06 and related lump sum, £000's	CETV at 31/03/05 £000's	CETV at 31/03/06 £000's	Real increase in CETV £000's
G Brace Chief Executive	60-65	60-65	2.5-5.0 plus 2.5-5 lump sum	20-25 plus 60-65 lump sum	336	472	46
H Llewellyn Deputy Chief Executive (Teachers' Qualifications, Registration and Professional Standards)	50-55	45-50	0-2.5 plus 0-2.5 lump sum	5-10 plus 20-25 lump sum	68	103	6
J Evans Deputy Chief Executive (Finance, Personnel and Corporate Services)	45-50	40-45	0-2.5 plus 2.5-5 lump sum	10-15 plus 35-40 lump sum	138	203	18

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the Council and treated by the Inland Revenue as a taxable emolument. No benefits in kind were paid during the year.

Pension Benefits

Pension benefits are provided through the Civil Service Pension (CSP) arrangements. From 1 October 2002, civil servants may be in one of three statutory based "final salary" defined benefit schemes (classic, premium and classic plus). The Schemes are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium and classic plus are increased annually in line with changes in the Retail Prices Index. New entrants from 1 October 2002 may choose between membership of premium or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium and classic plus. Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly in the same way as in classic.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a selection of approved products. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also

contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

Further details about the CSP arrangements can be found at the website www.civilservice-pensions.gov.uk

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 or arrangement to secure pension benefits in another pension scheme or 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 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements and for which the CS Vote has received a transfer payment commensurate to the additional pension liabilities being assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETV's are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (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.



Gary Brace, Chief Executive
24 August 2006

Statement of the Council's and Chief Executive's responsibilities

Under paragraph 14 of schedule 1 to the Teaching & Higher Education Act 1998, the Council is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the National Assembly for Wales, with the consent of the Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of the Council's state of affairs at the year-end and of its income and expenditure and cash flows for the financial year.

In preparing the accounts the Council is required to:

- Observe the Accounts Direction issued by the National Assembly for Wales, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements; and
- Prepare the financial statements on the going concern basis, unless it is inappropriate to assume the Council will continue in operation.

Statement on Internal Control

Scope of responsibility

As Chief Executive of the General Teaching Council for Wales for the year ending 31 March 2006, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Council's policies, aims and objectives, whilst safeguarding the public funds and Council assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting.

Accountability arrangements include review of quarterly performance by the Executive and Audit & Scrutiny Committees, Council and officials of the Welsh Assembly Government. In addition, six-weekly review meetings are held with officials of the Welsh Assembly Government.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Council for the year ended 31 March 2006 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

Capacity to handle risk

A Risk Management Strategy is in place. As Chief Executive, I hold ultimate responsibility, supported by my two operational senior managers to ensure that the Council's capacity to handle risk is adequate. This includes our regular review of the Risk Register to confirm that it continues to be relevant to our business.

The risk and control framework

The risk and control framework includes maintenance of a Risk Register which is reviewed quarterly by senior officers, and at meetings of the Executive and Audit & Scrutiny Committees. The Audit & Scrutiny Committee has a remit to oversee the Council's Risk Management policy. The Risk Register details all key threats to achieving the corporate objectives agreed in the Corporate and Operational Plans. Each key risk is given a score based on its potential impact on the business of the Council and its likelihood. The management strategy involves accepting, reducing or transferring risks in response. Specific actions required are identified, allocated to a senior manager and actioned by set deadlines. Progress is reported during the regular review by the Senior Management team. The Risk Register is also taken to Council for consideration at least once during every financial year.

Review of effectiveness

As Chief Executive of the Council for the year ending 31 March 2006, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by:

- the work of the internal auditors, summarised in their regular reports and their annual report which includes an independent opinion on the adequacy and effectiveness of the Council's system of internal control together with recommendations for improvement;
- the executive managers within the Council who have responsibility for the development and maintenance of the internal control framework, and
- comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Council, the Audit & Scrutiny Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

In particular, the Council's Standing Orders are reviewed as and when required, with any revision submitted to the Council for approval. Similarly, the Finance Manual is reviewed on an ongoing basis, and any amendments overseen by the Audit & Scrutiny Committee.

Significant internal control problems

The Council has identified no significant internal control problems during the year.



Gary Brace, Chief Executive
24 August 2006

THE CERTIFICATE OF THE AUDITOR GENERAL FOR WALES TO THE GENERAL TEACHING COUNCIL FOR WALES

I certify that I have audited the financial statements of the General Teaching Council for Wales for the year ended 31 March 2006 under paragraph 14 of Schedule 1 to the Teaching and Higher Education Act 1998. These comprise the Income and Expenditure Account, the Balance Sheet, the Cashflow Statement and Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out within them.

Respective responsibilities of the Council, Chief Executive and the Auditor

The Council and Chief Executive are responsible for preparing the Annual Report and the financial statements in accordance with the Teaching and Higher Education Act 1998 and National Assembly for Wales' directions made thereunder, and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Council's and Chief Executive's Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Teaching and Higher Education Act 1998 and National Assembly for Wales' directions made thereunder. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them. I also report to you if, in my opinion, the Annual Report is not consistent with the financial statements, if the General Teaching Council for Wales has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by relevant authorities regarding remuneration and other transactions is not disclosed.

I review whether the statement on pages 31 and 32 reflects the General Teaching Council for Wales' compliance with HM Treasury's guidance on the Statement on Internal Control, and I report if it does not. I am not required to consider whether the Chief Executive's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the General Teaching Council for Wales' corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only Directors Report, Management Commentary and the unaudited part of the Remuneration Report. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the

amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Council and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the General Teaching Council for Wales' circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error and that in all material respects the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Opinions

In my opinion:

- the financial statements give a true and fair view, in accordance with the Teaching and Higher Education Act 1998 and directions made thereunder by the National Assembly for Wales, of the state of the General Teaching Council for Wales' affairs as at 31 March 2006 and of its surplus for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Teaching and Higher Education Act 1998 and National Assembly for Wales' directions made thereunder; and
- in all material respects the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

Jeremy Colman
Auditor General for Wales
Wales Audit Office
2-4 Park Grove
Cardiff
CF10 3PA
25 August 2006

Income and Expenditure Account for the year ending 31 March 2006

	Note	2005-06 £000's	2004-05 £000's
INCOME			
Grant from Welsh Assembly Government	2	2,185	2,114
Registration fees		1,223	1,214
Transfer from Government Grant Reserve		30	40
Other income		3	1
Total income		3,441	3,369
EXPENDITURE			
Staff costs	3	844	738
Direct programme costs	4	280	292
CPD programme costs	5	1,759	1,700
Other operating costs	6	468	445
Depreciation	8	74	64
Notional cost of capital		29	27
Total expenditure		3,454	3,266
(Deficit)/ Surplus on ordinary activities		(13)	103
Interest receivable	7	37	44
Adjustment for notional cost of capital		29	27
Surplus for the year transferred to reserves		53	174
STATEMENT OF RETAINED SURPLUS			
Retained surplus at 1 April		788	614
Surplus for the year		53	174
Retained surplus at 31 March		841	788

Statement of Total Recognised Gains and Losses for the year ending 31 March 2006

	2005-06 £000's	2004-05 £000's
Surplus for the year	53	174
Movement in Government Grant Reserve	(30)	(40)
Total Recognised Gains and Losses relating to the period	23	134

All activities are continuing.

The notes on pages 38 to 47 form part of these Accounts.

Balance Sheet as at 31 March 2006

	Note	31 March 2006		31 March 2005
		£000's	£000's	£000's
<u>FIXED ASSETS</u>				
Tangible Fixed Assets	8		77	139
<u>CURRENT ASSETS</u>				
Debtors and Prepayments	9	75		24
Cash at Bank and in Hand		<u>1,036</u>		<u>1,313</u>
		1,111		1,476
<u>CURRENT LIABILITIES</u>				
Creditors: Amounts falling due within one year	10	(336)		(647)

FINANCED BY:

CAPITAL AND RESERVES

Government Grant Reserve		11	11	41
Income and Expenditure Account			841	788



Gary Brace, Chief Executive
24 August 2006

The notes on pages 38 to 47 form part of these Accounts.

Cash Flow Statement for the year ending 31 March 2006

	Note	2005-06 £000's	2004-05 £000's
Net cash (outflow) from ordinary activities	12	(302)	(403)
Returns on Investments and Servicing of Finance			
Interest received	7	37	44
Capital expenditure			
Payments to acquire Tangible Fixed Assets	8	(12)	(105)
(Decrease) in cash		(277)	(464)

The notes on pages 38 to 47 form part of these Accounts.

Notes to the accounts

1. Accounting policies

1.1 Accounting Convention

These accounts are prepared on a going concern basis applying the historic cost convention. Without limiting the information given, they meet the accounting and disclosure requirements of the Accounting Standards issued or adopted by the Accounting Standards Board, so far as those requirements are appropriate. The accounts comply with the Accounts Direction issued by the National Assembly for Wales.

1.2 Registration fee income

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

Fee income was credited to the Income and Expenditure on an accruals basis, with any fees received in advance for the 2005-2006 financial year being treated as pre-paid income and posted to the Balance Sheet as a liability.

1.3 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.

1.4 Tangible Fixed Assets

Tangible fixed assets are 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.

The value of software licences is not capitalised.

Tangible fixed assets have been valued at historic cost at the year-end as, in the opinion of the Council, any revaluation adjustments are not material.

1.5 Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less any estimated residual value of each asset, evenly over their expected useful lives as follows:

- All electrical equipment, including computers and office equipment, is depreciated on a straight-line basis over three years. Depreciation will commence from the month of purchase; and
- Furniture and fixtures and fittings are depreciated on a straight-line basis over five years from the month of purchase.

1.6 Government Grants

The Council receives grant income from the Welsh Assembly Government for the administration of the Continuing Professional Development funding programme, and also in support of the award of Qualified Teacher Status and the administration of Induction Appeals. During the period of the consultation on the Professional Development Framework, the Welsh Assembly Government may also contribute specific grant funding in support of that activity. Grants received are credited to the Income and Expenditure Account in the year they are received, with any unspent balance credited to deferred income at the year-end.

The Council also previously received grant-in-aid from the Welsh Assembly Government, prior to the Council becoming self-funding from 1 April 2004. Of that funding, grant income used for capital expenditure was credited to the Government Grant Reserve. Relevant transfers from that reserve, equivalent to the annual depreciation charge on assets acquired with grant-in-aid funding, are made to the Income and Expenditure Account as the capital assets are utilised.

1.7 Stock

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

1.8 Pension costs

Past and present employees are covered by the provisions of the Civil Service Pension Schemes which are described within the Remuneration Report and Note 3. The defined benefit elements of the schemes are unfunded and are non-contributory except in respect of dependents benefits. The Council recognises the expected costs of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the Principal Civil Service Pension Schemes (PCSPS) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution elements of the schemes, the Council recognises the contributions payable for the year.

1.9 Value Added Tax (VAT)

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

1.10 Cost of Capital

A notional charge, calculated in line with Treasury guidance as 3.5% (3.5% in 2004-2005) of the average capital employed between 1 April 2005 and 31 March 2006, is included as an operating cost within the Income and Expenditure Account.

1.11 Operating Leases

Expenditure on leases of property is charged to the Income and Expenditure Account on the basis of costs incurred in the year. Operating lease rentals of equipments are charged to the Income and Expenditure Account in equal amounts over the term of the lease.

1.12 Prepayments

During the year the Council has adopted a de minimis threshold of £1,200 (£100 monthly equivalent charge) for the recognition of prepayments. The adoption of this threshold does not have a material effect on the account figure compared with previous year.

2. Welsh Assembly Government funding

Grant	2005-06 £000's	2004-05 £000's
Amount received from the National Assembly for Wales	2,054	1,756
Plus grant carried over from previous year	131	489
Less prepaid income	-	(131)
Grant credited to Income and Expenditure Account	2,185	2,114

3. Staff numbers and related costs

3.1 Staff costs

	Others £000's	2005-06 Permanently employed staff £000's	TOTAL £000's	2004-05 £000's
Salaries and Wages	21	658	679	612
Social Security Costs	-	49	49	45
Pension Costs	-	116	116	81
Total	21	823	844	738

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme. The Council is unable to identify its share of the underlying assets and liabilities. The Scheme Actuary (Hewitt Bacon Woodrow) valued the scheme as at 31 March 2003. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk).

For 2005-2006, employer's contributions of £116,040 were payable to the PCSPS (2004-2005, £81,291) at one of four rates in the range 16.2 to 24.6 per cent of pensionable pay, based on salary bands (the rates in 2004-2005 were between 12% and 18.5%). The Scheme Actuary reviews employer contributions every four years following a full scheme valuation. From 2006-2007, the salary bands will be revised and the rates will be in a range between 17.1% and 25.5%.

The contribution rates are set to meet the cost of the benefits accruing during 2005-2006 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. No Council employees took up this option, and therefore no employer's contributions were made.

There were no retirements on the grounds of ill-health.

3.2 Average number of persons employed

The Council employed 24.3 full-time equivalent staff during the financial year ending 31 March 2006, as follows:

	Others	2005-06 Permanently employed staff	2004-05 TOTAL
Objective 1: to maintain and promote the highest standards of professional conduct and practice	-	8.6	9.2
Objective 2: to provide an independent, representative and authoritative voice for the profession on teaching issues	-	0.9	0.9
Objective 3: to develop a culture of professional development amongst teachers	0.3	5.6	6.6
Objective 4: to communicate the positive contribution of the teaching profession to society	-	2.0	1.8
Objective 5: to provide efficient, effective and robust finance, personnel and administrative systems that support the delivery of the Council's objectives	1.0	5.9	7.3
<hr/>			

Detail of salary and pension entitlements of Council members and senior staff is given in the Remuneration Report.

4. Direct programme costs

	2005-06 £000's	2004-05 £000's
Members' costs	35	36
Database Maintenance and Development	32	32
Legal fees	75	67
Translation Costs	8	9
Printing, Postage and Promotional Costs	130	148

5. Continuing Professional Development (CPD) costs

	2005-06 £000's	2004-05 £000's
Administration and evaluation	85	194
Dissemination	60	-
Bursaries	1,300	1,174
Research Scholarships	62	37
International Exchanges	11	1
Networks	168	239
Sabbaticals	73	46
Whole School Initiative	-	3
E-journal	-	6

Dissemination costs were not separately reported in 2004-2005 (previously reported within Administration and evaluation costs).

6. Other operating costs

	2005-06 £000's	2004-05 £000's
Officers' Expenses	26	24
Training and recruitment	12	33
Rent and Rates	51	52
Service charge and utilities	21	18
Professional fees	97	92
Insurance	27	30
Printing & Stationery	32	34
Postage	53	56
Computer costs	24	25
Venue Hire	38	20
Audit fees	12	12
Other audit services	2	2
Maintenance	4	4
Other costs	69	43
Total	468	445

7. Interest Receivable

Interest of £37,000 (2004-2005: £44,000) was received during the period in respect of the Council's deposit account.

8. Tangible Fixed Assets

	Office equipment £000's	Computer equipment £000's	Furniture and fittings £000's	Total £000's
Cost or valuation				
As at 1 April 2005	78	228	142	448
Additions	-	12	-	12
Disposals				
As at 31 March 2006	78	240	142	460

Depreciation

As at 1 April 2005	76	128	105	309
Charge for year	2	44	28	74
As at 31 March 2006	78	172	133	383

Net Book Value as at 31 March 2006

	-	68	9	77
Net Book Value as at 1 April 2005	2	100	37	139

9. Debtors and Prepayments

	31 March 2006 £000's	31 March 2005 £000's
Amounts falling due within one year		
Debtors	-	1
Prepayments	75	23
Total	75	24

10. Creditors

	31 March 2006 £000's	31 March 2005 £000's
Amounts falling due within one year		
Registration fees prepaid	169	281
Prepaid grant	-	131
Other creditors	54	158
PAYE	9	9
National Insurance	8	7
Pension creditor	11	8
Accruals	85	53
Total	336	647

In addition to the creditors shown above, the Council had outstanding year-end commitments totalling £9,017 (2004-2005: £63,397). These commitments represented CPD grant funds that had been allocated to teachers but for which the Council had not received claims as at the year-end.

11. Reconciliation of movements on Government Grant Reserve

	31 March 2006 £000's	31 March 2005 £000's
At 1 April	41	81
Grant received during the year	-	-
Released to I&E Account during year	(30)	(40)
At 31 March	11	41

12. Notes to the Cash Flow Statement

Reconciliation of surplus on ordinary activities to net cash inflow from ordinary activities

	2005-06 £000's	2004-05 £000's
(Deficit)/ Surplus on ordinary activities	(13)	103
Adjustment for notional cost of capital	29	27
Depreciation	74	64
(Decrease) in creditors	(311)	(614)
(Increase)/ Decrease in debtors	(51)	57
Release of Government Grant Reserve	(30)	(40)
Net cash (outflow) from ordinary activities	(302)	(403)

(b) Analyses of changes in net funds during the period

	2006 £000's	2005 £000's
Net funds as at 1 April	1,313	1,777
Net cash (outflow)	(277)	(464)
Net funds at 31 March	1,036	1,313

13. Capital Commitments

At 31 March 2006 the Council had no capital commitments (2004-05: Nil).

14. Reconciliation of Movement in Taxpayers' Equity

	31 March 2006 £000's	31 March 2005 £000's
At 1 April	829	695
Retained surplus for the year	53	174
Movement on the Government Grant Reserve	(30)	(40)
At 31 March	852	829

15. Operating leases

	31 March 2006 £000's	31 March 2005 £000's
Amounts charged to Income and Expenditure Account for operating lease payments	54	54
Total	54	54
Annual commitment on building leases expiring:		
Within one year	16	-
Within two to five years	-	16
After more than five years	38	38
Total	54	54

16. Derivatives and other Financial Instruments

Prior to 1 April 2004, the Council's activities were supported from grant-in-aid funding from the National Assembly for Wales. From 1 April 2004, the Council's core functions have been 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: the Council is exposed to minimal interest rate risk. All assets and liabilities are denominated in sterling, so it is not exposed to currency risk.

17. Related Party Transactions

The General Teaching Council for Wales is a self-regulating professional body, which receives grant funding from the Welsh Assembly Government (the Assembly) to support its activities in specific areas. The Assembly is regarded as a related party.

None of the Council members or senior management had material transactions with other entities for which the Assembly was the sponsor.

There were no other material transactions between Council members or senior management during the year.

The Council administers a Continuing Professional Development (CPD) funding programme to registered teachers in Wales. Schools that have been awarded such CPD funding during the financial year where that school employs either a teacher or headteacher who is also a member of Council are regarded as related parties.

The table below provides details of funding awarded. In each case the member took no part in the decision to award funding.

Name of school	Number of teachers awarded CPD funding	Total amount of CPD funding awarded (£)
Tonypany Community College	8	5,832
Mount Pleasant Primary School	3	1,800
Ysgol Maes Y Dderwen	6	2,673
Bryn Hafren Comprehensive School	13	5,922
Pencoed Comprehensive School	9	3,975
Willows High School	5	4,366
Maes y Coed Primary School	1	480
St Joseph's R.C. High School	9	4,575
Bryn Celynnog Comprehensive School	2	1,094
Baden Powell Primary School	3	1,588
Llanedeyrn High School	7	3,549
Abergwynfi Infant School	2	1,180
Ysgol Dinas Bran	3	1,536
Total	71	38,570

During the year one Council member was awarded CPD funding towards their own professional development (details are listed below). This amount is included in the above table.

<u>Name</u>	<u>CPD Category</u>	<u>Amount</u>
Valerie Merriman	Bursary	£580

Notes: