The General Teaching Council for Scotland



Annual Report and Financial Statements 2025 to 2026

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1. Foreword

Clare Harker, GTC Scotland Convener



Along with my fellow Council members, our role is to provide strategic leadership of GTC Scotland. This is about being clear what our purpose is and focusing on delivering positive outcomes.

Part of our duty as charitable trustees of GTC Scotland is to monitor performance, or how well we deliver those outcomes. Following the launch of our current strategic plan, we developed a set of key performance indicators (KPIs) to help us assess if we were making the progress we set out to achieve. Coincidentally this has also aligned with a change to charity reporting rules, which from financial year 2026 to 2027, require us to report on our impact.

We have been working on measuring trust and confidence in us as a regulator; a notoriously difficult sentiment to quantify. Nevertheless, we have developed a method to help us assess the impact of our feedback exercises, which involves making sure we're speaking to the right people at the right time about our work.

> ***"It is an exciting time to be leading GTC Scotland's Council and we are keen to deepen relationships with these new or newly focused organisations on matters of mutual interest"***
>
> Clare Harker,
> GTC Scotland Convener

Over the past few years, 'purpose' has been talked about a lot in relation to national education bodies in the context of education reform. In the latter half of 2025, we saw the establishment of Qualifications Scotland and His Majesty's Inspectorate of Education; and with the transfer of the inspection function to HMIE, Education Scotland has now been repurposed as a curriculum-focused organisation. The new Centre for Teaching Excellence is also up and running, with the aim of enhancing teachers' engagement with and access to educational research.

It is an exciting time to be leading GTC Scotland's Council and we are keen to deepen relationships with these new or newly focused organisations on matters of mutual interest.

I was elected to Council in 2024 and since then I have seen GTC Scotland's confidence grow in shaping and owning our purpose as the profession's regulator. I would like to record my thanks to Omar Kettlewell, the outgoing Convener, who led the Council during this recent period of change. I share Omar's belief that it is a privilege to have regulation in place and to have the trust that is afforded to us as a profession because of it. As convener, I will ensure that we continue to place high teaching standards at the centre of our work, and maintain the legacy we have in Scotland where the quality of teachers and teaching is respected.

As we begin to turn our attention to creating the next strategic plan, it is the purpose and impact of GTC Scotland that we need to keep firmly in mind: setting and upholding teaching standards in the public interest to ensure the best possible outcomes for learners.

Dr Pauline Stephen, Chief Executive and Registrar, GTC Scotland



We are now over halfway through our 2023 to 2028 strategic plan and have achieved a great deal in the last 12 months to further our vision of trusted teaching.

Our ongoing organisational priorities remain our Fitness to Teach casework, digital development and sustaining and building on the positive changes we have made.

To help progress our Fitness to Teach casework, we recruited over 80 new panel members in the last quarter of 2025 to 2026 with the aim of having a positive impact on the scheduling and timelines of hearings and completion of cases.

We successfully launched the first phase of our new MyGTCS platform to provisionally registered teachers and their supporters in summer 2025. We took the decision to postpone the launch of phase 2 from early 2026 to allow for further testing and to launch at a better time in the year. While delays can be disappointing, we must prioritise the experience of users and quality of service. Flexibility and resilience are important when things don't go to plan, along with effective communication.

> ***Our ongoing organisational priorities remain our Fitness to Teach casework, digital development and sustaining and building on the positive changes we have made***
>
> Dr Pauline Stephen, Chief Executive and Registrar, GTC Scotland

We continued to engage with politicians throughout the last year, including on the Restraint and Seclusion in Schools (Scotland) Bill, for which we were invited to participate in one of the Education Children and Young People committee's evidence sessions. This provided us with the opportunity to explain again why it is vital for young people and those who care for them that it's clear who in the system has overall responsibility for making sure schools and local authorities are meeting their safeguarding obligations.

The penultimate year of our strategic plan will be set against the backdrop of a new Scottish Parliament. We shared our manifesto priorities with all the main Scottish political parties ahead of the May 2026 election. While GTC Scotland is independent of government, it is essential that we engage and collaborate with the Scottish Government and the Scottish Parliament so that we can fulfil our role and legal obligations, while sharing our knowledge and expertise in the interests of upholding teaching standards.

While we continue to react to developments in education and regulation, it has also been gratifying to see work that we initiated at the beginning of the plan take root and reach an advanced stage at this midway point. As we move into our penultimate year, it is with a strong sense of purpose and belief in what we can achieve.

2. About GTC Scotland

Our role

The General Teaching Council for Scotland (GTC Scotland) is the independent regulator for teachers in Scotland. We work in the public interest to enhance trust in teachers by setting, upholding and promoting high standards. Our role is to regulate teachers and college lecturers. We do this by keeping a public register and setting and regulating the standards for entering and remaining in the teaching profession. Our principal aims and statutory functions are set out in the Public Services Reform (General Teaching Council for Scotland) Order 2011.

Our core functions

GTC Scotland is responsible for accrediting programmes of initial teacher education and setting the minimum entry requirements for these programmes.

We set the qualifications and suitability criteria to join the Register, including for those who qualified outside of Scotland.

We set and uphold the standards for entering and remaining in the teaching profession and outline the conduct expected of teachers and college lecturers.

We investigate and determine serious concerns about the conduct or professional competence of teachers through our Fitness to Teach process.

A requirement of registration is ongoing professional development through our Professional Update process. This contributes to improving the quality of teaching and learning.

We use the insights from our work to speak up for high standards and to improve the quality of teaching and learning in Scotland.



Best regulatory practice

Our legislation says that we must have regard to the public interest in the performance of our functions, and we must perform our functions in a way that conforms to best regulatory practice. This means that our actions must be proportionate, accountable, transparent and consistent, and are targeted only where action is needed.

Our governance

Our governing body is our Council, which is made up of 19 elected registered teachers, 11 educational stakeholder nominees and 7 lay members. The lay members are appointed by an Appointments Committee which is made up of independent members. The Council sets our strategic plans and strategic policy and measures our performance against them.

We are accountable to the Scottish Parliament. We are also a registered charity and are required to report annually to the Office of the Scottish Charities Regulator (OSCR).

Our structure

Our Chief Executive and Registrar Dr Pauline Stephen, and Strategic Directors Jennifer Macdonald and Victoria Smith, make up the executive team. They provide strategic leadership of GTC Scotland, ensuring the organisation delivers its statutory functions and strategic objectives, upholding trust in the teaching profession.

Together with the heads of the functional areas of GTC Scotland, they form the strategic leadership team (SLT).

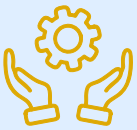
The functional areas of GTC Scotland are:



Education and Standards



Regulatory Investigations



Delivery



Digital



People and Finance



Policy

As at 31 March 2026, there are 87 members of staff working for GTC Scotland (31 March 2025: 83).

Our values and principles

We use these values and principles to guide our work.

Our values

Trust and respect

We know that GTC Scotland is about all of us and that we are all equally important. We actively seek out and listen to the views of others. We support each other and take time to build positive working relationships. We recognise and celebrate success and strive to deliver high-quality services to registrants.

Integrity

We do what we say we will. Our integrity is important to us and at GTC Scotland we deliver on our plans and effectively communicate with registrants, our partners, the public, our Council members and within the organisation. We are committed to continual learning and improving what we do.

Social justice

Working at GTC Scotland means embracing diversity and recognising and celebrating differences. We understand that effective wellbeing is at the heart of professionalism and seek to support each other and our registrants. We take our responsibility to actively challenge discrimination seriously.



Our principles

We care

We care about teaching standards, quality of education and better outcomes for learners. We care about our world and act responsibly in how we use our resources.

We add value

We focus on understanding factors that impact on our registrants. We use data to ensure our services are of high quality, provide a voice for registrants and reflect the expectations of our registrants and the public.

We learn

We are all learners. We know we have a responsibility to keep learning, to share learning and to work creatively to seek positive solutions.

We communicate

We are transparent in what we do. We work to convey our messages clearly and listen to others in a way that gains the full meaning of what's being said. We recognise that effective communication means understanding the contexts in which we work and distilling the essence of complex matters.

We collaborate

We work with our registrants, colleagues and partners to achieve our overall aims and enhance teaching professionalism. We understand that effective collaboration involves putting ourselves in the shoes of others and seeing an issue from their point of view.



3. Trusted Teaching: our strategic plan 2023 to 2028

This report marks the end of the third year of our 5-year strategic plan, Trusted Teaching. The main themes of our plan are trust and impact. Fitness to Teach casework has been our number one organisational priority over the past year, followed by our digital development activity related to the new MyGTCS platform. The work that we do to promote teaching standards and influence the education policy and legislative landscape, also demonstrate how we are putting those themes into action.

Our vision

Trusted Teaching

Our mission

To maintain the integrity of registration and regulation of the teaching profession as a safeguard for the quality of education in Scotland. To enhance trust in teaching at an individual, group and system level. This ensures the best possible outcomes for learners.

Strategic outcome 1

Trust in teaching is enhanced at an individual, group and system level, positively impacting learners and guiding educational change.

To achieve this, we will:

Strengthen our registration and regulation frameworks.

Objectives

- Strengthen accreditation processes in teacher education and work with partners to effectively quality assure.
- Deeply embed the Professional Standards and Code of Professionalism and Conduct.
- Educate and engage our partners on our registration and regulation frameworks and respective responsibilities.
- Engage with partners to revise our registration and Fitness to Teach rules.
- Evaluate the teaching profession's feedback on 10 years of Professional Update to enhance career-long professional learning and inform improvement of the MyPL system.

Speak up for high standards in teaching.

Objectives

- Lead and support initiatives to improve diversity in teaching and tackle discrimination.
- Promote teaching as a positive professional career.
- Enhance opportunities to hear what matters most to becoming, being and growing as a teacher to inform our policy and feed back into the education system.
- Identify topical issues and facilitate targeted conversations, for and with the teaching profession, to enhance teacher education and standards.

Strategic outcome 2

Improve our performance and impact, for the teaching profession and in the public interest.

To achieve this, we will:

Enhance our data, systems and processes to better meet needs and ensure our sustainability.

Objectives

- Enhance our documented processes so we are more resilient.
- Improve our use of data and ensure our work is critically informed.
- Lead an ambitious programme of digital change and improvement to ensure our digital products and systems are user-focused, efficient and add value.
- Develop and embed a process for assessing the economic, social and environmental impact of significant organisational activity.
- Understand our environmental footprint and reduce this.

Value and support our people to deliver with impact.

Objectives

- Align our organisational culture with our values.
- Grow the knowledge, skills and capabilities of our people so we are high performing.
- Coordinate and target the resources we have so we maximise our impact and are more resilient.
- Develop and embed delivery and impact indicators that drive organisational improvement.



Our key priorities

In addition to these main strategic objectives, our work is supported by 4 underlying strategies – Digital, Education, People and Sustainability – and measures to track if we are meeting our objectives set out in our plans.

More about our performance over the past year, including a review in numbers and the progress of our work to date under this plan, are set out in the next sections.

Digital strategy
2023 to 2028



Our aim

We are a continually evolving digital organisation. Informed by data and new technology, we continually improve the quality and efficiency of our services with integrated digital solutions that are modern, accessible, secure, and resilient. We develop services that are so easy to access online that digital is the default route for our service users. We ensure our digital transformation is user-centred and that we place the needs and inclusion of all our users at the heart of all digital service design.

Education strategy
2023 to 2028



Our aim

The teaching profession is trusted and recognised as leading education with high standards at its heart. This means the profession is heard and has influence. Teaching standards are the centre of what it means to become, to be and to grow as a teaching professional and to belong to the teaching profession in Scotland. Key stakeholders understand who we are, what we do and why GTC Scotland registration and teaching standards matter.

People strategy
2023 to 2028



Our aim

We want our people to thrive and be proud to be part of GTC Scotland. We understand that our organisation and our impact is all about people. We see ourselves as one team and know that the contribution we each make individually and together is deeply connected to ensuring standards in the teaching profession and advancing trusted teaching. Our people grow and share their learning. Knowing this helps us deliver the best we can for the teaching profession and improves our organisational performance.

Sustainability strategy
2023 to 2028



Our aim

We want to ensure that we are consistently doing the right thing – for our registrants, our people, our suppliers and partners, and for the environment. We continually strive to make sustainable and ethical use of our resources through effective planning, prioritisation and coordination of energies. In doing so, we consider the economic, social and environmental impact of all significant organisational activity.

4. The year in numbers

These are some of the high-level figures that represent who we are and what we do and demonstrate our performance in year 3 of our strategic plan as compared to year 2. They are correct as at 31 March 2026.

31 March 2026		31 March 2025	
80,560	Total number of people on the Register	**81,148**	Total number of people on the Register
92,419	Total number of registrations	**93,262**	Total number of registrations

Registration

2025 to 2026		2024 to 2025	
2,910	Registration applications received* – Qualified inside Scotland (QIS)	**3,006**	Registration applications received* – Qualified inside Scotland (QIS)
793	Registration applications received – Qualified outside Scotland (QOS)	**803**	Registration applications received – Qualified outside Scotland (QOS)
80%	Percentage of completed QOS applications which resulted in an offer to join the Register	**83%**	Percentage of completed QOS applications which resulted in an offer to join the Register
98%	Registration applications decided within 3 months	**91%**	Registration applications decided within 3 months

* This includes provisional conditional applications from college lecturers where a teaching qualification may not be held at the point of application.

Fitness to Teach



2025 to 2026[1]

279
Referrals received

267
Cases closed

211
Open cases at year-end

41
Teachers removed from the Register[2]

88%
Teachers who participated in the process

78%
Cases concluded within 15 months

2024 to 2025

219
Referrals received

225
Cases closed

204
Open cases at year-end

25
Teachers removed from the Register

92%
Teachers who participated in the process

79%
Cases concluded within 15 months

Enquiries

2025 to 2026



35,460
online enquiries received



85%
enquiries resolved in 7 calendar days



7
number of service complaints received



67
number of freedom of information (FOI) requests received (not including reviews and appeals)

2024 to 2025



32,698
online enquiries received



85%
enquiries resolved in 7 calendar days



10
number of service complaints received



100
number of freedom of information (FOI) requests received (not including reviews and appeals)

[1] Case figures reported in last year's report may show slight differences in this year's publication. This can occur when cases are updated retrospectively, or minor data anomalies are identified and corrected as part of our ongoing data quality assurance processes.

[2] These figures relate to the date the teacher's name was removed from our Register. The outcomes on our Fitness to Teach data page relate to the date the case was closed.

5. Performance review



We have now completed year 3 of our strategic plan, Trusted Teaching, meaning that we are over halfway through the 5-year plan period.

We began the 2023 to 2028 strategic planning period with an ambitious programme of change and improvement work.

Improvements in our Fitness to Teach work is our biggest programme of work, spanning the entire 5-year period and beyond, demonstrating our commitment to optimising our performance and promoting trust in teachers. The Fitness to Teach rules review project, the project taking forward actions from the Professional Standards Authority (PSA) report which was published in May 2025 and laying the groundwork for the development of a new case management system are just some of the areas that we focused on in Year 3 to create a robust, sustainable framework for this important function.

Similarly, the development and implementation of our new MyGTCS platform has been a major piece of work under the Trusted Teaching banner to date. Following its successful launch to provisionally registered teachers and their supporters in August 2025, we carried out further testing in Year 3 and will be rolling the new platform out to full registrants in August 2026.

Also demonstrating our commitment to trusted teaching, our engagement with higher education institutions (HEIs) and local authorities to develop a policy that promotes greater understanding of our role accrediting programmes of initial teacher education has been a significant piece of work. We ended the year having concluded a public consultation on a draft policy and will make further refinements based on our analysis and further engagement with HEIs and partners.

More information on these initiatives is detailed in the highlights section below.

We continued to look outwards at how our work fits with national priorities. Following a Scottish Government announcement in May 2025 that they planned to review the Teacher Induction Scheme (TIS), we used our experience of teacher induction and of administering elements of the scheme to publish a report on what we believe the features of a reimagined teacher induction need to be. Our aim is for the report to provide the basis for national work to accelerate shaping a new approach to teacher induction.

Recruitment has once again been a focus for us this year, and is predominantly linked to the prioritisation of our Fitness to Teach case work. As well as expanding our staff team to secure additional administrative support, we also recruited over 80 new Fitness to Teach panel members to improve scheduling of hearings and completion of cases.

Trust and impact remain core to the work we do as the regulator for teachers in Scotland. The milestones we have reached this year have been important steps in helping us to achieve what we set out in our strategic plan.

Highlights from 2025 to 2026

The following are highlights from our work in 2025 to 2026, including achievements to date and details of longer-term projects. They show how we are meeting our strategic objectives. We have also provided updates on some of the work we highlighted last year.

Strategic outcome 1

Trust in teaching is enhanced at an individual, group and system level, positively impacting learners and guiding educational change.

We will achieve this by:

- strengthening our registration and regulation frameworks
- speaking up for high standards in teaching

Revised Fitness to Teach rules

What is it?

The current Fitness to Teach rules were enacted in 2017. We are carrying out a review of them. This review will ensure the rules align with current law and best regulatory practice and make the Fitness to Teach process work as efficiently as it can, while still meeting the public interest and ensuring fairness.

Work to date: Following a comprehensive review by the Professional Standards Authority (PSA), and feedback gathered through a public call for views and stakeholder engagement, on the Fitness to Teach Rules and wider framework, we published an action plan, setting out the next steps.

Two immediate priorities were identified:

1. the work needed for the Fitness to Teach rules review and
2. the work needed to improve the current operation of the Fitness to Teach process, including to recover the caseload and implement a case management system

Next steps: The work needed to take many of the actions forward require cross-organisational effort. We have initiated a new PSA Action Plan project, separate to our Rules Review project, to take forward the necessary change and improvement work arising from the feedback. New rules are being drafted and will proceed through our governance process during 2026 with a public consultation and stakeholder engagement due to take place in early 2027.

Fitness to Teach casework

What is it?

Our Fitness to Teach process ensures we have a teaching profession in Scotland that is and remains fit to teach. This ensures public trust and confidence in the profession is maintained. Fitness to Teach casework throughput remains a priority for GTC Scotland and will continue into 2026.

Work to date: As part of our PSA Action Plan project, we established a Fitness to Teach Case Force group to look at the current caseload, create an accurate prediction for caseload recovery and take actions to use our resource more effectively to support case throughput. We also recruited over 80 new Fitness to Teach panel members to help us to progress cases.

Next steps: The Fitness to Teach case management system project has begun, which has been recognised as priority activity. The system will reduce the manual nature of tasks and is anticipated to bring process efficiency. It will also help us better see and report on our performance.

Accreditation of programmes of initial teacher education consultation

What is it?

Accrediting programmes of initial teacher education (ITE) is one of our core functions. A lot has changed since we assumed formal responsibility from the Scottish Government for the accreditation process in 2012. The number of ITE programmes available and the providers offering them has increased, and it has also become a legal requirement for college lecturers to register with GTC Scotland and for further education teaching qualification programmes (TQFE) to be accredited.

Aspects of the current practice need to be brought up to date to reflect the changes in the landscape of teacher education. We have also benchmarked our process against other regulators with a similar accreditation function.

The draft policy aims to provide a streamlined source of information and guidance that clearly sets out what the process for accrediting teaching qualification programmes is, why it's necessary, and what our expectations in overseeing it are.

Work to date: As well as meeting with the 11 higher education institutions in Scotland who deliver ITE programmes to gather feedback, we also put the draft policy out for public consultation at the start of 2026. We received an external analysis of the consultation at the end of March, which will be considered before moving onto the next stage.

Next steps: We will analyse the report and refine the draft policy as required. We will also develop supporting guidance and all the other materials that will be required for implementation. Our intention is to have the new framework in place for accreditations taking place from 2028 onwards.

Updates from last year

- Alongside the SCEL Legacy Fund, we commissioned an independent review from the University of Glasgow to evaluate the impact of Professional Update (PU) and consider whether it remains contextually appropriate after 10 years and reflects the Trusted Teaching vision. We received the PU report last year and it was made publicly available in January 2026. Ten key messages were approved by Council and will be integrated into future communications to encourage meaningful engagement in Professional Update.
- In last year's report, we highlighted that for our 60th anniversary year, we were developing 5 key manifesto priority themes that we believe are a critical part of the future vision for Scottish education. We shared these with Scotland's political parties and used them throughout 2025 to 2026 as a basis for our engagement with government and MSPs ahead of the 2026 Scottish Parliament elections.

Highlights from other core areas of work

- We refreshed our website content in relation to additional registration to better clarify the process for fully registered teachers to widen their categories of registration. We communicated these changes directly to stakeholders.
- We produced a revised *Engaging online* guide, covering topics such as use of *AI, online conduct and expression of views and data protection*, which we shared with stakeholders for feedback. Updating and creating new professional guides was one of the actions arising out of the PSA review.
- In March 2026, we published a report called *Reimagining Teacher Education in Scotland: Teacher Induction*, which sets out our views on the current arrangements for teacher induction and recommendations for change. This followed an announcement by the Cabinet Secretary for Education and Skills of the government's plans to review the teacher induction scheme.
- We have created a number of video resources for registrants to help explain some of our processes such as Professional Update, and we have been undertaking a rolling review of the practice statements which support the Fitness to Teach process.



Strategic outcome 2

Improve our performance and impact for the teaching profession and in the public interest. We will achieve this by:

- enhancing our data, systems and processes to better meet needs and ensure our sustainability
- valuing and supporting our people to deliver with impact

New MyGTCS platform

What is it?

To improve users' experience, and bring our digital services up to date, we are implementing a new MyGTCS platform, which will host provisional registration profiles and functionality for recording professional development and submitting Professional Update (replacing MyPL).

Work to date: The new platform was rolled out to provisionally registered teachers and their supporters in August 2025. We are now completing the rigorous testing required to extend access to new MyGTCS to all fully registered teachers. We have developed our rollout plan for phase 2 using learning from phase 1.

Next steps: The final step is to move all remaining registrants to the new platform in August 2026. This will be done in phased groups.

Organisational learning plan

What is it?

'We learn' is one of our organisational principles. All GTC Scotland staff have a contractual responsibility to keep learning and to share learning.

Work to date: We created an organisational learning plan which sets out our rolling programme of learning and collaborative events for GTC Scotland staff. It's a live document which will continue to be developed . It sits alongside personal learning plans which are discussed at each individual's learning and development review.

Next steps: The plan will be reviewed and updated as required, with feedback welcome from all staff.



New communications approach

What is it?

To promote understanding among registrants and stakeholders about our regulatory role we introduced a more proactive communications approach this year. This allows us to better tailor messaging to certain groups.

Work to date: To mark GTC Scotland's 60th anniversary, a final commemorative issue of *Teaching Scotland* magazine was issued in early 2025. Our blog launched a few months later.

New newsletters have also been introduced. As well as the already established registrant newsletter and parliamentary newsletter we introduced a school leaders' newsletter (for those who hold the Standard for Headship) and a partner newsletter. The aim of these newsletters is to share targeted and focused messages with key stakeholder groups.

We also created a webpage for members of the public to help learners, parents and carers access the information they need about standards, registration and what to do if they have a serious concern about a teacher.

Next steps: Having now implemented a new tailored approach to stakeholder engagement, which was one of the deliverables of our brand identity project, we intend to measure the impact of our new communications approach.

Updates from last year

- Last year we spoke about our Data Review programme to improve our organisational resilience and how we use our data more strategically. There are 3 distinct projects contained within it: data capture and catalogue; data governance and data improvement. We concluded the first phase of the project in August, through which we gained a better understanding of our data sources. Although it did not result in the full data catalogue we had planned, due to limitations in our in-house knowledge and the need to procure suitable software, we now better understand the work involved. This will be carried forward to phase 2, where we will focus on data governance.
- The Disclosure (Scotland) Act 2020 came into force on 1 April 2026. It changes the disclosure system in Scotland. We interact with the disclosure system regularly through our registration work particularly. We successfully completed the work required to ensure that our processes are up to date.

Highlights from other core areas of work

- We reviewed and implemented a revised complaints handling process for GTC Scotland service users.
- We published our annual registration report, highlighting our data from 2024 to 2025. We used this as a basis to develop 5 recommendations for teacher supply planning, which were shared along with the report with stakeholders, including the Cabinet Secretary for Education and Skills to help inform teacher supply.
- Information governance and the handling of FOI requests particularly has required continued focus. While we received fewer initial requests this year than last, the complexity of requests remains high and can generate unexpected work. We have been carefully monitoring and investing in this area to ensure we meet our legal obligations.

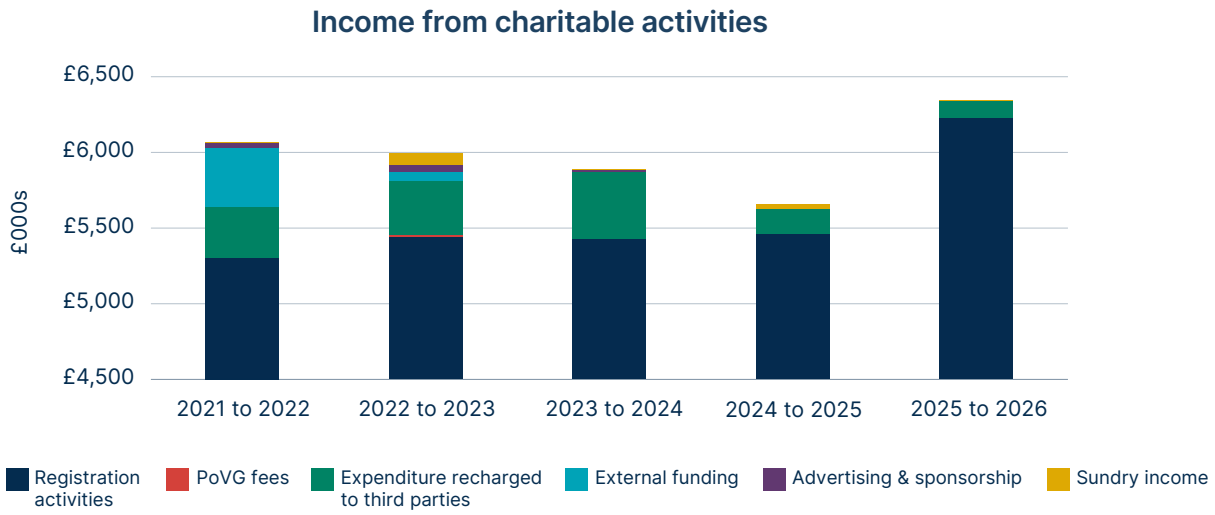
6. Financial review

Overview

The organisation recorded net expenditure, before other recognised gains/losses, of £13,000 for the year ended 31 March 2026 (2024 to 2025: net expenditure of £402,000) as reported under the Charities Statement of Recommended Practice (SORP) (FRS102). Key movements in income and expenditure are outlined below.

Income

Total income from charitable activities during the financial year was £6.34m (2024 to 2025: £5.65m). The graph below shows the different sources of income over the past 5 years. This highlights that while we have seen an increase in income from registration activities over the period, our income from external funding has reduced as planned in line with the delivery and completion of the associated work.



Registration activities

GTC Scotland is funded predominantly from fees paid by teachers who are required under either the Requirements for Teachers (Scotland) Regulations 2005 or The Registration of Independent Schools (Prescribed Person) (Scotland) Regulations 2017 to be registered with GTC Scotland in order to teach in Scotland.

Registration with GTC Scotland also forms part of the agreed national terms and conditions of employment for all college lecturers.

The registration fee rose to £75 in 2025 to 2026, compared with the previous rate of £65, which was maintained from 2017 to 2018 to 2024 to 2025.

The number on the Register of teachers has decreased slightly during 2025 to 2026 to 80,560 (2024 to 2025: 81,148) generating income of £6.23m (2024 to 2025: £5.47m).

Expenditure recharged to third parties

GTC Scotland administers aspects of the Teacher Induction Scheme (TIS) as a contracted service for the Scottish Government. This scheme provides a guaranteed one-year induction placement in a local authority to every eligible student graduating with a teaching qualification from one of Scotland's higher education institutions. The total cost recharged to the Scottish Government by GTC Scotland for administering aspects of this scheme during 2025 to 2026 was £103k (2024 to 2025: £86k).

GTC Scotland also recharges expenditure relating to Teach in Scotland call handling. The total amount recharged in 2025 to 2026 was £9k (2024 to 2025: £9k).

Sundry income

Sundry income was £1k in the year, compared to £25k in 2024 to 2025. Income reported in 2024 to 2025 was primarily insurance receipts, these totalled £23k.

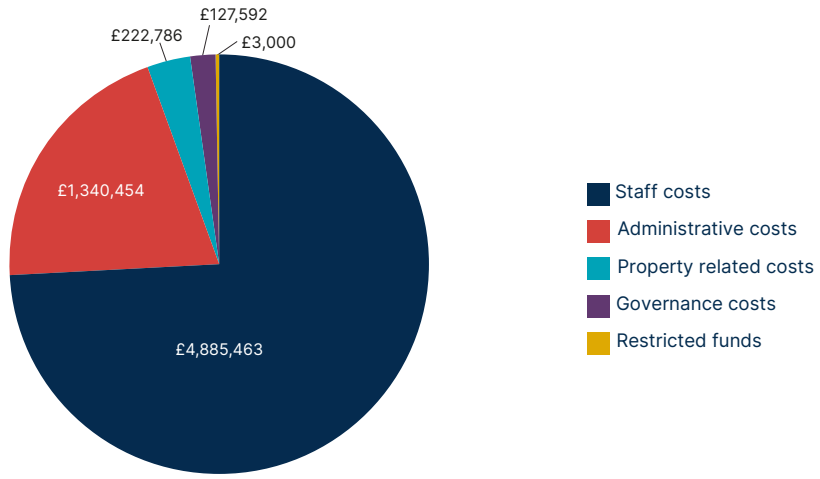
Income from investments

Bank interest received during the year amounted to £222k, slightly lower than the £231k reported in 2024 to 2025. This interest was generated from funds held in time deposit accounts throughout the year.

Expenditure

Total expenditure on charitable activities has increased by approximately 5% from £6.29m in 2024 to 2025 to £6.58m in 2025 to 2026.

Expenditure on charitable activities



Staff costs

As a service-based organisation GTC Scotland would not be able to operate without its staff. Staff costs during 2025 to 2026 were £4.54m (2024 to 2025: £4.21m) and accounted for approximately 69% (2024 to 2025: 67%) of the organisation's expenditure on charitable activities. The increase in staff costs is a result of a pay award of 3% for 2025 to 2026, along with a higher average full-time equivalent (FTE) compared to the previous year. Further information regarding staff costs can be found in note 6 to the financial statements.

The majority of staff are members of the Strathclyde Pension Fund. At 31 March 2026 GTC Scotland's share of the Strathclyde Pension Fund (SPF) defined benefit pension asset was £8.8m, a movement of £1.2m from an asset of £7.6m at 31 March 2025.

Following the changes to the Local Government Pension Schemes (Scotland) Regulations 2018 on 29 June 2024 that removed the unconditional right to an exit credit, the net pension asset shown on the balance sheet at 31 March 2026 is restricted to £nil based on a right to reduced contributions. A reconciliation and details of the amounts recognised in the Statement of Financial Activities (SoFA) can be found in note 13 to the financial statements.

Reported staff costs are impacted by year end entries enacted to reflect the actuarial valuation of the Strathclyde Pension Fund (SPF). The impact in 2025 to 2026 was to increase staff costs by £0.35m (2024 to 2025: increase by £0.45m).

Administrative costs

Administrative costs reflect the non-staff costs that GTC Scotland incurs in the running of the organisation and providing services to registrants. 2025 to 2026 has seen administrative costs increase to £1.77m from £1.58m in 2024 to 2025 and is mainly attributable to the costs relating to the implementation of the new MyGTCS system and increased Fitness to Teach expenditure. This has been offset by lower expenditure on consultancy and professional services.

Reported administrative costs are impacted by year end entries enacted to reflect the actuarial valuation of the Strathclyde Pension Fund (SPF). The impact in 2025 to 2026 was to reduce administrative costs by £0.43m (2024 to 2025: reduce by £0.24m).

Property costs

These reflect the costs associated with the running and maintenance of GTC Scotland's offices, Clerwood House, and amounted to £223k during the year (2024 to 2025: £194k). There was increased spend on both property repairs and grounds maintenance in 2025 to 2026.

Governance costs

Governance costs reflect the costs associated with GTC Scotland's governance arrangements. Governance costs increased to £127k in 2025 to 2026 compared to the prior year (2024 to 2025: £65k), primarily due to council elections held during the period. In addition, the recruitment and induction of Fitness to Teach panel members in 2025 to 2026 contributed further to the rise in governance costs.

Fixed assets

Capital expenditure during the year was £11k (2024 to 2025: £58k). This expenditure was primarily for IT hardware. The heritable property was valued on 29 April 2025 at £2m on the basis of the property being owner occupied and with full vacant possession. The current year value after depreciation is £1.96m.

Supplier payment performance

GTC Scotland's standard terms and conditions are published on our website and set out our commitment to pay properly authorised invoices promptly and within 20 Business Days of receipt.

Cash balances

As at 31 March 2026, GTC Scotland had cash balances totalling £6.2m (2025: £6.1m). Those balances not needed for short-term operational reasons are placed on deposit with highly rated banks to generate interest. Deposits are spread across several banks and GTC Scotland is satisfied that it is not exposed to any significant liquidity risk.

Reserves policy

The revised reserves policy approved by Council in February 2024 states that we aim to hold free reserves at a level that is not excessive but does not put our solvency at risk. The minimum level of free reserves that we require is approximately 30% of our annual expenditure.

For 2026-27, 30% of our annual expenditure equates to £2.45m. Our free reserves (being unrestricted cash reserves plus current assets and liabilities) at 31 March 2026 are £6.0m and there is an approved plan to invest a proportion of these reserves in our change and improvement programme in the current strategic plan period.

The free reserves of the charity at 31 March are:

	2026	2025
	£000's	£000's
Total funds	7,820	7,917
Less: restricted funds	(14)	(17)
Less: fixed assets	(1,982)	(2,168)
Add: long term liabilities	174	136
Free reserves	**5,998**	**5,868**

The reserves policy is reviewed at least annually in conjunction with GTC Scotland's budget-setting process and achievement of the policy is monitored throughout the financial year.

Principal risks

GTC Scotland remains committed to having appropriate risk management arrangements in place to support delivery of its strategic plan and statutory duties. Council has overall responsibility for ensuring that the arrangements in place are effective.

GTC Scotland has identified 6 strategic risks. Each risk has a brief description, an inherent risk score, a current risk score based on existing controls and mitigations and a target risk score for when future planned mitigations and controls are in place.

Strategic risks are reviewed by SLT monthly. The purpose of this review is to monitor progress of the action required to achieve the target risk score and undertake a current assessment of each risk.

The Finance and Corporate Services committee is presented with a Performance, Risk and Assurance report at each meeting. The report puts the strategic risks into context, highlights any key areas of concern and any emerging issues.

A summary of our strategic risks is set out below.

Governance: we fail to ensure effective and appropriate governance arrangements

Our governance arrangements are set out in statute and can present practical challenges, including a reliance on the attendance and engagement of existing Council, committee and panel members, as well as a sufficiency of volunteers.

How we mitigated this risk in 2025 to 2026

We have made good progress with reviewing all governance schemes and policies as well as delivering the Council effectiveness review. We ran an unplanned (emergency) recruitment round to appoint additional panel members and increased our internal resource to focus on panel scheduling. We inducted our new Council in March 2026 following successful completion of the election and appointment process for the 2026 to 2028 Council.

People: we fail to ensure that we recruit and retain the right people

GTC Scotland is only as good as its people. We want the people who work for us to share our values of trust and respect, integrity, and social justice.

How we mitigated this risk in 2025 to 2026

We introduced a new onboarding programme for people joining our organisation. The structured programme helps new staff to connect with our organisation's core purpose and learn what they need to become effective members of our team. We have continued to invest in learning and support for line managers to ensure they understand our policies and are applying them consistently across the organisation. In addition, all managers have attended mental health awareness training. We have seen a reduction in both our staff turnover and sickness absence rates over the year, which we believe to be as a direct result of this investment. We have started a comprehensive review of our recruitment arrangements to strengthen our assessment and selection processes.

Financial management: we fail to manage GTC Scotland's finances appropriately and effectively

GTC Scotland is fully independent from government and funded by the registration fees that teachers pay. The annual registration fee covers the costs of our core functions to set, maintain and uphold teaching standards in Scotland.

How we mitigated this risk in 2025 to 2026

We increased the annual registration fee in April 2025. This was the first time the fee was increased since 2017 and is the first of 3 annual incremental increases approved by Council. We have continued to invest in our change and improvement programme to improve organisational efficiency. We have commissioned an independent gap analysis of our procurement practices.

Legal compliance: we fail to ensure compliance with our legal responsibilities

As a statutory regulator, we are subject to various legal and regulatory obligations that we must meet in order to fulfil our operational and strategic objectives. This means we have to be alert to changes in the legal and regulatory environment and adapt accordingly.

How we mitigated this risk in 2025 to 2026

We completed phase 1 of our Data review, which focused on capturing the data we hold. In phase 2, we will focus on building a comprehensive catalogue of the data we hold. We reviewed our service complaints handling process and introduced an updated policy. We strengthened our information governance team with the appointment of a dedicated solicitor and a compliance officer, which has had a positive impact on the quality and consistency of our responses as well as our process management. We have updated our data protection policy to take account of legislative changes made by the Data Use and Access Act 2025. We have been conducting a rolling review of our Fitness to Teach practice statements to ensure that they continue to comply with the law and are more user friendly.

Technology: we fail to ensure our digital infrastructure is safe and secure for today and the future

We know that cyberattacks are increasing in frequency and complexity and recognise the importance of enhancing our technology in line with our Digital Strategy as well as ensuring our people have the right skills and knowledge to use our technology effectively.

How we mitigated this risk in 2025 to 2026

We delivered the new MyGTCS platform to provisionally registered teachers and are on track to roll this out to all registrants from August 2026. We have continued work to achieve a fully cloud-first approach to hosting and software and have begun to develop comprehensive digital product roadmaps. We have refreshed our business continuity arrangements including our DR/IR plans and continued to deliver cyber security awareness training for staff.

Trust and confidence: we fail to maintain public trust and confidence in GTC Scotland and/or the teaching profession

As the independent regulator for teachers in Scotland, we work in the public interest to enhance trust in teachers by setting, upholding and promoting high standards.

How we mitigated this risk in 2025 to 2026

We have published more proactive communications about our role and functions and introduced strategic communications and engagement through our registrant newsletter and trending topics. We have completed our brand identity project which ensures that the identity and purpose of GTC Scotland is clearly defined and consistently communicated. The project also introduced an annual review of our strategic engagement to assess the impact of our communications approach; and a strengthened website governance process to ensure our information is kept up to date.

We published the PSA report following an independent review of our Fitness to Teach process and have developed an action plan to implement recommendations over the short, medium and long term.

Plans for future periods

As noted above, significant projects that will extend into the fourth and fifth years of the strategic plan including our wide-ranging fitness to teach review, the roll-out of MyGTCS to all registered teachers, and an updated accreditation policy that aims to introduce a more risk-based approach to how we accredit programmes of initial teacher education.

Another significant piece of work that is currently on hold while we complete the roll out of MyGTCS is our data review, which is planned to resume in Year 5 of the current plan and will extend into the new planning period. Phases 2 and 3 of the review will focus on strengthening our data governance and improving the quality and integrity of the data we gather.

We will begin planning our new strategic plan to give us time for meaningful engagement with registrants and stakeholders on what our organisational priorities should be. We will also be taking time to establish relationships with the new Cabinet Secretary for Education and opposition spokespeople.

On the basis that our teacher induction report garners sufficient interest to trigger wider consideration of the issues we have raised, we will participate fully in any discussions that take place.



7. Structure, governance and management

The organisation

The organisation GTC Scotland was registered as a Scottish Charity (SC006187) on 17 October 1966, with the charitable purpose of advancing education. GTC Scotland is governed by a Council of 37 members who act as Charitable Trustees and are referred to as Council members.

Council members

Council is comprised of 19 elected registrants, 11 educational stakeholder nominees and 7 lay members appointed by an independent Appointments Committee. Council membership is based on a 4-year term of office and follows a rolling programme, with election, nomination and appointments processes taking place every 2 years, with approximately half of the members stepping down at the end of each 2-year period. A 2-day induction session is delivered for all new and returning Council members at the start of each new Council. This ensures members are well informed and confident in carrying out their role as Council members and Charitable Trustees. Members joining mid-term are provided with a summarised induction programme in advance of attending their first committee and/or Council meeting.

In 2025 to 2026, half-day professional learning Connect, Collaborate and Learn events took place following each Council meeting to ensure that members continue to be well informed on areas pertinent to the work of the Council. In November 2024, we introduced a self-assessed performance review process for all Council members. We are planning to build on the self-assessment process with a peer review of Council Members' performance. Additionally, we initiated an independent board effectiveness review in autumn 2025, which involved reviewing our governance documentation, observing meetings and conducting in-person interviews with Council members, asking them to review the effectiveness of Council and highlight areas where they believe it can improve and make a greater impact.

Details of Council membership for 2025 to 2026 are set out on pages 30 and 31 of this report.

Scope of responsibility

Council is responsible for setting the organisation's vision and strategic direction and for monitoring progress to achieve these, while complying with the duties of Charitable Trustees. Council is also responsible for holding the Chief Executive and Registrar to account and ensuring that the organisation is managed effectively and efficiently.

Council members' responsibilities regarding the accounts

As Charitable Trustees, Council members are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102, which is "the Financial Reporting Standard applicable in the UK and Republic of Ireland". The law applicable to charities in Scotland requires Council members to

prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, Council members are required to:

- select suitable accounting policies and apply them consistently
- observe the methods and principles in the Charities SORP (FRS 102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

Council members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), and the Public Services Reform (General Teaching Council for Scotland) Order 2011. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Council members are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Governance framework

GTC Scotland's governance framework is principally set through its Standing Order and Committee Scheme (SOCS). Our governing legislation and SOCS sets out the structure, membership, role and operation of Council's committees and sub-committees and how GTC Scotland's powers and functions are delegated. The SOCS is supported by the Code of Conduct and Membership Scheme as well as Election and Appointments Schemes. Council members can serve on one or more of the following Committees:

- Education Committee
- Finance and Corporate Services Committee (FCS)
- Professional Regulatory Assurance Committee (PRA)
- Conveners Committee

GTC Scotland's Executive Team provide strategic leadership of GTC Scotland. The team ensures the organisation delivers its statutory functions, upholding trust in the teaching profession.

The appointment of the Chief Executive and Registrar (Chief Executive) is effected by Council. The remuneration of the Executive Team is set out in the revised pay and grading structure approved by Council, implemented in April 2023.

The purpose of a governance framework

The system of governance is designed to manage risk rather than eliminate all risk of failure to achieve the GTC Scotland strategic priorities. The system of governance is based on an ongoing process designed to identify the principal risks to the achievement of GTC Scotland's strategic priorities, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Review of effectiveness

As Convener of Council, I have responsibility for reviewing the effectiveness of the system of governance. My review is informed by:

- the work of Council and the strategic direction it gives the organisation
- the work of the Committees and Sub-Committees
- the managers within the organisation who have responsibility for the development and maintenance of the internal control framework
- comments made by the external auditor in its management letter and other reports.

Matters arising

There were no matters arising other than those already laid out in this report.

Conclusion

Based on the assurance provided to me, I have concluded that the internal control system is operating effectively and that appropriate action plans are in place to address any weaknesses identified and to ensure continuous improvement of the system.





Clare Harker

Convener of Council

Dr Pauline Stephen

Chief Executive and Registrar

24 September 2026

Membership of Council: April 2025 to April 2026

I. Elected members

(a) Primary/nursery teachers (including headteachers) (8)

*Omar Kettlewell (2026)

*Sandie Gordon (2028)

*Ailie Rankin (2028)

*Ann Murdoch (2028)

*Clare Harker +(2028)

*James Lyon [2026]

*Lilian Field + (2026)

*Nuzhat Uthmani (2028 – resigned September 2025)

(b) Secondary teachers (including headteachers) (9)

*Andrew McPake (2028)

*Christopher Devlin (2028)

*Elizabeth Russell (2026)

*Graeme Cowie (2028)

*Matthew Moss (2028)

*Michael Paul +(2028)

*Robert Macmillan (2026)

*Jennifer Seed [2026]

*Vacant seat

+ Reserved headteacher places

(c) Further education

*Anne-Marie Harley (2028)

(d) Universities providing courses of initial teacher education

*Evelyn McLaren (2028)

*Registered teacher

(2026) or (2028) indicates the year in which the term of office for a particular Council seat ends on 1 April

[ ] Dates in square brackets indicate the year in which a Council seat is filled by a member until 1 April where this is shorter than the term of office applicable to the seat in question.

II. Nominated members

(e) Convention of Scottish Local Authorities (following consultation with the Association of Directors of Education in Scotland) (3)

*Greg Bremner (2028)

Councillor Iain Sinclair (2026)

Councillor Paul Finnegan (2026)

(f) Universities Scotland (following consultation with universities providing courses of initial teacher education)

*Professor Aileen Kennedy (2026)

*Catherine Whitley (2028)

*Dr Stephen Day (2026)

(g) Further education colleges

Jonathan Vincent (2026)

(h) Scottish Council of Independent Schools

*Sarah Sinclair (2028)

(i) Church of Scotland

Susan Leslie (2028)

(j) Roman Catholic church

Gerry McCormick (2026)

(k) Parent councils and combined parent councils

*Iain Gibson [2026]

III. Appointed lay members

Abdul Elghedafi (2028)

Dr Hannah Tweed [2026]

Helen Happer (2028)

Dr Ian Sharpe (2028)

Jane Malcolm (2026)

Kirsty Mavor (2028)

Nazim Hamid (2026)

Council and committees	Convener	Vice-Convener
Council	Omar Kettlewell	Sandie Gordon
Conveners Committee	Omar Kettlewell	Sandie Gordon
Professional Regulatory Assurance Committee	Anne-Marie Harley	Andrew McPake
Education Committee	Clare Harker	Matthew Moss
Finance and Corporate Services Committee	Dr Ian Sharpe	Lilian Field

8. Reference and administrative details



Key management personnel

Dr Pauline Stephen, Chief Executive and Registrar
Jennifer Macdonald, Strategic Director
Victoria Smith, Strategic Director

Principal office

General Teaching Council for Scotland
Clerwood House
96 Clermiston Road
Edinburgh
EH12 6UT
Telephone: 0131 314 6000
Charity Number SC006187

Bankers

Bank of Scotland
PO Box 1000
BX2 1LB

Virgin Money
83 George Street
Edinburgh EH2 3ES

Santander
Bootle
Merseyside L30 4GB

Solicitors

Anderson Strathern LLP
1 Rutland Court
Edinburgh
EH3 8EY

External auditor

RSM UK Audit LLP
Third Floor
2 Semple Street
Edinburgh
EH3 8BL

9. Independent auditors report to the trustees of GTC Scotland

Opinion

We have audited the financial statements of the General Teaching Council for Scotland (the 'charity') for the year ended 31 March 2026 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and Notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2026 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Public Services Reform (General Teaching Council for Scotland) Order 2011.

Basis for opinion

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' annual report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on pages 27 and 28, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities 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 conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks, that the charity operates in and how the charity is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Public Services Reform (General Teaching Council for Scotland) Order 2011 as well as other generally applicable laws and regulations including the Data Protection Act 1998. We performed audit procedures to inquire of management and those charged with governance whether the charity is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal

entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and examining the assumptions underpinning key accounting estimates to confirm they are reasonable.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Public Services Reform (General Teaching Council for Scotland) Order 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
Third floor
2 Semple Street
Edinburgh
EH3 8BL

Date 01/10/26

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

10. Financial statements for the year ending 31 March 2026

Statement of Financial Activities for the year ending 31 March 2026

	Note	Unrestricted	Restricted	2026 Total	Unrestricted	Restricted	2025 Total
		£'000	£'000	£'000	£'000	£'000	£'000
Income from:							
Charitable activities	3	6,344	-	6,344	5,652	-	5,652
Investments	4	222	-	222	230	1	231
Total		**6,566**	**-**	**6,566**	**5,882**	**1**	**5,883**
Expenditure on:							
Charitable activities	5	6,576	3	6,579	6,261	24	6,285
Total		6,576	3	6,579	6,261	24	6,285
Net Expenditure		**(10)**	**(3)**	**(13)**	**(379)**	**(23)**	**(402)**
Other recognised gains/ (losses):							
Loss on property revaluation	8	-	-	-	(1,017)	-	(1,017)
Actuarial gains on defined benefit pension scheme	13	1,123	-	1,123	2,593	-	2,593
Asset ceiling adjustment	13	(1,207)	-	(1,207)	(7,595)	-	(7,595)
Net movement in funds		**(94)**	**(3)**	**(97)**	**(6,398)**	**(23)**	**(6,421)**
Reconciliation of funds:							
Total funds brought forward	14	7,900	17	7,917	14,298	40	14,338
Total funds carried forward	**14**	**7,806**	**14**	**7,820**	**7,900**	**17**	**7,917**

All income and expenditure are derived from continuing activities.

The notes on pages 40 to 57 form part of these financial statements.

Balance Sheet as at 31 March 2026

	Note	2026	2025
		£'000	£'000
Fixed assets:			
Intangible assets	7	15	164
Tangible assets	8	1,968	2,004
Total fixed assets		**1,983**	**2,168**
Current assets:			
Debtors	9	530	307
Investments	10	3,000	-
Cash at bank and in hand	10	3,194	6,137
Total current assets		**6,724**	**6,444**
Current liabilities:			
Creditors	11	(713)	(559)
Net current assets		**6,011**	**5,885**
Total assets less current liabilities		**7,994**	**8,053**
Provisions	12	(174)	(136)
Defined Benefit Pension Asset	13	-	-
Net assets		**7,820**	**7,917**
Funds of the Charity:			
Restricted income funds	**14**	**14**	**17**
Unrestricted funds	14	7,142	7,236
Revaluation reserve	14	664	664
Unrestricted funds excluding pension reserve		**7,806**	**7,900**
Defined benefit pension scheme reserve	14	-	-
Total unrestricted funds		**7,806**	**7,900**
Total funds		**7,820**	**7,917**

The financial statements of the General Teaching Council for Scotland, registered charity number SC006187, were approved by the Trustees of Council and signed on 24 September 2026.

They were signed on its behalf by





Clare Harker — Michael Paul

Convener of Council — **Convener of the Finance and Corporate Services Committee**

The notes on pages 40 to 57 form part of these financial statements

Statement of Cash Flows for the year ended 31 March 2026

	Note	2026	2025
		£'000	£'000
Cashflows from operating activities:			
Net cash outflow from operating activities	**20**	**(154)**	**(187)**
Cashflows from investing activities:			
Interest received		222	231
Purchase of fixed assets		(11)	(58)
Net cash used in investing activities		**211**	**173**
Change in cash and cash equivalents in the reporting period		**57**	**(14)**
Cash and cash equivalents at 1 April		6,137	6,151
Cash and cash equivalents at 31 March	**10**	**6,194**	**6,137**

The notes on pages 40 to 57 form part of these financial statements.



11. Notes to the financial statements

For the year ended 31 March 2026

1 Accounting policies

1.1 Basis of preparation

The General Teaching Council for Scotland (GTC Scotland) is an unincorporated charity registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC006187. Details of the principal address can be found on page 32 of these financial statements.

The objective of GTC Scotland is to promote and regulate the teaching profession in Scotland. As such, the charity meets the definition of a public benefit entity under FRS 102.

Without limiting the information given, the financial statements meet the requirements of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities and Trustee Investment (Scotland) Act 2005 and are prepared under Financial Reporting Standard (FRS) 102, the financial reporting standard applicable in the UK and Ireland, and the Charities Statement of Recommended Practice (SORP) FRS 102.

The financial statements are prepared under the historical cost convention modified to account for the revaluation of tangible fixed assets.

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been consistently applied from year to year unless otherwise stated.

The presentation currency of these financial statements is Sterling. All amounts have been rounded to the nearest £1,000 unless otherwise stated.

1.2 Going concern

GTC Scotland has assessed a period of 12 months from the date of approval of the financial statements, and considered that no material uncertainties exist that cast doubt on the ability of the charity to continue as a going concern. The charity has substantial cash reserves and a forward planning cycle of at least three years which is sufficiently robust to provide early indication of any potential unmanageable losses. Through the annual registration fee GTC Scotland has a stable source of future income which can be varied to adapt to changes in inflation and interest rates. In addition, GTC Scotland has an effective risk management framework in place to ensure that risks are identified and managed operationally through GTC Scotland's day to day work and supporting reporting structure. An assessment and update of risks at a strategic level is provided at each Committee and Council meeting.

The Trustees therefore consider it appropriate to prepare these financial statements on a going concern basis.

1.3 Income recognition

All income is included in the Statement of Financial Activities when GTC Scotland is legally entitled to the income, receipt is probable, and the amount can be quantified with reasonable accuracy. All income is accounted for net of Value Added Tax (VAT). The following specific policies are applied to particular categories of income.

Fee income

The principal source of income is fee income from annual registration which is accounted for over the period of registration, 1 April to 31 March.

External funding

GTC Scotland may receive funding from external third parties. External funding is reflected in the Statement of Financial Activities when relevant conditions for entitlement have been met, it is probable that it will be received, and the amounts can be quantified with sufficient reliability. Where donors specify that external funding is for a particular purpose, the income is included in incoming resources within restricted funds when receivable. Funding of a revenue nature is credited to the Statement of Financial Activities in the period to which it relates.

Other income

All other income is accounted for on an accruals basis.

1.4 Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates either in the Statement of Financial Activities or capitalised as part of the cost of the related asset.

Expenditure on charitable activities

Expenditure on charitable activities comprises those costs incurred by GTC Scotland in the delivery of its activities and services.

Governance costs are costs associated with meeting the statutory requirements of GTC Scotland and include those costs incurred in holding Council election, by Council members in attending committee and other meetings and the costs of professional services such as external audit.

1.5 Taxation

GTC Scotland is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards) or section 256 of the Taxation for Chargeable Gains Act 1992, to the extent any surpluses are applied to its charitable purposes.

1.6 Intangible fixed assets

Expenditure on intangible fixed assets, which includes the purchase of computer software licences, software and website costs, has a threshold for capitalisation of £1,000.

GTC Scotland recognises an intangible fixed asset when it is probable the asset will bring future economic benefits and where costs can be measured reliably. Intangible fixed assets are valued initially at cost and amortised over their life on an individual basis not exceeding 3 years. Amortisation of intangible assets is charged to Expenditure on Charitable Activities in the Statement of Financial Activities.

1.7 Tangible fixed assets

Expenditure is only capitalised where the cost of the asset acquired exceeds £1,000. On initial recognition, tangible fixed assets are measured at cost including any costs directly attributable to bringing them into working condition.

All fixed assets are reviewed annually for impairment and are carried at cost less any impairment.

Heritable property

Full valuations of heritable property are undertaken at least every 5 years. A full valuation of Clerwood House was carried out on 29 April 2025, at which time it was assessed at its open market value for existing use. Heritable property is reported at its most recent revaluation, less depreciation. All other assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation

Depreciation is provided on tangible fixed assets on a straight-line basis at rates sufficient to write down their cost, less estimated residual value, over their estimated useful lives. The depreciation periods for each category of assets are:

Buildings	50 years
Office furniture	5 years
Computer equipment	3 years

Assets in the course of construction are not depreciated until the asset is brought into use.

1.8 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise balances on short term deposits and cash at bank and in hand. Long term deposits are classified as investments. These have a maturity date of greater than 3 months.

1.9 Leases

All GTC Scotland leases where substantially all the risks and benefits of ownership of the asset have not transferred to GTC Scotland are classified as operating leases. Rentals payable are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

There are no assets held under finance lease.

1.10 Provisions

Provisions are recognised when GTC Scotland has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to be settle the obligation and a reliable estimate can be made of the amount of the obligation.

Pension Provision

GTC Scotland is required to meet the additional costs of benefits beyond the normal pension scheme benefits in respect of employees who retire early. GTC Scotland provides in full for these costs when the early retirement has been agreed. Pension related provisions are discounted where appropriate, using the discount rate as advised by Hymans Robertson. Where discounting is used, the carrying amount of a provision increases in each year to reflect the passage of time. This change is recognised as an expense and included in the Statement of Financial Activities.

1.11 Financial Instruments

The financial assets and liabilities held by GTC Scotland qualify as basic financial instruments as described in Section 11 of FRS 102. Basic financial instruments, comprising trade debtors, cash and cash equivalents and trade creditors, are initially recognised at transaction value and subsequently measured at their settlement value. Trade debtors and trade creditors consist of balances outstanding at the financial year end. Cash held on short term deposits are with highly rated banks and do not create any significant interest-rate risk. As GTC Scotland's principal source of income is from teacher registration fees the charity is not exposed to any significant liquidity or credit risk.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the charity has transferred substantially all the risks and rewards of ownership.

Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

1.12 Debtors

Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally the invoiced amount, less any allowance for doubtful debts.

Prepayments are valued at the amount prepaid net of any trade discount due.

1.13 Creditors

Creditors are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure.

Creditors are recognised at their settlement amount after allowing for any trade discount due.

1.14 Fund accounting

Unrestricted funds are available to spend on activities which further any of the purposes of the charity.

Restricted funds must be used in accordance with the wishes of the donor or grantor.

1.15 Revaluation reserve

The revaluation reserve records changes in the value of the heritable property. Depreciation is charged to the Statement of Financial Activities on the revalued amount of heritable property.

The revaluation reserve is a fund not supported by cash and is not available for use.

1.16 Pension Costs

All eligible employees are entitled to membership of the Strathclyde Pension Fund (SPF), a defined benefit scheme administered by Glasgow City Council. Employees who were already members of the Scottish Teachers' Superannuation Scheme (STSS) were instead entitled to maintain their membership of that scheme. Employer's contributions to the STSS are charged to the Statement of Financial Activities as they fall due.

Employer's contributions to the SPF are based on the recommendation of the scheme actuary. The current and past service costs are charged to the Statement of Financial Activities so as to spread the expected cost of providing pensions over the employees' period of service with GTC Scotland.

2 Critical Accounting Estimates and Judgements

In the application of the charity's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period if the revision affects both current and future periods.

The principal assumptions used in determining the pension asset included in these financial statements are outlined in note 13. The assumptions used reflect market conditions at the reporting date but as they are, in effect, projections of future investment returns and demographic experience many years into the future there is inevitably a great deal of uncertainty inherent in what constitutes "best estimate" with such projections. Following the changes to the Local Government Pension Schemes (Scotland) Regulations 2018 on 29 June 2024 that removed the unconditional right to an exit credit, the net pension asset is restricted on the basis of a right to reduced contributions.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

3 Income from charitable activities

	2026	2025
	£'000	£'000
Registration fees	6,231	5,466
Expenditure recharged to third parties	112	161
Sundry income	1	25
	6,344	**5,652**

4 Income from investments

	2026	2025
	£'000	£'000
Short term deposit interest	**222**	**231**



5 Expenditure on charitable activities

	Restricted	Unrestricted	2026 Total	Restricted	Unrestricted	2025 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs	-	4,885	4,885	-	4,663	4,663
Administration costs						
Digital services	-	817	817	-	523	523
Depreciation & amortisation	-	127	127	-	203	203
Consultancy & prof. services	-	129	129	-	354	354
PR, marketing, & advertising	-	13	13	-	59	59
Legal costs	-	442	442	-	279	279
Defined benefit liability interest	-	(431)	(431)	-	(242)	(242)
Printing, postage & office supplies	-	42	42	-	27	27
Other staff costs	-	103	103	-	112	112
Loss on disposal of fixed asset	-	70	70	-	-	-
Sundry expenditure	-	19	19	-	18	18
Meetings, conferences & events	-	10	10	-	6	6
	-	1,341	1,341	-	1,339	1,339
Property costs	-	223	223	-	194	194
SCEL legacy fund	-	-	-	23	-	23
GD Gray award fund	3	-	3	1	-	1
	3	6,449	6,452	24	6,196	6,220
Governance – General Expenses						
Council, Committee & Panel	-	41	41	-	24	24
Member Compensation						
Auditor's remuneration	-	26	26	-	24	24
Travel & subsistence	-	55	55	-	17	17
Election costs	-	5	5	-	-	-
	-	127	127	-	65	65
	3	**6,576**	**6,579**	**24**	**6,261**	**6,285**

A GTC Scotland Members Expenses and Compensation Scheme Policy is in operation for Council, Committee and panel members. As part of the Compensation Scheme, an agreement is in place between GTC Scotland and the Convention of Scottish Local Authorities (COSLA) to ensure the availability of registered teacher Council and Panel Members employed in a local authority to participate in Council, Committee or panel meetings or professional learning events.

Travel and subsistence wholly represent the cost of reimbursing Council, Committee and Panel Members for expenses incurred by them in attending meetings. During the year 19 members (2024 to 2025: 15 members) made travel and subsistence claims.

The amount payable to the auditor was £25,722 (2024 to 2025: £23,688). The amount payable to the auditor's related entities for non-audit services was £2,340 (2024 to 2025: £6,000).

6 Staff costs

	2026	2025
	£'000	£'000
Wages and salaries	3,764	3,536
Social security costs	494	386
Employers pension contributions	280	261
Staff salary costs	**4,538**	**4,183**
Temporary staff	-	26
Staff costs excluding pension movements	**4,538**	**4,209**
Other pension movements	347	454
Total staff costs	**4,885**	**4,663**

The average number of persons employed by GTC Scotland during the year was 87 (2024 to 2025: 85), of which 10 were part-time (2024 to 2025: 10). During the year there were on average 85 full time equivalent employees (2024 to 2025: 83).

The Key Management Personnel include the Members of the GTC Scotland Council and its Leadership Team (see reference and admin details on page 32).

No Council members received any remuneration from GTC Scotland in the year ended 31 March 2026 (2024 to 2025: £nil). The total amount of employee pay and benefits paid to the Leadership Team in the year was £346,025 (2024 to 2025: £329,133).

Chief Executive's remuneration

	2026	2025
	£'000	£'000
Salary	125	119
Employer's pension contributions	8	8
Total remuneration	**133**	**127**

Employees receiving benefits, excluding pension costs, of more than £60,000:

	2026	2025
	Number	Number
Banding:		
£60k – £69k	2	5
£70k – £79k	3	-
£80k – £89k	-	-
£90k – £99k	1	2
£100k - £109k	1	-
£110k - £119k	-	1
£120k - £129k	1	-
Total	**8**	**8**

Eight higher paid staff accrued retirement benefits under a defined benefit scheme (2024 to 25: 8).

7 Intangible assets

	Software	Website	Total
	£'000	£'000	£'000
Cost			
At 1 April 2025	515	878	1,393
Additions	1	-	1
Disposals	(69)	-	(69)
At 31 March 2026	**447**	**878**	**1,325**
Amortisation			
At 1 April 2025	351	878	1,229
Charge for the year	81	-	81
At 31 March 2026	**432**	**878**	**1,310**
Net Book Value			
At 31 March 2026	**15**	**-**	**15**
At 31 March 2025	164	-	164

8 Tangible assets

	Heritable property	Office furniture & equipment	Computer equipment	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 April 2025	2,257	119	139	2,515
Additions	-	-	10	10
Disposals			(3)	(3)
At 31 March 2026	**2,257**	**119**	**146**	**2,522**
Depreciation				
At 1 April 2025	257	115	139	511
Charge for the year	43	1	2	46
Disposals	-	-	(3)	(3)
At 31 March 2026	**300**	**116**	**138**	**554**
Net Book Value				
At 31 March 2026	**1,957**	**3**	**8**	**1,968**
At 31 March 2025	2,000	4	-	2,004

The heritable property was valued by DM Hall LLP on 29 April 2025 at £2.00m on the basis of the property being owner occupied and with full vacant possession. This value has been included above under Heritable Property.

9 Debtors

	2026	2025
	£'000	£'000
Prepayments and accrued income	530	307
	530	**307**

10 Cash at bank and in hand

	2026	2025
	£'000	£'000
Short-term deposits	2,993	6,095
Cash at bank and in hand	201	42
Investments	3,000	-
	6,194	**6,137**

11 Creditors

	2026	2025
	£'000	£'000
Other taxation and social security	106	97
Trade creditors	94	65
Other creditors	3	2
Accruals and deferred income	510	395
	713	**559**

12 Provisions

	Pension	Legal costs	Total
	£'000	£'000	£'000
Provision at 1 April 2025	108	28	136
Amounts used during year	(15)	(28)	(43)
Amounts provided for during year	50	67	117
Unwinding of discount	(36)	-	(36)
Provision at 31 March 2026	**107**	**67**	**174**

The pension provision relates to the future obligations to former members of staff. The provision is based on a calculation as at 31 March 2026 using information relating to each recipient. Date of birth, gender and any entitlements of a spouse are taken into account. A discount rate of 6.30% was used as advised by Hymans Robertson. The provision is released as payments are made to each recipient.

Expenses were incurred during the year which fully utilised the amount provided for legal costs in 2024 to 2025. Potential expenses relating to ongoing legal issues have been provided for in the year.

13 Pensions

GTC Scotland participates in 2 pension schemes.

Three employees contributed to the Scottish Teachers' Superannuation Scheme (STSS) during the year (2024 to 2025: 3). The employee contributions ranged from 10.61% to 11.73% (2024 to 2025: 9.7% to 10.4%) and employer contributions were 26% (2024 to 2025: 23%). The scheme is an unfunded statutory public service pension scheme with benefits underwritten by the UK Government. The scheme is financed by payments from employers and from those current employees who are members of the scheme and paying contributions at progressively higher marginal rates based on pensionable pay, as specified in the regulations. The rate of employer contributions is set with reference to a funding valuation undertaken by the scheme actuary. Amounts charged to the Statement of Financial Activities in respect of this scheme total £49,778 (2024 to 2025: £48,581).

Employees of GTC Scotland participate principally in the Strathclyde Pension Fund (SPF), a defined benefit scheme administered by Glasgow City Council. The scheme is a multi-employer scheme. Annual contributions to the scheme are based on the recommendation of the scheme actuary. Current and past service costs are charged to the Statement of Financial Activities so as to spread the expected cost of providing pensions over the employees' period of service with GTC Scotland. Employees contribute between 5.5% and 9.7% of their salary. Employers' contributions were 6.5% for 2025 to 2026 (2024 to 2025: 6.5%).

Unfunded early retirement pension enhancements for which GTC Scotland is liable are provided for in full when employees retire and are charged against the provision when paid.

Employer contributions for the year to 31 March 2027 will be approximately £671,000.

A formal valuation of the SPF was carried out as at 31 March 2023 by a qualified independent actuary, Hymans Robertson LLP. To assess the actuarial value of the SPF's assets/liabilities as at 31 March 2026, the Scheme's actuaries have rolled forward the actuarial value allowing for changes in financial assumptions as prescribed under FRS 102, the Financial Reporting Standard applicable in the UK and Ireland.

The pension asset/liability included in these financial statements includes the effect of the McCloud judgement and GMP equalisation.

Following the changes to the Local Government Pension Schemes (Scotland) Regulations 2018 on 29 June 2024 that removed the unconditional right to an exit credit, the net pension asset is restricted on the basis of a right to reduced contributions.

The principal assumptions used as at 31 March 2026 were as follows:

	2026	2025
	% per annum	% per annum
Inflation / Pension increase rate	3.00%	2.75%
Salary increases	3.70%	3.45%
Discount rate	6.30%	5.80%

Assumptions relating to longevity underlying retirement benefit obligations at the Balance Sheet date are based on a bespoke set of mortality rates, specifically tailored to fit the membership profile of the Fund. The mortality assumptions used to value the Obligations in the Employer's Closing Position are different to those used to value the Obligations in the Employer's Opening Position. A commutation allowance is included for future retirements to elect to take 75% of the maximum additional tax-free cash up to HMRC limits. All other demographic assumptions are consistent with those used for the formal funding valuation as at March 2023.

The assumed life expectations from age 65 are:

		2026	2025
		Years	Years
Current pensioners	Males	22.0	21.6
	Females	23.2	23.1
Future pensioners	Males	22.4	22.1
	Females	25.1	25.0

The assets in the scheme as at 31 March were as follows:

	2026	2025
Equities	58%	60%
Bonds	22%	23%
Property	10%	9%
Cash	10%	8%

13.1 Statement of Financial Activities analysis

The amounts recognised in the Statement of Financial Activities are as follows:

	2026	2025
	£'000	£'000
Current Service Cost	476	563
Employer's Contributions	(129)	(109)
Contributors Unfunded Benefits	-	-
Interest on Obligation	764	725
Expected Return on Plan Assets	(1,195)	(967)
Net Expense	**(84)**	**212**

The net expense is recognised in the following line items within Expenditure on Charitable Activities in the Statement of Financial Activities:

	2026	2025
	£'000	£'000
Staff costs	347	454
Administration costs	(431)	(242)
	(84)	**212**

13.2 Balance Sheet analysis

The amounts recognised in the Balance Sheet are as follows:

	2026	2025
	£'000	£'000
Fair Value of Employer Assets (A)	22,477	20,627
Present Value of Funded Liabilities (B)	(13,673)	(13,030)
Present Value of Unfunded Obligations(B)	(2)	(2)
Asset ceiling adjustment	(8,802)	(7,595)
Net Asset	**-**	**-**

A: Reconciliation of Fair Value of Employer Assets

	2026 £'000	2025 £'000
Opening Fair Value of Scheme Assets	20,627	19,994
Expected Return on Scheme Assets	1,195	967
Actuarial Gains / (Losses)	702	(260)
Contributions by Employer	129	109
Contributions by Participants	223	214
Estimated Benefits Paid (Net of Transfer)	(399)	(397)
Closing Fair Value of Scheme Assets	**22,477**	**20,627**

B: Reconciliation of Defined Benefit Obligation

	2026 £'000	2025 £'000
Opening Defined Benefit Liability	13,032	14,780
Service Cost	476	563
Interest Cost	764	725
Actuarial Gains	(421)	(2,853)
Estimated Benefits Paid (Net of Transfer)	(399)	(397)
Contributions by Participants	223	214
Closing Defined Benefit Liability	**13,675**	**13,032**
Being:		
Funded liability	13,673	13,030
Unfunded obligation	2	2
	13,675	**13,032**

13.3 Reconciliation of net asset/(liability)

	2026	2025
	£'000	£'000
Opening Asset	-	5,214
Current Service Cost	(476)	(563)
Employer's Contributions	129	109
Interest Cost	(764)	(725)
Expected Return on Employer Assets	1,195	967
Actuarial Gains	1,123	2,593
Asset ceiling adjustment	(1,207)	(7,595)
Closing Asset	**-**	**-**

	2026	2025
	£'000	£'000
Actual Return on Scheme Assets	**1,897**	**707**

14 Analysis of Funds and Net Assets of the Charity

Analysis of Funds	As at 31 March 2025 £'000	Income £'000	Expenditure £'000	Recognised Gains / (Losses) £'000	Transfer between Reserves £'000	As at 31 March 2026 £'000
George D Gray CBE MA Award	17	-	(3)	-	-	14
Total restricted reserves	**17**	**-**	**(3)**	**-**	**-**	**14**
Accumulated unrestricted reserves	7,236	6,566	(6,576)	-	(84)	7,142
Revaluation reserve	664	-	-	-	-	664
Defined benefit pension reserve	-	-	-	(84)	84	-
Total unrestricted reserve	**7,900**	**6,566**	**(6,576)**	**(84)**	**-**	**7,806**
Total funds of the charity	**7,917**	**6,566**	**(6,579)**	**(84)**	**-**	**7,820**

The George D Gray CBE MA Award is an annual award for the best undergraduate thesis or enquiry in initial teacher education (ITE) in Scotland. George D Gray CBE MA was the first Registrar of GTC Scotland and when he died, a trust fund was set up by his widow, Dr Ethel Gray CBE, as a memorial to her husband and as a means of encouraging high quality research by undergraduates.

£84k charged to the Statement of Financial Activities as the additional pension cost arising from the actuarial valuation has been transferred from the Defined Benefit Pension Reserve to Unrestricted Funds.

Net Assets	Fixed Assets £'000	Cash £'000	Other Net Current Liabilities £'000	Provisions £'000	Total £'000
Restricted reserves	-	17	-	-	17
Unrestricted reserves	1,504	6,120	(252)	(136)	7,236
Revaluation reserve	664	-	-	-	664
Defined benefit pension reserve	-	-	-	-	-
Total funds at 31 March 2025	**2,168**	**6,137**	**(252)**	**(136)**	**7,917**
Restricted reserves	-	14	-	-	14
Unrestricted reserves	1,319	6,180	(183)	(174)	7,142
Revaluation reserve	664	-	-	-	664
Defined benefit pension reserve	-	-	-	-	-
Total funds at 31 March 2026	**1,983**	**6,194**	**(183)**	**(174)**	**7,820**

15 Operating Leases

Lease payments recognised as an expense in the year are £3,232 (2024 to 2025: £4,462).

Future minimum lease payments under non-cancellable operating leases for each of the following periods are:

	2026 £'000	2025 £'000
Equipment:		
Not later than 1 year	3	5
Later than 1 year and not later than 5 years	15	10
Later than 5 years	-	-
	18	**15**

16 Capital commitments

There are no capital costs expected in 2026-27. At 31 March GTC Scotland had no future capital commitments (2024 to 2025: £8,000).

Project costs of £579k have been budgeted for 2026 to 2027, of which some may be capital.

17 Indemnity Insurance

GTC Scotland paid £22,386 for professional indemnity insurance during the year ended 31 March 2026 (2024 to 2025: £17,570).

18 Related Parties

There have been no related party transactions during the year that require disclosure other than the transactions with Council Members disclosed in note 6.

19 Post Balance Sheet Events

There are no material post balance sheet events that require to be adjusted in the financial statements or to be disclosed.

20 Reconciliation of Net Expenditure to Net Cash Flow from Operating Activities

	2026	2025
	£'000	£'000
Net Expenditure for the reporting period	(13)	(402)
Adjusted for:		
Depreciation and amortisation	127	202
Interest received	(222)	(231)
Loss on disposal of fixed assets	70	-
Increase in debtors	(222)	(79)
Increase in creditors	153	111
Increase in provisions	37	-
Realised pension movement	347	454
Defined benefit interest cost	(431)	(242)
Cash outflow from operating activities	**(154)**	**(187)**

21 Analysis of Changes in Net Funds

	At 1 April 2025	Cash flows	Foreign exchange movements	At 31 March 2026
	£'000	£'000	£'000	£'000
Cash at bank and in hand	**6,137**	**57**	**-**	**6,194**

22 Contingent Liabilities

GTC Scotland are aware of the UK High Court legal ruling that took place in June 2023 between Virgin Media vs NTL Pension Trustees II Limited, which found that certain historic rule amendments were invalid if they were not accompanied by actuarial certifications.

On the 29 April 2026, the Government introduced legislation to give affected pension schemes the ability to retrospectively obtain actuarial certifications that historical benefit changes met the necessary statutory standard. Subject to the pension scheme trustees receiving all the required retrospective actuarial certificates, GTC Scotland do not anticipate any additional scheme liabilities.



The General Teaching Council for Scotland

We are the independent regulator for teachers in Scotland. We work in the public interest to enhance trust in teachers by setting, upholding and promoting high standards.

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