


Annual report

2024



**Teaching
Council of
Aotearoa
New Zealand**

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



Strengthening the mana of teaching, so teachers can change lives.

Annual Report
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by the Teaching Council of
Aotearoa New Zealand
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Message from the Governing Council Chair

Tēnā koutou katoa,

I am pleased to present the Teaching Council's Annual Report for 2023-24 which captures important highlights of our work over the last year.

The teaching profession has an important role to play in shaping the education system. In addition to its core statutory functions as a regulatory body, the Teaching Council is proud to uphold the integrity and high standards of the teaching profession, while promoting public understanding of the values, high quality, and immense contribution that the profession provides for our country.

Over the past year we have continued to work with teachers on tackling important issues such as racism, policy design, and building leadership capability across the profession.

We are continuing to see significant changes in the education landscape, the challenges teachers face and new issues emerging for teachers to grapple with.

The Council has been mindful of the stresses and challenges that are presented by change and uncertainty. We are always cognisant of the challenges that present themselves when we consider matters that relate to the profession.

Building on our strong relationships with our stakeholders in the sector has been a continuing focus. Sector wide relationships are important for informing our approach and for the success of all our work. I want to thank our stakeholder groups for their support. The ongoing challenges for the education system have emphasised the importance of us all working together with agility and responsiveness.

Over the past year, the Council has engaged on various consultations, legislative changes and wider sector issues. Thank you to all those who have contributed to our consultation and submission processes. Consultations are an important opportunity for the profession to input to the Council's work and all feedback we receive is carefully considered in the decision-making process. The value we gain from your insights and perspectives greatly enhances the quality



of our work and the positive impact we are seeking on behalf of the profession.

The work of the Council would not be as successful, or even possible, without the work of kaimahi at the Council. In this report, I would like to recognise their professionalism and consistently high standards that benefit both our Council, the public, and the teaching profession.

I also acknowledge and thank everyone who has helped the Council during the year including those who have served on committees, panels and working groups such as the Disciplinary Tribunals, Complaints Assessment Committees, and the Competence Authority.

Lastly, thank you to all our Council members for their ongoing commitment and support.

Our 2023-24 Annual Report and accounts demonstrate our continued efforts and commitment to ensuring the Council is working hard for the benefit of the profession. I invite you to read this Annual Report to more fully understand the work accomplished by Matatū Aotearoa | Teaching Council in the last year.

Nāku iti noa, nā

Robyn Baker

Te Pou Whakarae | Governing Council Chair

Teaching Council of Aotearoa New Zealand

Message from our Chief Executive

Kia ora koutou katoa,

This year has seen further significant changes in the education sector, reinforcing the importance of our role in championing the knowledge and expertise of teachers.

This report highlights the breadth of work our team achieves on behalf of and with the profession every day to address priority areas alongside the core business of managing the regulatory functions of teacher registration and certification, conduct and competence processes, and overseeing initial teacher education.

I am pleased to be able to highlight in this report the significant progress that the Council has made in conjunction with teachers and other stakeholders on key initiatives that are designed to enhance the mana of teachers. These include the ongoing development of leadership capability tools whereby every teacher can have access and support to grow and being able to register teachers by valuing the Pasifika languages and remove barriers to teacher training and registration.

Following last year's research with teachers on how they feel about teaching and the teaching profession, meetings with key stakeholders were held to identify what could be done, within the Teaching Council's mandated roles, to improve the engagement with, service for, and the confidence of the profession. From the research and consultation undertaken, we have developed a new vision statement, and we launched a new strategic plan which outlines five priorities we will focus on over the next five years. The strategic plan refresh was brought forward by a year (as a one-off) to separate the consultation cycle for the strategic direction from the three-yearly reviews of the teacher levy and fees, and the election cycle for Teaching Council Governing Council members which will take place in 2025.



This move enables the Governing Council to consider the direction and activities to focus on for the remainder of its term.

As highlighted in feedback we received through the plan's consultation, we are part of a broad and complex system. I remain committed to working on our relationship with the profession first and foremost. As your professional body, one of our roles at the Teaching Council is to ensure all teachers and leaders have the trust and confidence of the public, parents and whanau. Our job is to advocate for a system that supports individual teachers to do their job - *Strengthening the mana of teaching so teachers can change lives.*

Noho ora mai

Lesley Hoskin

Tumu Whakarae | Chief Executive

Teaching Council of Aotearoa New Zealand

Progress against our strategic plan – key highlights

In 2023/24 the Teaching Council's work continued to be guided by five strategic priorities: • strengthen and promote a self-managing profession • build professional awareness, participation and capability • enable leadership of a coherent, high-performing, inclusive education system • speak with and work with the profession • enhance our organisation's efficiency and effectiveness.

Key highlights of what we achieved against our priorities in the strategic plan are:

Rauhuia / Leadership space

- Held regional engagement meetings around the country to support ECE Professional Leaders to build partnerships, communities, and networks as part of the development of Professional Growth Cycles.
- Continued successful delivery of a symposia series for leaders exploring Māori and Pacific perspectives on educational leadership and concepts of intergenerational knowledge.
- Finalised development of a Learning and Measurement Framework to demonstrate progress and success for educational leadership and from which we can continue to build a picture of existing leadership capabilities and identify areas that need most attention.
- Signed a contract with Te Wānanga o Aotearoa (TWOA) on the design of micro-credentials on the impact of mana on leadership. Focus groups with teachers were held to refine the content and the contract is on track to have first delivery in 2025.

Te Rautaki Tiriti o Waitangi

- Completed development of the Tagata o le Moana Pacific Strategy to recognise the relationship between Tangata o le Moana as Tangata Tiriti within the Council's Rautaki Tiriti O Waitangi, and to support the needs of Pacific teachers and Pacific learners.
- Continued the Matatū reo development programme to strengthen the Council's [internal](#) organisational capability in the understanding of Te Tiriti, cultural safety, cultural competence and te ao Māori.

Unteach Racism

- Launched the marketing campaign Make.Me.Visible. including a new video for the Unteach Racism website and app and slots on TVNZ+ (TVNZ on demand).
- Extended the Unteach Racism website toolkit with downloadable Make.Me.Visible. posters, social media tiles and creating the modules from the app into a podcast series.
- Signed a contract with Te Akatea to co-design the phases and utilise resource to assist us in progressing our Unteach work alongside our stakeholder groups.
- Co-hosted with Te Akatea an interagency group of organisations keen to join up to Unteach Racism across education including the Children's Commission, Human Rights Commission, NZCER, PPTA, NZEI and Iwi Leaders Forum.

Inclusive Education

- Progressed development of the Inclusive Education Capability Framework (IECF) including establishment of a working group of sector representatives to help develop the necessary capabilities for our teachers and education leaders.
- Initiated collaboration with both the Ministry of Education and Whaikaha | Ministry of Disabled People to promote the framework and engage with the different advocacy groups to share best practice and resources.

Language Competency

- Undertook consultation on proposed changes to the 'Language Competency for Teaching in Aotearoa New Zealand' policy following feedback that one of the areas identified as a barrier to increasing the number of Pacific language teachers were the existing language competency requirements.
- Achieved successful policy change to expand the English language evidence criteria for ITE applicants schooled in the Pacific.

Initial Teacher Education

One of the Council's mandatory functions (Pou Here Tōmua) relates specifically to establishing and maintaining standards for initial teacher education and undertaking ITE programme approvals.

During the past year we:

- Finalised the new monitoring, review and moderation (MRM) framework.
- Delivered ITE focused webinars and symposia to support ITE providers' understanding of MRM processes and to stay engaged with curriculum developments.
- Reconvened the ITE advisory group with a refreshed membership and broader mandate as the Initial Teacher Education and Induction Stakeholder group.
- Progressed the reporting component of the ITE Monitoring, Review and Moderation policy ahead of reporting obligations taking effect in the 2024/25 financial year.

Cost recovery reporting

	Cumulative July 2022 - June 2024 Estimate \$m	Cumulative July 2022 - June 2024 Actual \$m	Δ %	Approved 2024/25 Budget \$m	Projected Cumulative for July 2022 - June 2025 \$m
Practising Certificate Revenue	\$33.680	\$32.677	-2.98%	\$15.879	\$48.556
Professional Responsibility Cost Recoveries	\$0.300	\$0.374	24.67%	\$0.153	\$0.527
ITE Recoveries	\$0.666	\$0.176	-73.57%	\$0.363	\$0.539
Crown Funding	\$2.696	\$3.967	47.14%	\$1.871	\$5.838
Interest / Other Sundry Rev.	\$0.080	\$0.914	1042.50%	\$0.495	\$1.409
Total Revenue	\$37.422	\$38.108	1.83%	\$18.761	\$56.869
Total Expenditure	\$36.764	\$36.821	-0.16%	\$21.402	\$58.223
Surplus / (Deficit)	\$0.658	\$1.287	95.59%	(\$2.641)	(\$1.354)

The Teaching Council set new Fees and Levy in July 2022 based on its actual and reasonable costs estimated across the three-year period from July 2022 to June 2025. At the end of the second year of the three-year Fee and Levy setting period, the Council's surplus was \$0.629m higher than anticipated. Practising certificate revenue is 2.98% under budget, which is primarily due to the decision to reduce the levy paid by teachers moving from provisional to full certification before their provisional certificate expired. Interest income reflects the significant increases in investment rates since the fees and levy modelling was completed in late-2021. The Governing Council has approved increased expenditure in 2024/25 to advance priorities set in the new Strategic Plan.

Committed savings reporting

As part of setting the new fees and levy, the Council committed to making \$2.76 million in savings over a 3-year period. With two years completed, the Council has achieved 83% of the targeted savings.

Savings	Total Savings Target	Savings Achieved July 2022 - June 2024	% Savings Achieved to Date	
Depreciation	450,000	300,000	67%	On track
Legal	400,000	Nil	0%	Unlikely to achieve
CAC/DT Hearing Costs	100,000	107,000	107%	Achieved
Board Travel	81,000	44,565	55%	
ITE Travel Reduction	175,000	109,610	63%	On track
Insurance	120,000	Nil	0%	Unlikely to achieve
Staff Vacancies	634,521	1,477,748	233%	Achieved
Project Spend	300,000	200,000	67%	On track
PR Travel Reduction	100,000	51,183	51%	
Total	2,360,521	2,290,106	97%	
Extra ITE Revenue	400,000	Nil	0%	Unlikely to achieve
Total Savings & Revenue	2,760,521	2,290,106	83%	Overall savings will be achieved

Our performance: 2023-24 in numbers

114,003: The year saw the number of registered teachers with a current practising certificate or people holding a LAT grow by 2,203.

Registration, certification, and service performance

Measure	Target	FY2024 Result	Notes
# New teacher registrations	Report actual	5,901	As expected.
# Finalised applications	Report actual	45,757	Higher than anticipated. Timing of applications was impacted by the collective negotiations between the Ministry and the NZEI and PPTA.
# of teachers moved to full certification	Report actual	5,375	As expected.
# Applications completed within 5 working days	65%	53%	High volumes of applications during the peak processing period of October to January resulted in slightly slower processing times. 69% were processed within 10 days.
# Calls and emails received by our contact centre	Report actual	109,462	As expected.
% Calls answered	Report actual	51%	Working towards. (2023: 52%). In September 2023 we introduced priority calling for Principals and Professional Leaders. The average call answer rate for this group was 58%.
Average call wait time	Report actual	17m 59s	Working towards. (2023: 9m 26s). In September 2023 we introduced priority calling for Principals and Professional Leaders. The average call wait time for this group was 2m 28s
% Teachers who are satisfied with the service they received from our registration team	75%	79% ¹	Exceeded. (2023: 66%)
% Applicants who are satisfied with the application experience in Hapori Matatū	65%	73% ²	Exceeded. (2023: 59%)

Conduct processes

Measure	Target	FY2024 Result	Notes
# and % of complaints, mandatory reports, and self-reports received	Report actual	524 (0.46%) ³	2023: 462
# and % of registrations cancelled	Report actual	12 (0.01%)	2023: 27

¹ Source: Registration Pulse Survey, 01 July 2023 to 30 June 2024, n=1,651

² Source: Pulse Survey, 01 July 2023 to 30 June 2024, n=1,578

³ # complaints, mandatory reports, and self-reports divided by the number of teachers holding a current practising certificate as at 30 June 2024

# and % of practising certificates cancelled	Report actual	14 (0.01%)	2023: 0
# and % of teachers on conditions	Report actual	75 (0.07%)	2023: 62
% Cases resolved in Triage that are resolved within 2 months of commencement of Triage	50%	18%	Rule changes introduced during the year requiring a teacher to be advised of a matter prior to triage has resulted in cases taking longer to be resolved. (2023: 44%)
% Outcomes of referrals to the Complaints Assessment Committee that are reached within 8 months of the referral to the Committee (excluding those referred to an external process – police, courts etc.)	50%	69%	2023: 93%
% Outcomes of referrals to the Disciplinary Tribunal that are reached within 8 months of the referral to the Disciplinary Tribunal	75%	54%	Working towards. (2023: 26%)

Competence processes

Measure	Target	FY2024 Result	Notes
% Outcomes of referrals to the competence processes that are reached within 10 months of the referral to the Council	90%	60%	2023: 42%
% Outcomes of referrals to the Competence Authority that are reached within 6 months of the referral to the Competence Authority	Establish baseline	100%	2023: 75%

Other measures

Measure	Target	FY2024 Result	Notes
# OIA and Privacy Act requests responded to	Report actual	121	2023: 112
% Teachers who agreed the Council added value to their role as a teacher	61%	50% ⁴	Working towards. (2023: 41%)
# Teachers who downloaded the Unteach Racism app or interacted with the online content	Report actual	App: 5,300 users with an average engagement of 8m 18s	

⁴ Source: Pulse Survey 01 July 2022 to 30 June 2023, n=1,890

Tauākī kawenga | Statement of responsibility

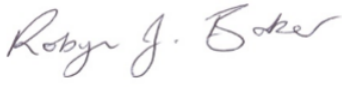
We are responsible for the preparation of the Council's financial statements and for the judgements made in them.

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 30 June 2024 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:



Robyn Baker

Te Pou Whakarae | Governing Council Chair
Teaching Council of Aotearoa New Zealand
17 December 2024

Hongyu (Carol) Cheng

Risk, Audit and Finance Committee Chair
Teaching Council of Aotearoa New Zealand
17 December 2024

Tauākī o ngā Moniwhiwhi me ngā Whakapaunga Whānui | Statement of Comprehensive Revenue and Expenses

Teaching Council of Aotearoa New Zealand
For the year ended 30 June 2024

	Notes	Actual 2024 \$'000	Actual 2023 \$'000
Revenue from non-exchange transactions			
Grant revenue – operating grant ⁵		2,113	1,854
Late processing fees		95	141
New and renewal application Processing fees		4,202	3,677
Limited Authority to Teach processing fees		95	80
Move to Full certification processing fees		821	683
CAC and DT costs recovered ⁶		200	174
Overseas teachers processing fees		240	159
Teacher application levies		12,396	10,088
Revenue from exchange transactions			
ITE programme cost recoveries ⁷		25	151
Other operating revenue		10	14
Finance revenue		590	300
Total revenue		20,787	17,321
Expenses			
Employee costs	2	11,373	10,640
Depreciation & amortisation expense	6, 7	410	399
Other operating expenses	3	6,007	5,813
Teaching Council projects	17	995	1,184
Total expenses		18,785	18,036
Total surplus/(deficit) for the year		2,002	(715)
Other comprehensive revenue and expenses			
Other comprehensive revenue		-	-
Total comprehensive revenue and expense for the year		2,002	(715)

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

⁵ Operating grant revenue from the Crown includes \$0.326m to provide an enhanced service performance standard to improve the application processing times for registration and certificate for overseas teachers, the discretionary pathway, LAT, and beginning teachers' applications and - Funding for Continued development of Rauhuia the leadership space including on-line dimension and dissemination of effective education leadership practice \$0.322 and Contributions to system change costs of \$0.203m.

⁶ CAC is Complaints Assessment Committee and DT is the New Zealand Teachers Disciplinary Tribunal

⁷ ITE is initial teacher education.

Tauākī o ngā Panoni Rawa/Tūtanga More | Statement of Changes in Net Assets/Equity

Teaching Council of Aotearoa New Zealand
for the year ended 30 June 2024

	Actual 2024 \$'000	Actual 2023 \$'000
Opening balance 1 July	8,865	9,580
Surplus/(deficit) for the year	2,002	(715)
Other comprehensive revenue		-
Total comprehensive revenue and expense for the year	2,002	(715)
Closing equity 30 June	10,867	8,865

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

Tauākī o te Tūnga Ahumoni | Statement of Financial Position

Teaching Council of Aotearoa New Zealand
as at 30 June 2024

	Notes	Actual 2024 \$'000	Actual 2023 \$'000
Current assets			
Cash and cash equivalents	4	4,540	4,384
Short term investments	5	6,687	3,827
Prepayments		404	388
Receivables from non-exchange transactions	8	322	650
		<u>11,953</u>	<u>9,249</u>
Non-current assets			
Property, plant, and equipment	6	1,417	1,582
Intangible assets	7	19	131
		<u>1,436</u>	<u>1,713</u>
Total assets		<u>13,389</u>	<u>10,962</u>
Current liabilities			
Deferred lease liability		32	36
Trade & other payables	9	1,717	1,231
Employee entitlements	10	599	625
		<u>2,348</u>	<u>1,892</u>
Non-current liabilities			
Deferred lease liability		174	205
		<u>174</u>	<u>205</u>
Total liabilities		<u>2,522</u>	<u>2,097</u>
Net assets/equity		<u>10,867</u>	<u>8,865</u>
Equity			
Retained earnings		10,867	8,865
Total net assets/equity attributable to the owners of the controlling entity		<u>10,867</u>	<u>8,865</u>

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

Tauākī Kapewhiti | Cash Flow Statement

Teaching Council of Aotearoa New Zealand
for the year ended 30 June 2024

	Notes	Actual 2024 \$'000	Actual 2023 \$'000
Cash flows from operating activities			
Receipts			
Fees, Levies, and grants received		20,917	17,122
Other operating revenue		35	166
Finance revenue		531	248
		<u>21,483</u>	<u>17,536</u>
Payments			
Payments to suppliers		(6,916)	(7,087)
Payments to employees		(11,400)	(10,596)
Net GST paid		(20)	143
		<u>(18,336)</u>	<u>(17,540)</u>
Net cash flows from operating activities		<u>3,147</u>	<u>(4)</u>
Cash flows from investing activities			
Payments			
Purchase of property, plant and equipment		(134)	(316)
Purchase of intangible assets		-	(51)
Purchase of Investments		(2,857)	(3,827)
		<u>(2,991)</u>	<u>(4,194)</u>
Net cash flows from investing activities		<u>(2,991)</u>	<u>(4,194)</u>
Net increase (decrease) in cash and cash equivalents		156	(4,198)
Cash and cash equivalents at 1 July		4,384	8,582
Cash and cash equivalents at 30 June		<u>4,540</u>	<u>4,384</u>

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 2024

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 the Council was renamed to Teaching Council of Aotearoa New Zealand. The Council 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 2024 and approved by the Board on 17 December 2024.

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 \$33m.

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.

New or amended standard adopted

2022 Omnibus Amendments to PBE Standards, issued June 2022. The 2022 Omnibus Amendments issued by the External Reporting Board (XRB) include several general updates and amendments to several Tier 1 and Tier 2 PBE accounting standards, effective for reporting period starting 1 January 2023. The Council has adopted the revised PBE standards, and the adoption did not result in any significant impact on Council's financial statements’.

Other changes in accounting policies

There have been no other changes in the Council’s accounting policies since the date of the last audited financial statements.

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.

Levies revenue

All levy revenue is recognised as revenue when it is received. There is no ongoing liability or a fair exchange of value in these levies.

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 PBE IPSAS 41 - Financial Instruments are initially recognised at fair value plus transactions costs unless they are measured at fair value through surplus or deficit, in which case the transaction costs are recognised in the surplus or deficit. The Council classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive revenue and expenses, or fair value through surplus or deficit based on requirements as per PBE IPSAS 41 - Financial Instruments.

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.

Cash and cash equivalents

Cash and cash equivalents represent 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. Cash and cash equivalents are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial.

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 years

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 made judgements that would have a significant impact on the financial statements in relation to the treatment of operating lease and cloud computing arrangements not to be in intangible assets.

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.

Provision for Doubtful Debts

The provision for Doubtful Debts is made in relation to those debtors who owe costs from the disciplinary process. They are provided for on the following basis:

- Whether the debtor has engaged with the process and responded to the invoice.
- Whether the debtor has agreed a payment plan and has been making the agreed payments.
- The quantum of the debt.
- The duration of the payment plan if greater than 12 months.
- Debt has been referred to a debt collection agency

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

	2024 Actual \$'000	2023 Actual \$'000
Wages & salaries	9,998	9,214
Temporary staff	717	842
Superannuation/KiwiSaver employer contribution	278	257
Staff professional development	218	153
Other employee costs (ACC, payroll fees, recruitment etc.)	162	174
Total employee costs	11,373	10,640

3. Other operating expenses

	2024 Actual \$'000	2023 Actual \$'000
Administrative	836	942
Audit fees for audit of financial statements	49	49
Professional/consultancy fees	388	314
Legal fees	1,516	1,369
Staff and Board members travel expenses	368	311
Computer expenses	1,442	1,495
Advisory committees	3	(7)
Board Member fees	183	152
CA/DT/Impairment ⁸ (excluding legal fees)	383	359
CAC panels ⁹ (excluding legal fees)	167	225
Rent	598	588
Doubtful debts/bad debts	74	16
Total other operating expenses	6,007	5,813

4. Cash and cash equivalents

Cash and cash equivalents include the following components:

	Actual 2024 \$'000	Actual 2023 \$'000
Cash at bank	1,990	934
Term deposits with maturities of 3 months or less	2,550	3,450
Total cash and cash equivalents	4,540	4,384

Bank of New Zealand has issued a letter of credit to payroll support service provider for 2024 Nil (2023: \$500,000) on behalf of the Council.

5. Short-term investments

Short-term investments are term deposits with a term greater than 3 months.

	Actual 2024 \$'000	Actual 2023 \$'000
Term deposits with maturities greater than 3 months and less than 12 months	6,687	3,827
Total short-term investments	6,687	3,827

⁸ CA = Competence Authority, DT = Disciplinary Tribunal, Impairment Committee

⁹ CAC = Complaints Assessment Committee

6. Property, plant, and equipment

2024						
	Computer equipment \$'000	Office equipment \$'000	Office fit-out \$'000	Fixtures & fittings \$'000	Work in progress \$'000	Total \$'000
Cost	585	147	1,182	645	18	2,577
Accumulated depreciation	(392)	(98)	(362)	(308)	-	(1,160)
Net book value	193	49	820	337	18	1,417
2023						
	Computer equipment \$'000	Office equipment \$'000	Office fit-out \$'000	Fixtures & fittings \$'000	Work in progress \$'000	Total \$'000
Cost	497	141	1,179	627	-	2,444
Accumulated depreciation	(293)	(73)	(231)	(265)	-	(862)
Net book value	204	68	948	362	-	1,582

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

2024						
	Computer equipment \$'000	Office equipment \$'000	Office fit-out \$'000	Fixtures & fittings \$'000	Work in progress \$'000	Total \$'000
Opening balance	204	68	948	362	-	1,582
Additions	88	6	3	18	18	133
Depreciation	(99)	(25)	(131)	(43)	-	(298)
Closing balance	193	49	820	337	18	1,417

7. Intangible assets

2024		
	Acquired software \$'000	Total \$'000
Cost	495	495
Accumulated amortisation	(476)	(476)
Net book value	19	19
2023		
	Acquired software	Total

	\$'000	\$'000
Cost	1,426	1,426
Acquisitions	53	53
Disposals	(981)	(981)
Accumulated amortisation	(367)	(367)
Net book value	131	131

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

2024	Acquired software \$'000	Total \$'000
Opening balance	131	131
Amortisation	(112)	(112)
Closing balance	19	19

8. Receivables from non-exchange transactions

	2024 \$'000	2023 \$'000
Accrued Income	122	106
Net Debtors ¹⁰	200	544
Total receivables from non-exchange transactions	322	650

9. Trade and other payables

	2024 \$'000	2023 \$'000
Trade Payables	411	486
Trade payables		
GST payable	142	161
Other Non-Trade and other payables		
Levy overlap payable ¹¹	146	261
Collective Agreement funding in advance ¹²	438	-
Other non-trade payables & accrued expenses	580	323
Total trade and other payables	1,717	1,231

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

¹⁰ Includes allowance for credit losses \$414,000 (2023 \$340,000)

¹¹ Relates to the the Governing Council decision in September 2023 to amend the calculation of the levy on applications for moving from provisional to full certification applications, recognising the remaining liability owed to either the Ministry of Education or the teacher once confirmation of reimbursements made by the Ministry of Education.

¹² Funding provided by the Ministry of Education to pay for teachers who meet the criteria of moving from provisional to full certification as part of the Collective Agreements between the Teachers and Ministry of Education and remaining unspent to be returned to the Ministry of Education at the end of the collectives.

	2024 \$'000	2023 \$'000
Accrual of salaries/superannuation	126	114
Liability for annual/lieu leave	457	497
Accrual for sick leave	16	14
Total employee entitlements	599	625

11. Leases

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

	2024 \$'000	2023 \$'000
No later than one year	685	623
Later than one year and no later than five years	2,740	2,491
Later than 5 years	617	1,193
Total leases	4,042	4,307

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 building lease agreement.

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:

	2024 \$'000	2023 \$'000
Governing Council Members Remuneration		
Robyn Baker (appointed from 1 July 2022)	34	37
Nicola Ngarewa (retired 30 June 2022)	-	(8)
Total Chair remuneration	34	29

Governing Council Members

Clare Wells (retired 30 June 22)	-	(4)
Te Whata Tau o Patauaki (Ripeka Lessels) (retired 30 June 2022, reappointed 1 July 2022)	12	4
BDO Christchurch (M Rondel- Chair Risk, Audit and Finance) (retired 30 June 2022)	-	(2)

Lorraine Carr (retired 30 June 2022, re-elected from 1 July 2022)	12	11
Patrick Newman (retired 30 June 2022, re-elected from 1 July 2022)	10	17
Hora Hora School (P Newman)		1
Dagmar Dyck (retired 30 June 2022, re-appointed from 1 July 2022)	14	9
Clair Edgeler (retired 30 June 2022)	-	(10)
Frian Wadia (retired 30 June 2022)	-	(2)
Philippa Woodward (retired 30 June 2022)	-	(4)
Otumoetai College (P Woodward)	-	2
Dr Jenny Richie (retired 30 June 2022)	-	(1)
Patrick Walsh (retired 30 June 2022, re-elected from 1 July 2022)	14	11
Elg Anderson (retired 30 June 2022, re-appointed 1 July 2022)	14	10
Hong Consulting (Carol Cheng) (appointed from 1 July 2022)	6	15
Carol Cheng (appointed from 1 July 2022)	6	-
John Tait (appointed from 1 July 2022)	14	6
Kaikoura High School (John Tait) (from 1 July 2022)	-	9
KDC & Associates (Karen Coutts) (from 1 July 2022)		11
Karen Coutts (from 1 July 2022)	10	-
The University of Auckland (Fiona Ell) (from 1 July 2022)	10	11
Melody Stuckey (from 1 July 2022)	14	14
Michael Connor (from 1 July 2022)	13	15
Total Governing Council Members (excluding the Chair)	149	123
Total Governing Council Members Fees	183	152
Number of full-time equivalents*	1.0	1.0

* Estimated

There are several Governing Council members whose daily meeting fee is paid directly to their school, centre or organisation.

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

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

Fees Schedule for Governing Council Members

Governing Council Members	Daily meeting rate	Preparation fee rate
Chair	\$900	\$450.00
Deputy Chair	\$875	\$437.50
Member	\$700	\$350.00

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

The aggregate key management personnel compensation includes the remuneration for the Chief Executive, three Deputy Chief Executives and nine Tier 3 Managers (2023: 12 staff) 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.

	2024	2023
	\$'000	\$'000
Key management personnel remuneration	2,853	2,627

	FTE	FTE
Number of persons	13	12

13. Categories of financial assets and liabilities

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

	2024 \$'000	2023 \$'000
Financial assets		
Receivables at amortized cost		
Cash and cash equivalents	4,540	4,384
Short term investments	6,687	3,827
Receivables from non-exchange transactions	726	1,038
Total financial assets	11,953	9,249
Financial liabilities		
At amortised cost		
Trade and other creditors	1,717	1,231
Employee entitlements	599	625
Total financial liabilities	2,316	1,856

14. Capital and Operating commitments

The Council had a statement of work totalling \$0.750m (2023: NIL) signed in April 2024 for work commenced during 2024 but not completing until 2025. The statement of work had \$0.500m remaining at 30 June 2024.

The Council had no capital commitments at the reporting date. (2023: Nil).

15. Contingent assets and liabilities

The Council presently has cases with the Disciplinary Tribunal which may lead to contingent liabilities Nil (2023: Nil). 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. (2023: Nil)

16. Events after the reporting date

There were no events after the reporting date which require disclosure.

17. Teaching Council projects

The Council worked on the following projects:

Project operating expenditure	Actual 2024 \$'000	Actual 2023 \$,000
Initial Teacher Education (ITE)	20	14
Data Driven Teacher Engagement	-	57
Chat Bot Implementation	-	62
Professional Responsibility Process Design	-	388
Hapori Matatū Teacher Usability	-	220
Competency Review Process	-	6
Professional Responsibility Review	7	123
Stakeholders Marketing & Communications	285	158
Te Tiriti Pacific People Strategy	50	56
Inclusive Education Capability	80	-
Mandatory Reporting Improvements	23	30
FMIS Upgrade	-	70
HM Mid-Life Change	250	-
Enabling Teacher Collective Changes	194	-
Levy Calculation	86	
Strategic Projects Budget	-	-
Total Operational Projects	995	1,184

Directory

Teaching Council of Aotearoa New Zealand

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Auditors

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Bankers

Bank of New Zealand North End Branch,

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Wellington 6011

Insurers

Marsh Insurance Limited

P.O. Box 699,

Wellington

6140



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