

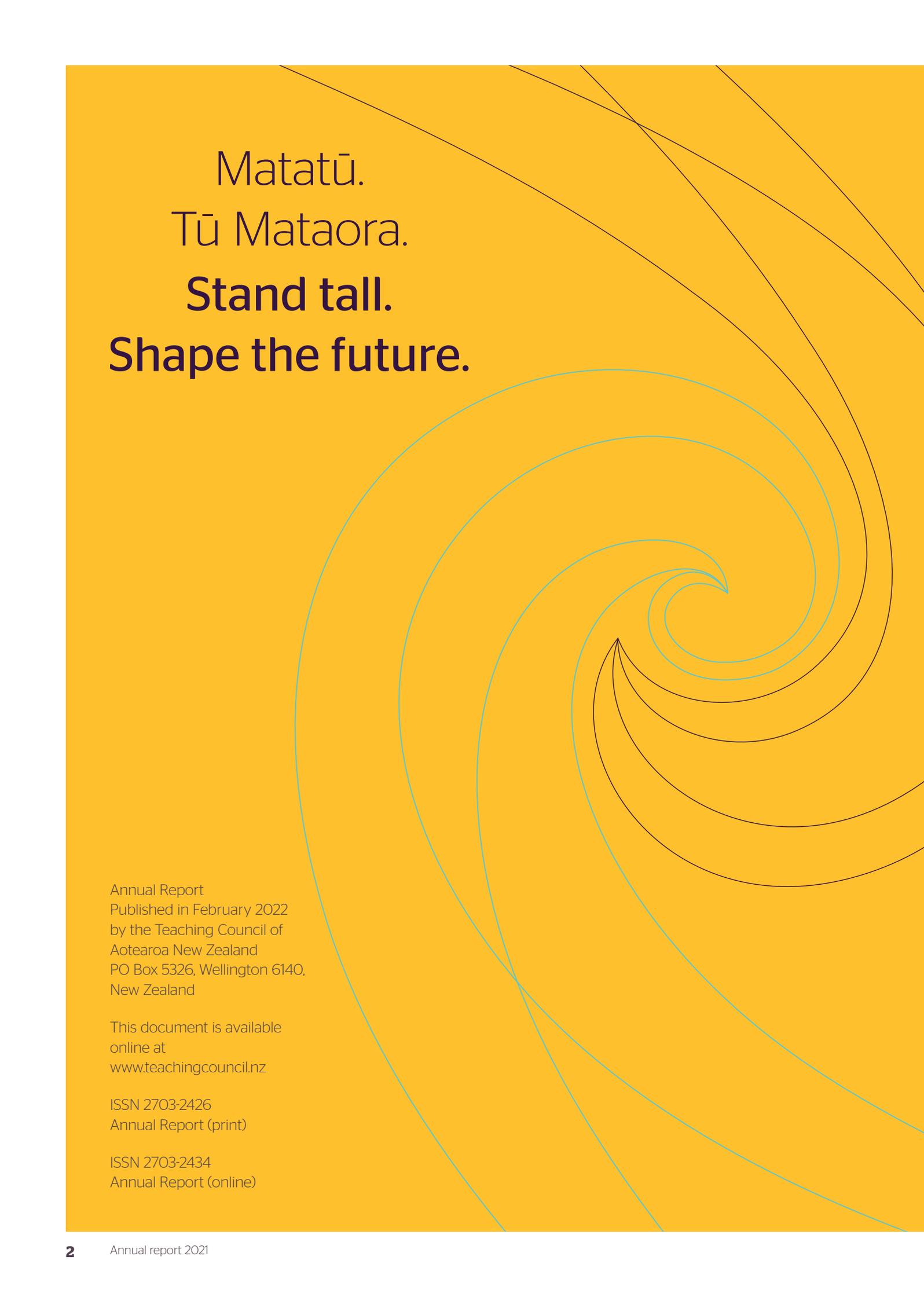
WHAKATŪ RAWA
TE WHARE NGAIO
STRENGTH & STABILITY

Annual Report 2021



**Teaching
Council of
Aotearoa
New Zealand**

Matatū. Tū Mataora.
Stand tall. Shape the future.



Matatū.
Tū Mataora.
Stand tall.
Shape the future.

Annual Report
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Letter from our Council Chair

It's with great pleasure that I share the Teaching Council of Aotearoa New Zealand | Matatū Aotearoa 2021 Annual Report. The theme of our Annual Report this year is whakatū rawa te whare ngaio, the strength and stability to uphold and support the teaching profession, which we present as the House of the Teaching Profession | Te Whare o te Matatu Aotearoa.

This year has truly demonstrated just how resilient our teaching profession is. COVID-19 has continued to place pressure on the profession, and I want to commend kaiako and education leaders, who have once again shown they are pillars of strength and support for our tamariki as they continued to work during another nationwide lockdown.

On behalf of the Governing Council, I apologise for the flawed 2020 consultation process on fees. We learnt valuable lessons from the court decision and are committed to undertaking a thorough consultation with the profession on fees in 2022. We understand there is much work to do to rebuild trust and are absolutely committed to working with the profession, not only through the consultation process ahead, but also in other mahi around supporting the profession and our kaiako to achieve the best possible outcomes for our tamariki.

Despite the challenges, 2020-2021 also saw some milestone achievements that I want to acknowledge. The first is Rauhuia | Leadership Space, launched in a livestream presentation reflecting the purpose of leadership for all. Te Tiriti o Waitangi provides the framework of leadership capability growth and development for kaiako in Aotearoa New Zealand. The kaupapa of Rauhuia identifies this, and the importance of dismantling concepts of hierarchy in leadership using a Māori whānau leadership model which has people also leading from behind and the sides. It acknowledges that leadership exists in all stages of life and will look different for every community. I invite you all to contribute to this important mahi and make your voices heard.

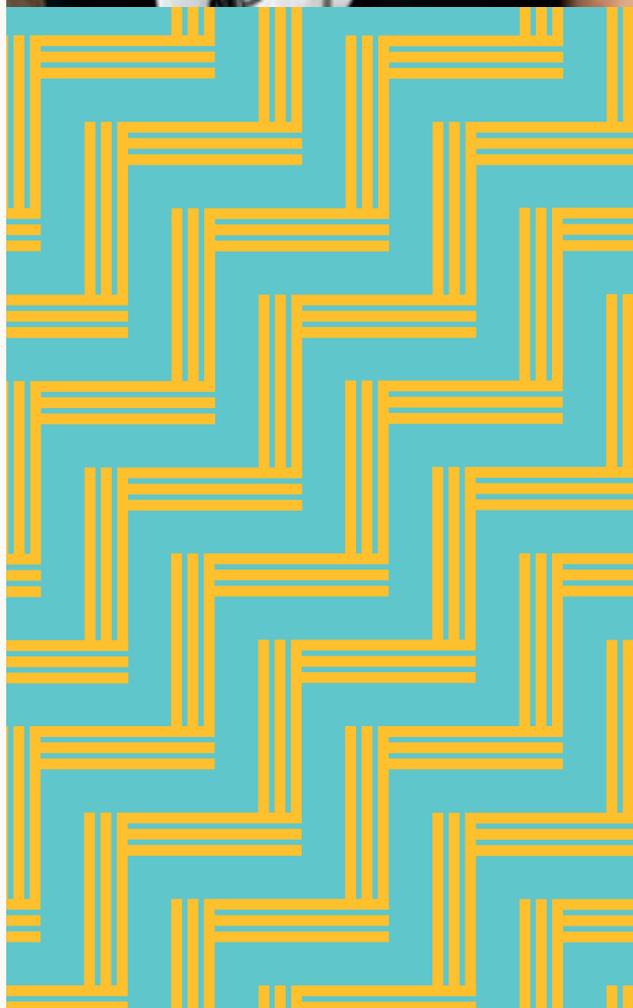
One of our exciting projects that was launched in 2021 is Unteach Racism. Unteach Racism aims to support kaiako and education leaders, in a staged approach, to identify, confront and dismantle racism in education. This project has been designed specifically for kaiako, providing them with the tools to self-reflect and have frank, open conversations grounded in *Our Code | Ngā Tikanga Matatika*. I couldn't be prouder of this kaupapa.

I am grateful for all that this year has taught us and I continue to be excited to contribute to and see the wonderful work that lies ahead for the Teaching Council.

Ngā mihi nui ki a koutou kātoa



Nicola Ngarewa, Council Chair
Teaching Council of Aotearoa New Zealand



Letter from our Chief Executive

Kia ora koutou kātoa

It has been a challenging year in more ways than one and throughout it all, kaiako and education leaders have been there to support our tamariki despite the challenges you've faced - ngā mihi nui.

I would like to acknowledge the court's decision in regard to the judicial review and welcome the opportunity to proceed in a more positive and collaborative way with the profession. Our mandate is to represent kaiako in Aotearoa as a strong and united professional body, and to represent the voices of kaiako and tumuaki as we move forward, together. Not just in our upcoming consultation process, but in all that we do.

I'm extremely proud of Unteach Racism and the work kaiako have already undertaken to begin their Unteach Racism journeys. Creating meaningful change in our education system to ensure all tamariki are given the best opportunities to succeed, is no small feat, and this begins with our kaiako. I take courage in the strength and ability the teaching profession has to make a difference. Ehara taku toa i te toa takitahi, ēngari taku toa he toa takatini.

We have successfully completed the first year of the Professional Growth Cycle (PGC) for teachers, kaiako and early childhood educators. It has been wonderful to see such enthusiastic engagement and support from the profession as we continue to work through the post-appraisal world. With workshops, webinars and working group sessions across Aotearoa, to further embed the Professional Growth Cycle, we've been able to gather feedback and guidance from kaiako about how professional development should work for kaiako. Come 1 February 2022, the Professional Growth Cycle will be implemented for principals, tumuaki and early childhood education leaders.

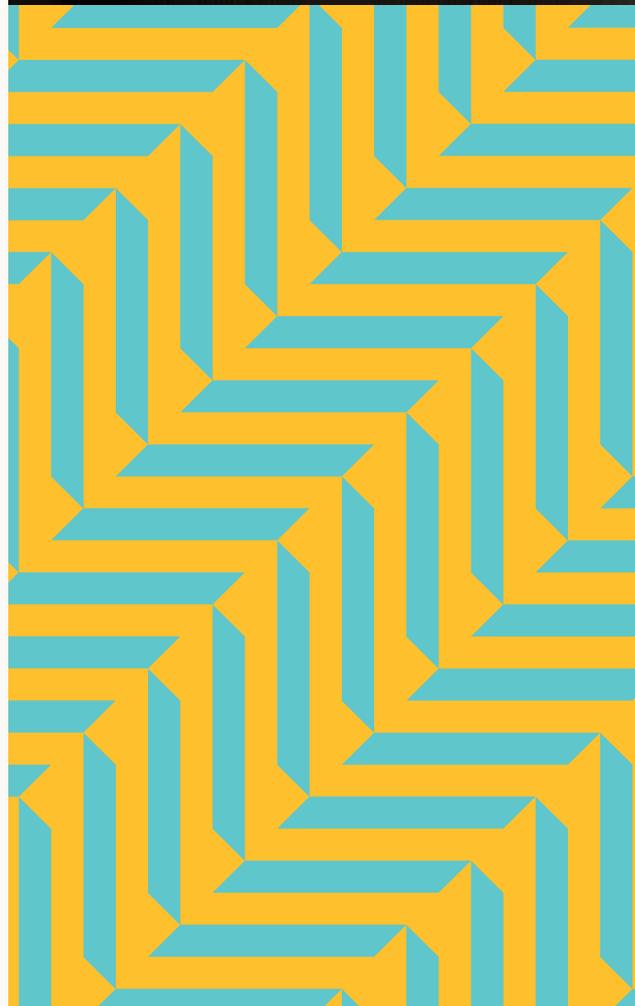
Since launching in May 2020, Hapori Matatū, our digital services platform for teachers, has received over 45,000 applications for registration and certification. The investment in new technology (funded by government) has allowed us to speed up processing of applications, and we can now complete most applications in 5 working days (down from more than 20 working days under the old paper-based application process). It's also very pleasing to hear that 62% of teachers surveyed said the new system was 'very easy' or 'easy' to use. Thank you to our teachers, kaiako, leaders and tumuaki for taking the time to complete our surveys, and for embracing your online platform.

While it has been a challenging year, it has also been one of significant growth. I'm extremely proud of the Teaching Council and what we've achieved in the last year, all while remaining true to our values of manaakitanga, whanaungatanga, whakamana and pono. I cannot wait to see what 2022 holds.

Ngā mihi nui



Lesley Hoskin, Chief Executive
Teaching Council of Aotearoa New Zealand



The House of the Teaching Profession

Teachers who belong to a profession will stand confidently in their house of learning.

Kaiako kua ūtoka i te ngaioletanga, tūnga ki te whare ako, tau ana.

The House of the Teaching Profession | Te Whare o Te Matatu Aotearoa is a place for every teacher and a space where guests | manuhiri are welcomed and cared for.

The Council works with the teaching profession giving the opportunity to contribute to decisions about how best to support the work of upholding the whare – the profession. They contribute their views and ideas for how best to strengthen and secure this space for the benefit of teachers | kaiako and learners | ākonga.

The Teaching Council of Aotearoa New Zealand | Matatū Aotearoa as the guardian | kaitiaki for the teaching profession, welcomes all teachers | kaiako to Te Whare o Te Matatū and encourages and guides them through it. Once inside the whare, it is our responsibility to support and give the means to learn, teach, and lead wherever teachers work.

Te Whare o te Matatū Aotearoa | The House of the Teaching Profession



This whare is unique. It is the teaching profession whare, and teachers stand inside because they are a qualified and registered teacher or holder of a Limited Authority to Teach. Many teachers have already been involved with and contributed to the whare, often drawn in by initiatives such as Rauhuia | Leadership Space, the Professional Growth Cycle, and Unteach Racism, which in 2021 saw more teachers engage with their professional body than ever before.

Our challenge is to continue building on the collaborative work that takes place within Te Whare o Te Matatū, and to welcome all teachers along the way. The work we undertake together within the whare is supported by the contributions every teacher makes to the profession and to learners | ākongā.

This whare has room for every teacher. Our aim is for this whare to house thousands of teachers as our profession continues to grow each year.

Each element of the whare is needed for strength and stability

Each element of the whare is necessary to ensure its strength and stability (see the picture below). At the highest level, the whare reflects a partnership under Te Tiriti o Waitangi as represented in the barge board | maihi for each partner – tangata whenua and tangata tiriti.

The carved figure | tekoteko at the top of the ridgeline depicts ako – the reciprocal relationship between teachers and learners – teachers are also learners and learners are also teachers. Placing ako at the top of the whare is significant because it is the reason the whare exists.

Within the whare, the tukutuku panels, Wall of Identity (see page 17), represent all the different groups that make up the teaching profession – reflecting that there is a place for everyone within the profession.

The whare is held up by the pillars of the house | ngā pou o te whare, which represent the work needed for a strong and effective profession. The four central pou represent the values of the teaching profession and the Council:

- **Whakamana** – empowering all learners to reach their highest potential by providing high-quality teaching and leadership
- **Manaakitanga** – creating a welcoming, caring, and creative learning environment that treats everyone with respect and dignity
- **Pono** – showing integrity by acting in ways that are fair, honest, ethical, and just
- **Whanaungatanga** – engaging in positive and collaborative relationships with our learners, their families and whānau, our colleagues, and the wider community.

These pou remind everyone who enters the whare of our collective primary purpose – to do all that we can together so learners | ākongā have the right support to achieve their aspirations and those of their whānau and communities.

As with any structure, each part, big or small, has a role to play in ensuring stability and endurance over time.

We emphasise the six other pou in the whare that represent our work to support each teacher, the teaching profession, to be self-managing, taking collective responsibility for what is needed for high-quality teaching, learning and leadership.

They also represent, the functions we are mandated to undertake on the profession's behalf. These six pou are:

- **Pou Aro Whakamua** – steering the future direction of teaching
- **Pou Whai Rēhitanga** – becoming registered and certificated as a teacher
- **Pou Tikanga Matatika, Ngā Paerewa** – establishing and maintaining the Code of Professional Responsibility and Standards for the Teaching Profession
- **Pou Here Tōmua** – establishing and maintaining standards for initial teacher education and undertaking Initial Teacher Education programme approvals
- **Pou Matatika** – ensuring high standards of ethical behaviour
- **Pou Mataara** – ensuring high-quality teacher practice.

These six pou are in the whare because they are the responsibility of the teaching profession. The *Code | Ngā Tikanga Matatika* and *Standards | Ngā Paerewa*, Initial Teacher Education, competence and conduct processes and of course registration and certification. Who better to determine what is best for the profession, than the profession themselves.

Elements of Te Whare o te Matatu Aotearoa



Upholding the profession by strengthening and protecting the whare

As the guardians | kaitiaki for the teaching profession, the Council has responsibility to Te Whare o te Matatū, by effectively undertaking the work of overseeing the profession. We are responsible for the day-to-day running of the whare and decision-making about priorities for its care, including ensuring that the public's trust in the profession, and the mandate that trust confers is protected and strengthened.

To fulfil these responsibilities, we rely on the contributions teachers make, as a member of the teaching profession, to breathe life into the whare through their collaboration, engagement, and sharing of knowledge. In return, we must enhance the status of teachers, provide direction for teachers, look for ways to support the development the profession, using research and evidence about changes in society and technology, and protect the reputation of the whare.

Teachers and professional leaders also contribute to the whare by representing their colleagues on our Governing Council (our governance board); joining advisory groups such as the Pacific Education Steerage Group, Inclusive Education Advisory Group, Māori Medium Advisory Group, and the Early Childhood Education Advisory Group; participating in the co-design and implementation of projects such as Unteach Racism; and sharing their thinking through consultation and other engagement opportunities.

All the work the Council does on teacher's behalf, other than government-funded projects, is achieved using the fees and levies teachers pay.

This and the other contributions teachers make allow us to do the necessary work so that Te Whare o te Matatū, the teaching profession, remains strong, effective, and trusted for the good of our mokopuna, tamariki, and rangatahi.

Pou functions



Pou Aro Whakamua



Pou Whai Rēhitanga



Pou Tikanga Matatika, Ngā Paerewa



Pou Here Tōmua



Pou Matatika



Pou Mataara

Your fees at work

We work with around **150,000** registered teachers and each year we:

Receive around **110,000** phone calls or emails from teachers or professional leaders.

Receive around **600** complaints or Mandatory Reports.

Respond to around **100** OIA, Privacy requests and written parliamentary questions.

Review or approve around **31** ITE programmes.

Process around **40,000** registration and certification applications.

Undertake around **300** conduct investigations.

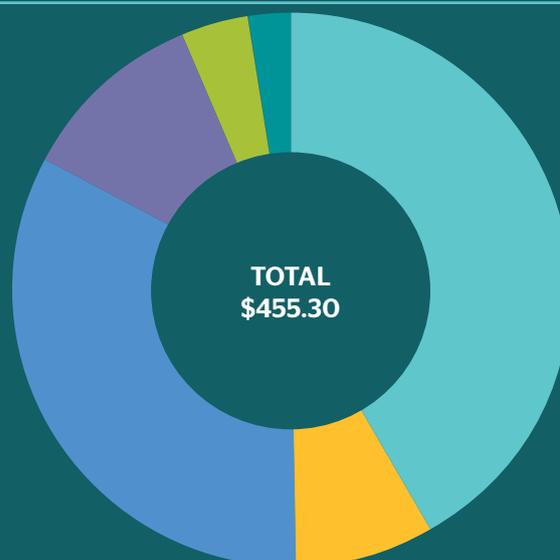
Undertake around **30** competence investigations.

Undertake **4-5** consultation processes relating to rules or other key processes.

The Teaching Council is an Independent Statutory Body established by Parliament in 2015 with responsibility under the Education and Training Act 2020 for:

- Carrying out the functions relating to teacher registration:
 - Establishing and maintaining any criteria for teacher registration and to review, at any time, the criteria for teacher registration
 - Establishing and maintaining standards for qualifications that lead to teacher registration and to review, at any time, the standards for qualifications
 - Conducting, in conjunction with quality assurance agencies, approvals of teacher education programmes
 - Establishing and maintaining standards for ongoing practice; and criteria for the issue of practising certificates of different kinds
- Performing the disciplinary functions relating to teacher misconduct and reports of teacher convictions:
 - Setting the criteria for reporting serious misconduct and for reporting on competence issues:
- Performing the functions relating to teacher competence:
 - Co-ordinating a system providing for the vetting by the police of all teachers:
 - Providing leadership to teachers and direction for the education profession
 - Enhancing the status of teachers and education leaders
 - Identifying and disseminating best practice in teaching and leadership and foster the education profession's
 - Establishing and maintaining a code of conduct for teachers to monitor and enforce the requirements relating to mandatory reporting continued development in light of research and evidence of changes in society and technology.

Statutory Function	2020/21 Actual Cost per teacher ¹ per 3-years
Conduct	\$165.00
Competence	\$32.94
Registration	\$130.03
ITE	\$43.03
Code & Standards	\$15.64
Leadership Space	\$0.00
Other (Governance)	\$9.29
Total	\$395.92
Plus GST	\$455.30



¹ Actual costs per function divided by the average number of applications over the period FY2018-19 to FY2020-21.

Progress on our Strategic Plan

Te pae tawhiti (our vision)

To enable and support the teaching profession to maximise the success of every learner in Aotearoa through highly effective leadership and teaching.

Aronga (our purpose)

To ensure safe and high-quality leadership, teaching, and learning for children and young people in early childhood, primary, secondary, and senior secondary schooling in English medium and Māori medium settings through raising the status of the profession.

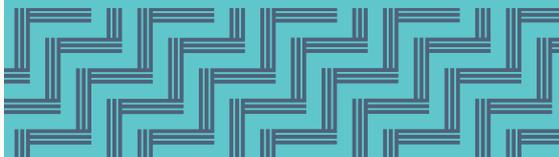
Kawa (our guiding principles)

The Teaching Council and all its strands of work are led by Te Tiriti o Waitangi demonstrated by the taonga of values. These Taonga further cement the agreement between tangata whenua and tangata tiriti. This will guide our doing and being.

Uara (our values)

WHAKAMANA

Empowering all learners to reach their highest potential by providing high-quality teaching and leadership.



MANAAKITANGA

Creating a welcoming, caring and creative environment that treats everyone with respect and dignity.



PONO

Showing integrity by acting in ways that are fair, honest, ethical and just.



WHANAUNGATANGA

Engaging in positive and collaborative relationships with our learners, their families and whānau, our colleagues and the wider community.



Te Pātū o te Whare - Wall of Identity

Kawa - Our ways of being driven by our non-negotiables

The Teaching Council and all its strands of work are led by Te Tiriti o Waitangi, our values and the wall of identity demonstrated by our tukutuku patterns and its narrative.

Each of these tukutuku patterns are bound to each other by Te Tiriti o Waitangi and our values and in doing so amplify individual and collective wellbeing.



Hauora / Wellness

The panel of individual and collective Hauora.

- Tinana (Physical)
- Taiao (Environmental)
- Wairua (Spiritual/Wellness)
- Hinengaro (Mental and emotional wellbeing)
- Whānau (Family)
- Nga Tangata Katoa (Societal)



MANA WHENUA | TANGATA WHENUA



BI-CULTURAL



PASIFIKA | TANGATA MOANA



MULTI CULTURAL

Strategic Goals 2019-2024



We've made good progress on delivering our 2019-2024 strategic goals

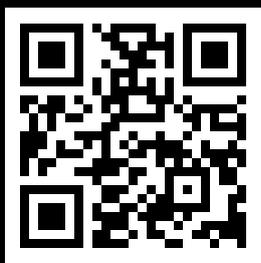
- New requirements for ITE programmes - all providers to have programmes approved under these by January 2022
- Developed new *Our Code, Our Standards* | *Ngā Tikanga Matatika, Ngā Paerewa*
- New streamlined Registration Policy, including Evidence-Based Language Competency Policy Requirements
- All applications for registration and renewal of practising certificates now 100% online, with 65% of renewals completed in 5 working days (down from 20 working days)
- Development and launch of the Professional Growth Cycle, to replace appraisal
- Progressing changes to conduct and competence processes
- Launch of Rauhuia | Leadership Space
- Launch of Unteach Racism in Education
- ECE endorsement for overseas trained teachers
- Worked collaboratively with teachers, professional leaders and academics to co-develop the Leadership Strategy for the Teaching Profession
- In response to feedback from the profession, commissioned NZCER to develop the Educational Leadership Capability Framework
- Secured the mandate to implement the Leadership 'Centre'
- Nationwide workshops and suite of online resources for Tapasā Cultural Competencies Framework for Teachers of Pacific Learners
- Legislative changes to physical restraint



Unteach Racism

Unteach Racism is an initiative designed specifically for kaiako and education leaders to create conversations around racism in Aotearoa. While addressing racism is a journey our entire country is on, in schools, kura and early childhood education centres, kaiako have the direct ability to shape a future that represents and supports all of our tamariki – free of racism.

To join the Unteach Racism movement scan the QR code.



Unteach Racism has been designed to complement the professions' commitment to the *Code of Professional Responsibility | Ngā Tikanga Matatika*, in particular to Te Tiriti o Waitangi, social justice, respecting diversity of learners, affirming Māori learners as tangata whenua, and promoting and protecting principles of human rights. Unteach Racism is set out into three parts - identify, confront and dismantle. We've started with an emphasis on identify kaupapa, supported by our Unteach Racism website, app and resources, with confront and dismantle to come later following feedback from the profession.

Since the launch of Unteach Racism in May 2021, we've had a wonderful reaction from the profession, including over 1.5 million views on our video with Taika Waititi. Later in 2021 we'll launch the first of our webinar series that will further embed the initial stages of the professions' Unteach Racism journey and will start to gather teacher voice to inform the confront part of this mahi. It's our goal that these tools will empower teachers to have safe and productive conversations about racism that result in positive changes to behaviour and practice.

The tools and resources of Unteach Racism are an easy way for teachers to self-reflect and identify where you may need to shift your own understanding of racism. It's a tool that you can use as an individual or group. It is quick and straightforward to use. It will help you challenge your thinking and responses.

The first step is to understand that racism is confined to us as individuals, it will give you tools to shape our environments for the better.

Michelle Pratt, Director
New Shoots

UNTEACH RACISM



Rauhuia | Leadership Space

Following consultation with our key stakeholders in the Leadership space, Rauhuia was developed in 2020 to encompass and give effect to the Leadership Strategy | Rautaki Kaihautū and to future leadership initiatives that will advance educational leadership capability for all kaiako in Aotearoa.

To learn more about the Rauhuia | Leadership Space scan this QR code.



Rauhuia | Leadership Space, which is fully funded by government, was officially launched in February and March 2021. The Te Tiriti led and values-based approach of Rauhuia has been warmly received by the profession and builds on the extensive leadership work the Council has coordinated since 2015. Since the launch, we've been socialising Rauhuia and its kawa (non-negotiables) with the profession, and actively building relationships and understandings. Through partnership with the NZPF and NZEI, and through the secondment of our Tumuaiki-in-residence, Myles Ferris, we are seeking to gather authentic voice from both role-based leaders and from teachers to assist with identifying needs and priorities for Rauhuia.

In our on-going work with the profession, we are continuing to collect diverse responses via both workshops and surveys from principals, kaiako and middle leaders from primary and ECE sectors. These are highlighting the desire for professional learning which meets contextual and role needs, but also supports cultural leadership capabilities. These responses, and our on-going gathering of teacher voice from the profession, are shaping the Rauhuia space and ensuring that the design of Rauhuia will actively support the development of leadership capability at both an individual and community level.



Professional Growth Cycle

In 2021 the professional growth cycle (PGC) for teachers and kaiako was launched. Designed by the Council with members of a cross-sector working group of representatives, it emphasises our trust in the profession to understand and use *Our Code, Our Standards | Ngā Tikanga Matatika, Ngā Paerewa* to support growth in practice.

Since we launched PGC in August 2020, we've held over 140 Zoom webinars or face to face presentations for 3,997 participants. Our emphasis on professional leaders designing the PGC with teachers to support their growth through collaborative learning in dynamic responsive contexts has been very well received.

As the PGC for teachers and kaiako has been brought to life, a further working group representing principals, tumuaki and early childhood education professional leaders has been convened to consider the removal of performance appraisal in these roles. A PGC for these roles will be announced for 2022, with a final date for implementation at the beginning of 2023.

The PGC provides recognition of our profession as life-long learners in an ever-changing landscape. We're extremely pleased with the positive response the PGC has received and look forward to supporting the continued implementation of a process that will create more equitable opportunities for the learning and growth of principals, tumuaki and early childhood education professional leaders throughout Aotearoa.

To learn more about the **Professional Growth Cycle** scan this QR code.



I was very fortunate to participate as a principal representative on the Working Group that designed the framework that would become our Professional Growth Cycle. It truly was a cross sector effort that was superbly facilitated by the Teaching Council. An earlier working group in which I had served looked to reduce the burden of compliance. We found that teachers and principals, while complying with appraisal requirements, often found the process burdensome and without the intended benefits; being improved effectiveness and more positive outcomes for learners. The 'accord' recognised this and thus appraisal practices have changed dramatically.

There's a team at the Teaching Council working with the sector to support the transition to PGC; and I'm pleased to have been asked to be involved; particularly with the PGC for principals, tumuaki, and ECE professional leaders. Principals certainly appreciate the move from what had become for many an overengineered, burdensome, compliance driven approach. They are still very happy to be accountable; to

model life-long learning; to receive and reflect on feedback; and to grow and encourage others to do the same. Again and again, I'm hearing principals say that one of the most effective ways to support their professional growth has been the connection, the networking, the conversations, the interactions, the challenging discussions they have with their peers. So, it was important that engaging in a, "...professional learning network of colleagues..." was included as an Element of the PGC.

We are listening to the sector to see what resources and support can help facilitate a positive shift. Being part of this feels like a 'by the profession, for the profession' improvement. Tino pai!

James Thomas, Principal in Residence
Teaching Council of Aotearoa New Zealand

Advocacy

Speaking out and speaking up on behalf of the profession is one of our strategic priorities.

During the year we provided input and advocacy on behalf of the teaching profession on the following education system initiatives:

- Submission on the Tranche 1 ECE Regulatory Review, February 2021
- Submission on the Tranche 2 ECE Regulatory Review, October 2021
- The Council has been an active contributor to the Physical Restraint Advisory Group, working with other group members to draft practice examples that can guide discussions with teachers. Our engagement with teachers about the physical restraint guidelines also highlighted that much greater clarity was needed about when physical contact is permitted, and Council representatives have been able to directly influence guidance on this issue.
- Council staff have provided advice to ERO's te reo Māori External Advisory Group on the later stages of their initiative to develop a quality indicator framework for te reo Māori in English medium schools.
- We continue to engage in the working group to assess the impact of the Kā Hikitia strategy.
- Council staff continue to work closely with the Ministry of Education and other agencies in the Pacific Education Interagency Group, which provides a space for cross-agency collaboration to give effect to the goals in the Action Plan.
- The Council has worked closely with the Ministry of Education on a number of legislative amendments that will clarify key areas of the Education and Training Act where we have specific responsibilities, including changes to thresholds for the Disciplinary Tribunal. Many of these changes will be directly beneficial to teachers

Service improvement and cost reduction initiatives

Over the course of the year, we continued to pursue a range of initiatives designed to improve our services to teachers or to reduce costs so that the fees paid by teachers represent the best possible value for money.

1. Online Service Project

Following the launch of Hapori Matatū, our digital services platform for teachers, in May 2020, we've continued to develop and refine the system so that it can accept all application types. The new system has improved the application experience of teachers and reduced the average processing time for applications from 20 working days down to 5 working days.

As well as offering an improved experience for teachers, the investment in technology and end of manual applications has allowed us to reduce our headcount by 5.0 FTE and a range of costs related to handling and storing paper-based applications.

2. Move to new premises

In August 2021 we will move into new premises with a 30% smaller footprint. The move to new premises is driven by the earthquake risk associated with our current premises and the lack of clarity over strengthening timeframes.

3. Operational Services Group

As a result of investments in technology and changing business requirements we undertook a review of our Operational Services Group, and as a result reduced management personnel by 2.0 FTE.

4. Conduct and Competence process review

We made significant progress on our review of existing conduct and competence processes to improve fairness, justness and equity of these key processes along with improving efficiency. Law reform is required to achieve the intended outcomes, and the Education and Training Act Amendment Bill No. 2, which is currently progressing through the house, will address this.

5. Continued access to All of Government (AoG) purchasing arrangements

During the year we received advice from Ministry of Business, Innovation and Employment (MBIE) that the Teaching Council was no longer eligible to access AoG purchasing arrangements due to the fact that it was not part of the public sector. Loss of access to AoG purchasing agreements such as legal services, travel, IT hardware and services, would significantly impact the ongoing financial sustainability of the Council. At the time of writing, MBIE had agreed that the Teaching Council could continue to participate in, and access, AOG purchasing contracts and arrangements.

Advisory groups and members

Supporting the Teaching Council to consult with and be informed by the profession.

Each of our advisory groups are specialised and have an integral purpose in ensuring the Teaching Council is informed to support an education system that represents and supports all tamariki in Aotearoa.

We'd like to thank our advisory groups for all that they do and want to share the kaupapa of each group.

Teaching Council Inclusive Education Advisory Group (TCIEAG):

The Teaching Council Inclusive Education Advisory Group provides the Governing Council of the Teaching Council with research and advice in respect of any of the Teaching Council's vision, functions and responsibilities relating to kaiako, learners and others in the field of future focused inclusive education.

Inclusive education is focused on identifying and minimising the barriers to maximising the learning and wellbeing needs of diverse learners and recognising their rights within all education settings.

Chair	Frian Wadia
Members	Aitutagata Elizabeth Cassidy
	Dr Maree Kirk
	Heather Dorothy Lear
	Dr Jude Ann MacArthur
	Tracey McConachie
	Thecla Moffat
	Chloe Stokes

Pacific Education Steerage Group (PESG):

The Pacific Education Steerage Group provides and establishes a relationship that bears influence on the Governing Council of the Teaching Council regarding research and advice in respect to the Council's vision, functions or responsibilities relating to kaiako, learners and others in the field of future focused Pacific Education.

Chair	Dagmar Dyck
Members	Joseph Houghton
	Lealamanu'a Aiga Caroline Mareko
	Dr Rae Si'ilata
	Zechariah Fa'aumu David Soakai
	'Alisi Tatafu
	Dr David Taufui Mikato Fa'avae
	Siaosi Vaili

Māori Medium Advisory Group (MMAG):

The Māori Medium Advisory Group is to provide the Governing Council with advice in respect of any of the Council's role or responsibilities relating to kaiako, learners and others in the field of Māori Medium education.

Chair	Ripeka Lessels
Members	Matthew Fraser
	Hilda Halkyard-Harawira
	The Venerable Wiremu Kaua
	Rita Powick
	Dy Sterling
	Tātai Takuira-Mita
	Evelyn M Tobin
	Tui Yeager

Early Childhood Education Advisory Group (ECEAG):

The purpose of the Early Childhood Education Advisory Group is to provide the Governing Council of the Teaching Council with research and advice in respect of any of the Council's vision, functions or responsibilities relating to kaiako, learners and others in the field of future-focused early childhood education.

Early childhood education is focused on empowering all children aged 0-6 years to learn with and alongside others by engaging them in experiences that have meaning for them. The support of the advisory group ensures the Council can support this sector.

Chair	Clair Edgeler
Members	Arapera Card
	Rebecca Chatwin
	Annie Gordon
	Dr Alex Gunn
	Vicki Hiini
	Dr Tracey Hooker
	Jihye Shin

2020-21 in numbers

108,992

Teachers holding a current practising certificate and people holding a Limited Authority to Teach.

2021 saw the number of registered teachers with a current practising certificate or people holding a LAT grow by 2,204 (2.1%), continuing the trend from 2020 when numbers increased by 1,502 (1.4%).

Registration

Measure	Target	FY 2021 Result	Commentary
# New teacher registrations	Report actual	5,965	The number of new teacher registrations grew by +5.6% over the previous year. (2020: 5,651)
# Finalised applications	Report actual	43,297	We finalised more applications (+14.9%) due to 2021 being a peak year in the 3-yearly cycle. (2020: 37,695)
# Of teachers moved to full certification	Report actual	5,844	More teachers applied to move to full certification in 2021 (+23.8%). (2020: 4,721)
# Applications completed within 20 working days ²	65%	64%	Working towards: COVID-19 and increased application volumes arising from 2021 being the peak year in a 3-yearly cycle meant we narrowly missed our service performance target.
# Calls and emails received by our Contact Centre	Report Actual	110,517	Our contact centre received 68,479 calls and 42,038 emails
% Calls Answered	Report Actual	79%	An increase in call volumes and durations lead to a decrease in the % of calls
Average Call Wait Time	Report Actual	2:16"	Answered and in the average wait time experienced by teachers and professional leaders
% Teachers who are satisfied with the service they received from our Registration Team	75%	73% ³	Working towards: Over the peak processing months of November to February, teachers experienced longer than expected processing times for their applications. The Council addressed this by recruiting additional registration officers and by 30 June 2021 had achieved a new service standard of 5 working days.
% Applicants who are satisfied with their application experience in Hapori Matatū	Establish Baseline	62%	62% ⁴ of teachers surveyed rated their experience using the system as 'very easy' or 'easy'.

Professional Responsibility

Measure	Target	FY 2021 Result	Commentary
# and % of complaints, mandatory reports, and self-reports received	Report actual	537 (0.5%)	The number of complaints and mandatory reports received remained the same as a percentage of all certificated teachers at 0.5% (2020: 0.5%).
# and % of registrations cancelled	Report actual	24 (0.02%)	The number of teacher registrations cancelled in 2021 as a result of investigating a complaint or mandatory report remained the same as a percentage of all certificated teachers (2020: 0.02%)
# and % of practising certificates cancelled	Report actual	1	In certain circumstances, a teacher's practising certificate can be cancelled but the teacher can continue to be registered. One practising certificate was cancelled in this manner in 2021 (2020: 1). These numbers are not included in the number of registrations cancelled above.
# and % of teachers on conditions	Report actual	120 (0.11%)	The number of teachers placed on conditions as a result of investigating a complaint or mandatory report decreased marginally as a percentage of all certificated teachers at 0.11% (2020: 0.14%)
% Cases resolved in Triage that are resolved within 2 months of commencement of Triage (no further action required)	50%	67%	Achieved: 93% of cases were resolved in Triage within 5 months with more than half being resolved in less than 2 months (67%).
% Outcomes of referrals to the Complaints Assessment Committee that are reached within 8 months of the referral to the Council (excluding those referred to an external process - police, courts etc.)	50%	38%	Working towards: The increased complexity of cases meant that it took on average longer than 8 months for a CAC outcome from when it was referred to Council.
% Outcomes of referrals to the Disciplinary Tribunal that are reached within 8 months of the referral to the Disciplinary Tribunal	75%	48%	Working towards: The COVID-19 restrictions delayed progress on some 'in person' defended hearings. The appointment of more Disciplinary Tribunal chairs and a focus on clearing a backlog of decisions has improved performance. For the month of June, 67% of outcomes had been reached within 8 months compared with 43% in March.

2 From the time that the Council receives a completed application after endorsement and police vetting are completed.

3 Source Registration Pulse Survey, n=968.

4 Source Pulse Survey, 01 July 2020 to 30 June 2021, n=295.

Competence

Measure	Target	FY 2021 Result	Commentary
% Outcomes of referrals to the competence processes that are reached within 10 months of the referral to the Council	90%	74%	Working towards: The outcomes were impacted by engagement of teachers and initiators, many who were dealing with the changing Covid landscape.

ITE

Measure	Target	FY 2021 Result	Commentary
# ITE English Medium programmes submitted by 1st January 2022 under new ITE Requirements.	31	100%	Achieved: 100% of English Medium legacy programmes expected to be submitted by 1st January 2022 have been submitted. 71 programmes have been approved to date under the new ITE Requirements.

Other

Measure	Target	FY 2021 Result	Commentary
# OIA Requests responded to	Report Actual	70	All OIAs were responded to within 20 working days.
% Teachers who agreed the Council added value to their role as a teacher	61%	49% ⁵	Working towards: 49% of teachers surveyed agreed or strongly agreed that the Teaching Council had added value to their role as a teacher.
# Professional Growth Cycle Webinars held and # of participants	Report Actual	100 zoom hui 4,000+ participants	The PGC for teachers has been welcomed by the profession with high interest in workshops and webinars. The Council look to sustain this work supporting the profession in the next year.
# Teachers who downloaded the Unteach Racism app or interacted with the online content	Report Actual	App: 3.1K users with an average engagement of 6m 29s	This is based on the first 6 weeks the app and website were made available.

⁵ Pulse survey, n=2,550.





Financial statements

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Statement of Responsibility

We are responsible for the preparation of the Council's financial statements and for the judgements made in them.

We are responsible for any end-of-year performance information provided by the Council under section 19A of the Public Finance Act 1989.

We have the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In our opinion, the financial statements for the year ended June 30, 2021 fairly reflect the financial position, the results of operations, the cash flows and the performance information for an appropriation.

Signed for and on behalf of the
Teaching Council of Aotearoa New Zealand:



Nicola Ngarewa, Council Chair
Teaching Council of Aotearoa New Zealand

18 February 2022



**Michael Rondel, Chair of Risk, Audit and
Finance Committee**

Teaching Council of Aotearoa New Zealand

18 February 2022

Statement of Comprehensive Revenue and Expenses

Teaching Council of Aotearoa New Zealand for the year ended 30 June 2021.

	Notes	Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000
Revenue				
Grant revenue – operating grant ⁶		11,361	11,178	9,644
Grant revenue – project grant		979	979	1,693
Late processing fees		-	100	67
Processing fees		6,276	5,728	6,062
Limited authority to teach processing fees		35	120	71
Provisional/subject to confirmation full processing fees		1,420	1,244	1,289
Teacher education approvals		281	279	150
Discipline recovered		339	150	178
Overseas teachers processing fees		76	116	134
Other operating revenue		256	10	10
Finance revenue		40	113	139
Total revenue		21,063	20,017	19,437
Expenses				
Employee costs	2	10,602	10,698	10,564
Depreciation & amortisation expense	6, 7	514	730	451
Other operating expenses	3	5,784	5,650	4,742
Teaching Council projects	17	914	1,210	2,415
Total expenses		17,814	18,288	18,172
Total surplus/(deficit) for the year		3,249	1,729	1,265
Other comprehensive revenue and expenses				
Other comprehensive revenue		-	-	-
Total comprehensive revenue and expense for the year		3,249	1,729	1,265

Explanations of significant variances against budget are provided in note 18.

The above statements should be read in conjunction with the notes to and forming part of the financial statements.

6 Operating grant revenue from the Crown includes temporary financial support for the Council while a sustainable financial operating model is put in place, which was expected from July 2020, was delayed until 1 February 2021, now further delayed to May 2022.

Statement of Changes in Equity

Teaching Council of Aotearoa New Zealand for the year ended 30 June 2021.

	Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000
Opening balance 1 July	13,036	13,041	11,771
Surplus/(deficit) for the year	3,249	1,729	1,265
Other comprehensive revenue	-	-	-
Total comprehensive revenue and expense for the year	3,249	14,770	1,265
Closing equity June 30	16,285	14,770	13,036

Explanations of significant variances against budget are provided in note 18.

The above statements should be read in conjunction with the notes to and forming part of the financial statements.

Statement of Financial Position

Teaching Council of Aotearoa New Zealand for the year ended 30 June 2021.

	Notes	Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000
Current assets				
Cash and cash equivalents	4	9,669	11,171	7,043
Short term investments	5	1,006	-	2,065
Receivables from exchange transactions		-	-	-
Receivables from non-exchange transactions	8	1,430	297	150
		12,105	11,468	9,258
Non-current assets				
Intangible assets	7, 18	5,421	729	5,111
Property, plant and equipment	6	857	5,167	703
		6,278	5,896	5,814
Total assets		18,383	17,364	15,072
Current liabilities				
Deferred lease liability		21	-	-
Trade & other payables	9	1,535	1,998	1,604
Employee entitlements	10	513	596	432
		2,069	2,594	2,036
Non-current liabilities				
Deferred lease liability		29	-	-
		29	-	-
Total liabilities		2,098	2,594	2,036
Net assets/equity		16,285	14,770	13,036
Equity				
Retained earnings		16,285	14,770	13,036
Total net assets/equity attributable to the owners of the controlling entity		16,285	14,770	13,036

Explanations of significant variances against budget are provided in note 18.

The above statements should be read in conjunction with the notes to and forming part of the financial statements.

Cash Flow Statement

Teaching Council of Aotearoa New Zealand for the year ended 30 June 2021.

	Notes	Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000
Cash flows from operating activities				
Receipts				
Fees and grants received		19,777	22,428	22,924
Other operating revenue		256	630	10
Finance revenue		44	114	148
		20,077	23,172	23,082
Payments				
Payments to suppliers		(6,870)	(7,217)	(7,312)
Payments to employees		(10,527)	(10,028)	(10,728)
Net GST paid		(134)	(2,165)	(293)
		(17,531)	(19,410)	(18,333)
Net cash flows from operating activities		2,546	3,762	4,749
Cash flows from investing activities				
Receipts				
Sale of property plant and equipment		-	-	-
Sale of intangibles		-	-	-
Sale of short term investments		1,059	-	-
		1,059	-	-
Payments				
Purchase of property, plant and equipment		(345)	(1,550)	(102)
Purchase of intangible assets		(634)	-	(2,017)
Purchase of short term investments		-	-	(67)
		(979)	(1,550)	(2,186)
Net cash flows from investing activities		80	(1,550)	(2,186)
Net increase in cash and cash equivalents		2,626	2,212	2,563
Cash and cash equivalents at 1 July		7,043	8,959	4,480
Cash and cash equivalents at June 30		9,669	11,171	7,043

Explanations of significant variances against budget are provided in note 18.

The above statements should be read in conjunction with the notes to and forming part of the financial statements.

Notes to the Financial Statements

Teaching Council of Aotearoa New Zealand for the year ended 30 June 2021.

1. Statement of accounting policies and reporting entity

The reporting entity is the Teaching Council of Aotearoa New Zealand (the "Council"). The Council is domiciled in New Zealand and, was established by the Education Act 1989 as the Education Council of Aotearoa New Zealand, on 25 September 2018 was renamed to Teaching Council of Aotearoa New Zealand, is an independent statutory body. The Council is also a registered charity under the Charities Act 2005.

These financial statements and the accompanying notes summarise the financial results of activities carried out by the Council. The Council's primary objective is to provide public services, as opposed to making a financial return.

The financial statements have been prepared on a going concern basis.

The Financial Statements are for the year ended 30 June 2021 and approved by the Board on 18 February 2022.

Statement of compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Public Sector entities. For the purposes of complying with NZ GAAP, the Council is a public benefit public sector entity and is eligible to apply Tier 2 Public Sector PBE IPSAS on the basis that it does not have public accountability and it is not defined as large. This is due to the Council's expenditure being less than \$30m.

The board members of the Council have elected to report in accordance with Tier 2 Public Sector PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

Summary of accounting policies

The significant accounting policies used in the preparation of these financial statements as set out below have been applied consistently in these financial statements.

Basis of measurement

The financial statements have been prepared on the basis of historical cost.

Functional and presentational currency

The financial statements are presented in New Zealand dollars (\$), which is the Council's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest thousand dollars.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Council and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

Revenue from non-exchange transactions

Ministry of Education grant revenue

Grant revenue with no conditions attached is recognised when earned.

Late fees revenue

Late fee revenue is only earned when an application is received late from a teacher. It is a penalty imposed by the Council.

Processing fees

All application revenue processing fees are recognised as revenue as they are received. There is no ongoing liability or a fair exchange of value in these fees.

Revenue from exchange transactions

Finance revenue

Interest revenue is recognised using the effective interest method.

Other revenue

All other revenue from exchange transactions is recognised when earned and is reported in the financial period to which it relates.

Financial instruments

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions of the financial instrument.

The Council derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Council has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- the Council has transferred substantially all the risks and rewards of the asset; or
- the Council has neither transferred nor retained substantially all the risks and rewards of the asset; but has transferred control of the asset.

Financial assets

Financial assets within the scope of PS PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The category determines subsequent measurement and whether any resulting revenue and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Council's financial assets are classified as loans and receivables. The Council's financial assets include: cash and cash equivalents, short-term deposits, receivables from non-exchange transactions, receivables from exchange transactions and investments.

All financial assets are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

Receivables

Receivables are financial assets with fixed or determinable payments that are not quoted in an active market. These are measured at amortised cost using the effective interest method, less any allowance for impairment.

Impairment of financial assets

The Council assesses at the end of reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced using an allowance account. The amount of the loss is recognised in the surplus or deficit for the reporting period.

In determining whether there is any objective evidence of impairment, the Council first assesses whether there is objective evidence of impairment for financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the Council determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment for impairment.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in surplus or deficit.

Cash and cash equivalents

Cash and cash equivalents represents, highly liquid investments that are readily convertible to known amounts of cash and with an insignificant risk of changes in value, with maturities of three months or less.

Short term investments

Short term investments comprise term deposits which have a term of greater than three months and therefore do not fall into the category of cash and cash equivalents.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Depreciation is recognised in the surplus or deficit on a straight-line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

Computer Equipment	33.3%	3 Years
Office Equipment	20.0% - 50%	2 - 5 Years
Office Fit-Out	11.1% - 33%	3 - 9 Years
Fixtures & fittings	6.7%	15 Years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits or service potential embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in surplus or deficit as the expense category that is consistent with the function of the intangible assets.

The Council does not hold any intangible assets that have an indefinite useful life.

The amortisation periods for the Council's intangible assets are as follows:

Acquired software	3-15 years
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Financial liabilities

The Council's financial liabilities include trade and other creditors, and employee entitlements.

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit in the statement of comprehensive revenue and expenses.

Loans

Loans are financial liabilities with fixed or determinable payments that are not quoted in an active market. These are measured at amortised cost using the effective interest method, less any allowance for impairment.

Operating leases

Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Employee benefits

Liabilities for wages and salaries, annual leave and accumulated sick leave are recognised in the surplus or deficit during the period in which the employee provided the related services. Liabilities for the associated benefits are measured at the amounts expected to be paid when the liabilities are settled.

Equity

Equity is the public's interest in the Council, measured as the difference between total assets and total liabilities. Equity is made up of the following component:

Accumulated comprehensive revenue and expense is the Council's accumulated surplus or deficit since its formation, adjusted for transfers to/from specific reserves.

Goods and services tax

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of the receivables or payables in the statement of financial position.

The net GST paid to, or received from, the IRD, including GST relating to investing and financing activities, is classified as net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income Tax

The Council is a registered charitable trust in terms of the Income Tax Act 2007 and consequently the Council is exempt from income tax.

Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Judgements

In applying the relevant accounting policies, management have not made judgements that would have a significant impact on the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a potential risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Council based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Council. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

The estimated useful lives and residual values of assets are assessed using the following indicators to determine potential future use and value from disposal:

- The condition of the asset
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

The estimated useful lives of the asset classes held by the Council are listed above.

2. Employee costs

	Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000
Wages & salaried	8,979	9,696	8,030
Temporary staff	1,104	327	1,967
Superannuation/KiwiSaver employer contribution	248	282	218
Staff professional development	119	208	139
Other employee costs (ACC, payroll fees, recruitment etc.)	152	185	210
Total employee costs	10,602	10,698	10,564

Explanations of significant variances against budget are provided in note 18.

3. Other operating expenses

	Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000
Administrative	1,156	2,261	1,001
Audit fees to Audit New Zealand for audit of financial statements	55	55	52
Other audit expenses	(13)	-	13
Professional/consultancy fees	302	239	81
Audit of teachers appraisals	(6)	-	313
Legal fees	1,701	1,190	1,123
Staff and Board members travel expenses	312	399	366
Computer expenses	801	1,060	413
Advisory committees	11	23	(2)
Board Member fees	166	209	198
CA/DT/Impairment ⁷ (excluding legal fees)	323	372	462
CAC panels ⁸ (excluding legal fees)	166	276	172
Rent	648	597	470
Doubtful debts/bad debts	162	48	80
Total other operating expenses	5,784	6,729	4,742

Explanations of significant variances against budget are provided in note 18.

7 CA = Competence Authority, DT = Disciplinary Tribunal, Impairment Committee.

8 CAC = Conduct Assessment Committee.

4. Cash and cash equivalents

Cash and cash equivalents include the following components:

	Actual 2021 \$'000	Actual 2020 \$'000
Cash at bank	383	288
Term deposits with maturities of 3 months or less	9,286	6,755
Total cash and cash equivalents	9,669	7,043

5. Short term investments

Short term investments are term deposits with a term greater than 3 months:

	Actual 2021 \$'000	Actual 2020 \$'000
Term deposits with maturities greater than 3 months and less than 12 months	1,006	2,065
Total short term investments	1,006	2,065

6. Property, plant and equipment

	Computer equipment \$'000	Office equipment \$'000	Office fit-out \$'000	Fixtures & fittings \$'000	Work in progress \$'000	Total \$'000
2021						
Cost	778	175	1,011	805	204	2,973
Accumulated depreciation	(602)	(154)	(1,005)	(355)	-	(2,116)
Net book value	176	21	6	450	204	857
2020						
Cost	652	161	1,011	803	-	2,627
Accumulated depreciation	(504)	(135)	(977)	(308)	-	(1,924)
Net book value	148	26	34	495	-	703

Reconciliation of the carrying amount at the beginning and end of the period:

	Computer equipment \$'000	Office equipment \$'000	Office fit-out \$'000	Fixtures & fittings \$'000	Work in progress \$'000	Total \$'000
2021						
Opening balance	148	26	34	495	0	703
Additions	126	13	-	2	204	345
Disposals/Tfer to assets	-	-	-	-	-	-
Depreciation	(98)	(18)	(28)	(47)	-	(191)
Closing balance	176	21	6	450	204	857

7. Intangible assets

	Acquired software \$'000	Total \$'000
2021		
Cost	6,906	6,906
Work in progress	-	-
Accumulated amortisation	(1,485)	(1,485)
Net book value	5,421	5,421
2020		
Cost	5,740	5,740
Work in progress	532	532
Accumulated amortisation	(1,161)	(1,161)
Net book value	5,111	5,111

Reconciliation of the carrying amount at the beginning and end of the period:

	Acquired software \$'000	Total \$'000
2021		
Opening balance	5,111	5,111
Additions	634	634
Disposals	-	-
Amortisation	(324)	(324)
Closing balance	5,421	5,421

8. Receivables from non-exchange transactions

	2021	2020
	\$'000	\$'000
Prepayments	465	-
Accrued Income	827	-
Net Debtors	138	150
Total receivables from non-exchange transactions	1,430	150

9. Trade and other payables

	2021	2020
	\$'000	\$'000
Trade payables	314	156
GST payable	-	11
Other non-trade payables & accrued expenses	1,221	1,437
Total trade and other payables	1,535	1,604

Trade payables and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value and other payables approximate their fair value.

10. Employee entitlements

	2021	2020
	\$'000	\$'000
Accrual of salaries/superannuation	32	-
Liability for annual/lieu leave	469	422
Accrual for sick leave	12	11
Total employee entitlements	513	432

11. Leases

As at the reporting date, the Council has entered into the following operating lease commitments:

	2021 \$'000	2020 \$'000
No later than one year	623	549
Later than one year and no later than five years	2,491	1,044
Later than 5 years	2,491	-
Total leases	5,605	1,593

Deferred lease liability

The deferred lease liability represents the building owner's contribution and rent holiday provided to the Council upon taking up the lease for its premises at 7 Waterloo Quay, Wellington. These contributions will be fully amortised by the expiry of the lease. This has been recorded as both current and long-term liabilities to show the amortisation over the duration of the rent holiday.

12. Related party transactions

The Council is an independent statutory body and registered charity.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that is reasonable to expect the Council would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent within normal operating arrangements between government agencies and undertaken on normal terms and conditions of such transactions

Key management personnel

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the governing body of the Council (which comprises the Council Members) and the leadership team (employees). The following remuneration is paid to the Council Members:

Teaching Council Governing Members Remuneration	2021 \$'000	2020 \$'000
Sylvia Park School (B Ala'alatoa)	-	(1)
Nicola Ngawera (from 1 July 2019)	5	14
Spotswood College (N Ngawera)	9	9
Total Chair remuneration	14	22

Council Members	2021 \$'000	2020 \$'000
Centre for Strategic Education (Anthony MacKay - Deputy Chair) (retired 30 June 2019)	-	(2)
Clare Wells	13	14
Te Whata Tau o Patauaki (Ripeka Lessels)	13	13
Patea Area School (N Ngarewa)	-	(2)
BDO Christchurch (M Rondel- Chair Risk, Audit and Finance)	11	16
Lorraine Carr	14	15
Patrick Newman	13	13
Hora Hora School (P Newman)	4	5
Dagmar Dyck	3	15
Sylvia Park School (D Dyck)	5	3
Clair Edgeler	4	8
Best Start Educare Ltd (C Edgeler)	4	4
Anna McKinnon (elected from 1 July 2019)	1	11
St Marys Catholic School Tauranga (A MacKinnon)	4	6
Frian Wadia	12	13
Phillipa Woodward	10	10
Otumoetai College (P Woodward)	5	8
Dr Jenny Richie	10	13
Patrick Walsh	20	7
John Paul College (P Walsh)	-	6
Elg Anderson (commenced ...)	6	-
Total Council Members (excluding the Chair)	152	176
Total Council Members Fees	166	198
Number of full-time equivalents*	1.0	1.0

* Estimated

There are several Council members whose daily meeting fee is paid directly to their school, centre or organisation. These Council members are being paid by their institutions and appropriately do not accept a payment for services to the Council.

There have been no payments made to committee members appointed by the Council who are not Council members during the financial year.

The Council had trustees liability and professional indemnity insurance in place during the financial year in respect of the liability or costs of Board members and employees.

Fees Schedule for Board Members

Council Members	Daily meeting rate	Preparation fee rate
Chair	\$900	\$450
Deputy Chair	\$800	\$400
Board Member	\$700	\$350

No Council members received compensation or other benefits in relation to cessation.

The aggregate key management personnel compensation includes the remuneration for the senior executives of Chief Executive, and three Deputy Chief Executives and the tier three management team, which consists of 13 FTE (including tier 3) (2020: 13 FTE) as well as the value of compensation or other benefits paid to key management personnel in relation to cessation. The aggregate includes contracted management in fixed term positions. Remuneration for managers is set through a position sizing exercise undertaken by an independent job evaluation agency.

	2021	2020
	\$'000	\$'000
Key management personnel remuneration	2,584	2,418
	FTE	FTE
Number of persons	13 ⁹	13

9 Includes two roles that were disestablished during the year.

13. Categories of financial assets and liabilities

The early adoption of PBE IFRS 9 superseded by IPSAS 41 Financial Instruments has resulted in some changes to the recognition and measurement of financial assets and financial liabilities for financial statements prepared for periods beginning on or after 1 January 2019.

Cash and cash equivalents, and trade and other receivables were previously designated as amortised cost in 2018/19. There are no changes in the designation of these financial assets for the Council in 2019/20 arising from the implementation of PBE IPSAS 41.

In adopting this standard, The Council has applied the expected credit loss model when calculating impairment losses on its financial assets measured at amortised costs (such as trade and other receivables). This has resulted in greater judgement due to the need to factor in forward looking information when estimating the appropriate amount of impairment. The adoption of PBE IPSAS 41 has had no material impact on the financial statements and comparative figures have not been restated.

The carrying amounts of financial assets and financial liabilities in each of the financial instrument categories are as follows:

	2021	2020
	\$'000	\$'000
Financial assets		
Receivables at amortized cost		
Cash and cash equivalents	9,669	7,043
Short term investments	1,006	2,065
Receivables from exchange transactions	-	-
Receivables from non-exchange transactions	1,430	150
Total financial assets	12,105	9,258
Financial liabilities		
At amortised cost		
Trade and other creditors	1,535	1,604
Employee entitlements	513	432
Total financial liabilities	2,048	2,036

14. Capital commitments

The Council had no capital commitments at the reporting date. (2020: \$Nil).

15. Contingent assets and liabilities

The Council presently has cases with the Disciplinary Tribunal which may lead to contingent liabilities between \$50,000 to \$340,000 (2020: \$75,000 to \$650,000). These liabilities may arise should a teacher appeal to a higher court the decision of the New Zealand Teachers Disciplinary Tribunal.

There are no contingent assets at reporting date. (2020: Nil)

16. Events after the reporting date

The COVID -19 lockdown in August 2021 did not materially impact the Councils ability to operate. There were some reduced travel costs during this period.

17. Teaching Council projects

The Council worked on the following projects:

	Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000
Project operating expenditure			
<i>Our Code, Our Standards Ngā Tikanga Matatika, Ngā Paerewa</i>	-	-	4
Leadership*	-	-	52
Initial Teacher Education (ITE)	28	29	173
Workshops for appraisal	4	-	9
Induction & Mentoring Pilot	-	-	174
Unteach Racism Project (formerly Give nothing to racism)	20	-	196
Change name to Teaching Council	-	-	22
Tapasā Project	-	-	44
Fees Consultation	1	-	135
Online Services project	39	27	1,606
Implement Annual Certification	508	585	-
New Accommodation due to Seismic Assessment of Boulcott Street premises	89	-	-
Stakeholder engagement	120	50	-
Professional Responsibility Review	16	39	-
Rauhuia Leadership - funded from Crown grant funding*	89	18	-
	914	748	2,415
Project capital expenditure			
Online Services project	317	-	2,110

* The Ministry of Education agreed that the Council could use \$0.065m of funding provided for establishing leadership stewardship groups to undertake engagement with the profession on priorities for the Rauhuia | Leadership Space. The balance was funded from the annual grant from the Ministry of Education.

18. Explanation of significant variances from budget

Net surplus/(deficit)

The Council's surplus of \$3.249m was higher than the budgeted surplus of \$1.729m by \$1.520m. The key revenue and expenditure variances are detailed below.

Revenue (over budget \$1.045m)

The processing fees were budgeted based on the assumption that annual certification would be implemented from 1 February. However, the judicial review decision required the Council to reinstate the triennial fees charged, which resulted in additional revenue of \$0.548m being invoiced to teachers that had annual certificates changed to triennial certificates.

Sundry Income was over budget by \$0.246m. The Council's liability insurance policy cover was not budgeted for.

CAC/DT Costs awarded was over budget by \$0.189m. The Council has been working hard to clear the backlog of conduct cases, which has resulted in more cost recovery awards being granted. There is an offsetting increase in the provision for doubtful debts.

Expenditure (under budget \$0.474m)

Staff professional development were under budget by \$0.089m due to programmes being delayed and driven by staff availability and developmental needs.

Other operating expenses (\$0.945m under budget).

Administrative costs were under budget by \$1.105m. The budget was based on a 4-year financial model. The Council is continuing to reduce costs and working more effectively especially with Online Registration. Office relocation also reduces stationery stock level and lower repairs and maintenance before the shift.

Legal fees were over budget by \$0.511m. There was no budget allocated for legal fees relating to the PPTA Judicial Review.

Depreciation and amortisation (\$0.216m under budget).

Purchase to Payment Automation project was capitalised in May 21 while Online Services Project and Give Nothing to Racism application were capitalised in June 21. Budget for these were expected in January 2021.

Teaching Council projects (\$0.166m Over budget).

The budget did not anticipate the need to find new accommodation, which was only required following a detailed seismic assessment of 80 Boulcott Street. The costs incurred related to property search, lease review and negotiations.

Annual certification project was under budget by \$0.080m. The costs of delivering the scope of the project were lower than expected.

The stakeholder engagement project was extended for three months longer than initially expected due to an increase in the project scope. This resulted in additional costs of \$0.070m.

Secondments from the profession to further the work to establish the Rauhuia Leadership Space was not initially budgeted for, as they were a proposal received from a coalition of Principals groups through NZPF. This work was funded by the Ministry of Education using funding that had been provided to establish leadership stewardship groups.

Independent Auditor's Report

To the readers of the Teaching Council of Aotearoa New Zealand's financial statements for the year ended 30 June 2021

The Auditor-General is the auditor of the Teaching Council of Aotearoa New Zealand (the Teaching Council). The Auditor-General has appointed me, Andrew Clark, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Teaching Council on his behalf.

Opinion

We have audited:

- the financial statements of the Teaching Council on pages 37 to 57, that comprise the statement of financial position as at 30 June 2021, the statement of comprehensive revenue and expenses, statement of changes in equity and the cash flow statement for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion:

- the financial statements of the Teaching Council on pages 37 to 57:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2021; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 18 February 2022. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Council for the financial statements

The Council is responsible on behalf of the Teaching Council for preparing financial statements that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Council is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council is responsible on behalf of the Teaching Council for assessing the Teaching Council's ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Teaching Council, or there is no realistic alternative but to do so.

The Council's responsibilities arise from the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the Teaching Council's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Teaching Council's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Teaching Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Teaching Council to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Council is responsible for the other information. The other information comprises the information included on pages 2 to 36, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

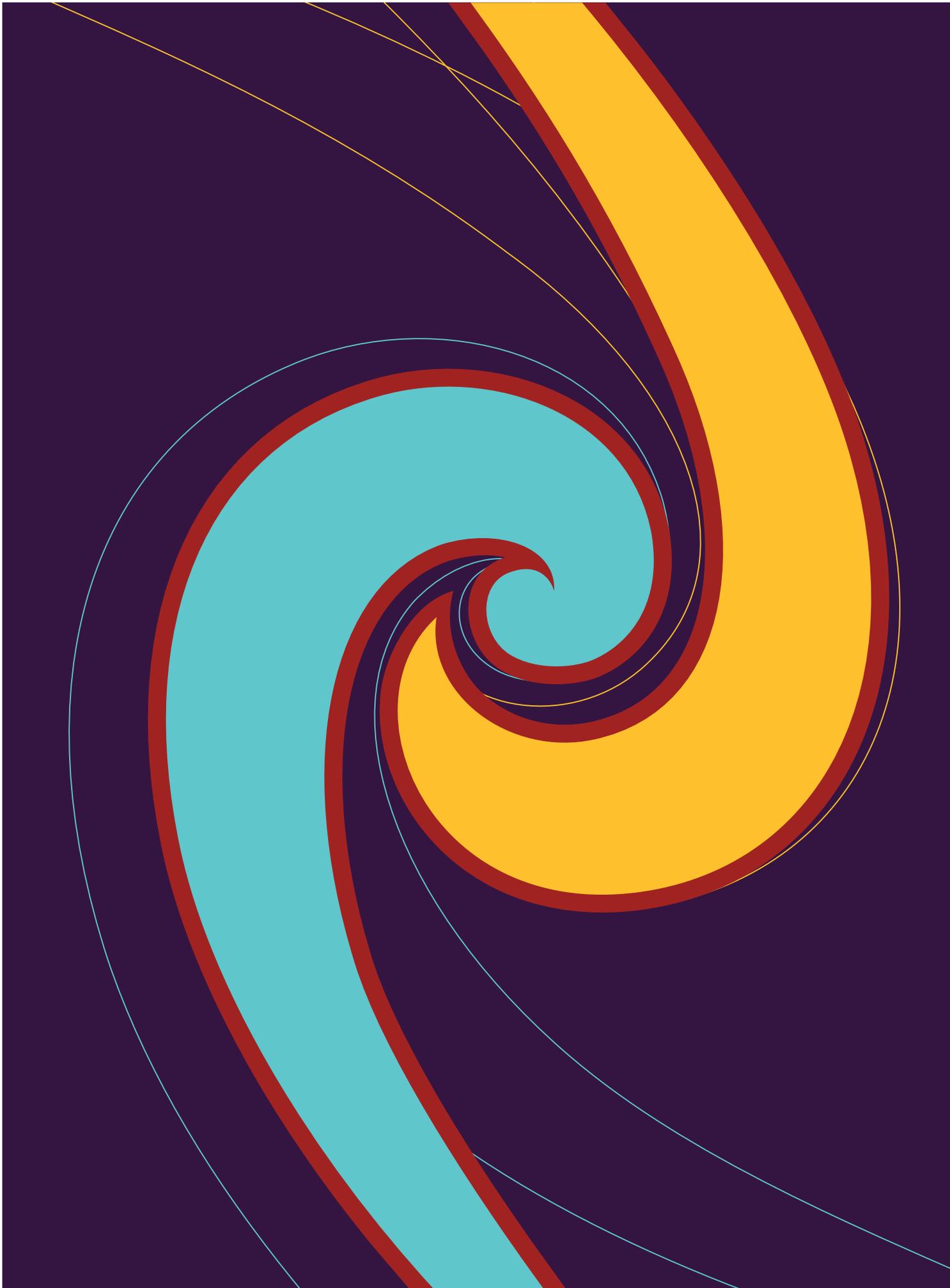
Independence

We are independent of the Teaching Council in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Teaching Council.



Andrew Clark
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand



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