

Western Education and Library Board ANNUAL REPORT

2004/05

Supporting a Learning Community



WESTERN EDUCATION
& LIBRARY BOARD



INVESTOR IN PEOPLE

**Western Education and Library Board
Annual Report and Accounts
For the year ended 31 March 2005**

*Laid before Parliament by the
Western Education and Library Board
In accordance with Paragraph 12(2) and 12(4) of the Schedule to the
Northern Ireland Act 2000 and Paragraph 41 of the Schedule to the Northern Ireland
Act 2000 (Prescribed Documents) Order 2004*

7th December 2006

*Laid before the Northern Ireland Assembly under
Article 38(2) of the Education and Libraries (Northern Ireland) Order 2003
by the Western Education and Library Board*

7th December 2006

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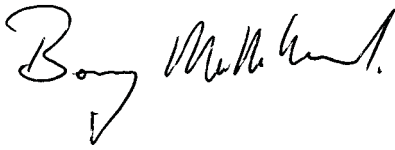
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Introductory Note

This report describes the services and achievement of the Western Education and Library Board during 2004/05 with detailed information about business targets set out in the appendices. As the report shows the Board continued to support the learning community in the West by providing quality services, remaining within budget, implementing a significant capital programme and achieving the majority of targets for 2004/05.



.....
CHIEF EXECUTIVE
BARRY MULHOLLAND

1. THE BOARD: Its Mission, Values, Structure & Membership

Mission and Goals

The mission of the Board is: **“To provide, develop and support education, library and youth services in the Western area to the highest standards in order to enable all members of the community to fulfil their potential, thereby enriching the quality of life and contributing to social and economic development.”**

In order to achieve this mission the Board has identified its overall aim as Excellence and Raising Standards and four supporting themes - People Development; Quality Services; Effective Partnerships and Resourcing and Internal Control.

Excellence and Raising Standards:

The most important aim of the Board is to raise standards in schools and throughout the wider learning community through the excellence of service delivery.

People Development:

The Board recognises that its people are its most valuable resource and is committed therefore to developing a highly skilled and flexible workforce, ensuring that this commitment is supported by action aimed at achieving a high level of staff satisfaction and organisational performance.

Quality Services:

The Board is committed to the continuous improvement of the quality of its services in accordance with its statutory duties and the Programme for Government and in line with Best Value principles.

Effective Partnerships:

The Board will support the effective delivery of services by improved internal arrangements and by working in co-operation with relevant educational and other partners.

Resourcing and Internal Control:

The Board will aim to secure resources appropriate to its requirements and to optimise the use of these resources to address identified needs and priorities

Structure of the Board

The Western Education and Library Board (the Board) is the local authority for the provision of education, library and youth services in the District Council areas of Derry, Fermanagh, Limavady, Omagh and Strabane. The area has a population of 288,000. There are over 63,000 pupils attending schools and the Library Service welcomed 1,104,748 visitors in 2004/05. In addition, services are provided to 10 voluntary grammar, 7 grant-maintained integrated and 4 Irish medium schools. The Board also makes extensive provision for youth facilities and supports 378 registered youth groups.

The Board consisting of 35 members, stands for four years to coincide with the local government elections. The vast majority of the Board's activities are managed through the Education, Library, Services, Finance, Youth, Teaching Appointments and Audit Committees. Other specific sub-committees and working structures are established when required to oversee specific projects, initiatives and programmes. Minutes of the Board and its

committees are available for consultation at headquarters, district offices and public libraries. The main function and powers of the Western Education and Library Board are laid down in the following legislation:

- The Education and Libraries (NI) Order 1986
- The Education Reform (NI) Order 1989
- The Education and Libraries (NI) Order 1993
- The Education (NI) Order 1996
- The Education (NI) Order 1997
- The Education (NI) Order 1998
- The Education (NI) Order 2003.

Functions, Duties, Powers and Services of the Western Education and Library Board

Currently Board services encompass three separate government departments:

- The Department of Education (DE)
- The Department of Culture, Arts and Leisure (DCAL)
- The Department for Employment and Learning (DEL).

The main duties of the Board are:

- To contribute towards the spiritual, moral, cultural, intellectual and physical development of the community;
- To ensure that there are sufficient schools for providing primary and secondary education;
- To secure special educational provision for those children who have been identified as having special educational needs;
- To provide a comprehensive and efficient library service; and
- To secure the provision for its area of adequate facilities for recreational, social, physical, cultural and youth service activities and for services ancillary to education.

In support of these main provisions the Board undertakes a range of duties and provides a range of services including:

- Curriculum advice and support service;
- Youth services;
- Public library service;
- Schools' library service;
- Education welfare services;
- Schools' psychological service;
- Services in relation to child protection;
- Statementing of pupils with special needs and a range of services to support such pupils and their schools;
- Music service;
- Arrangements for management of controlled schools, including appointment of boards of governors;
- Employment of teachers in controlled schools and all other staff in both controlled and maintained schools;
- Human resources;
- School meals and milk;

- Home-to-school transport;
- Provision of boarding and clothing grants to necessitous children;
- Facilitating the provision of student loans and grants;
- Arranging and overseeing the implementation of the transfer procedure;
- Admission arrangements to schools;
- Advice and guidance to schools in relation to financial matters and the exercise of a payment function for schools;
- Provision of a purchasing service;
- Payment of salaries, wages and accounts;
- Maintenance of controlled and maintained schools;
- All capital works at controlled schools;
- Monitoring the employment of school children in its area for compliance with legislative requirements;
- Provision of an internal audit service; and
- Legal and insurance services.

The Western Board also has a responsibility, on behalf of the five Education and Library Boards (ELBs), for the C2k Project, which has as its central purpose the design, development and operation of an ICT infrastructure to support the curricular, management and information needs of the major bodies including schools within the education service in Northern Ireland.

WELB Committees and Corresponding Services

An overview of the WELB's committees and service areas is provided in Diagram 1. The Curriculum Department provides a range of advice and support services to schools, youth groups and parents in order to improve the quality of learning experiences.

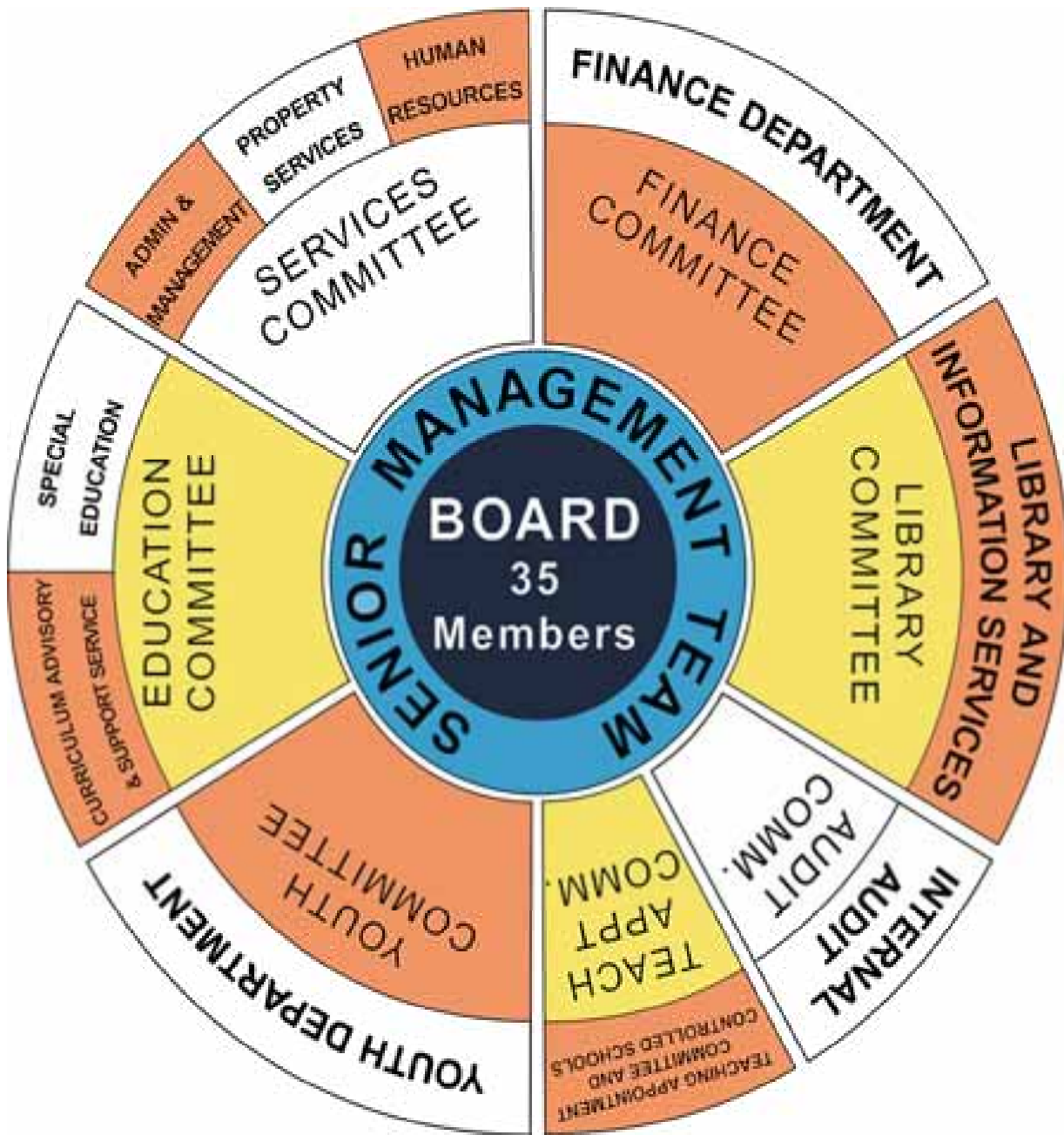
The Finance Department secures funding for the provision of services and allocates resources in accordance with the Board's corporate objectives. The service ensures that proper systems are available to enable financial monitoring and evaluation to take place.

The purpose of the Library Service is to provide access to a comprehensive range of books, information and library services for the general public.

The Services Department provides a wide range of services, including school planning, capital provision, estate management, school administration and recurrent funding, human resources and support services.

The Board has an Internal Audit Section, which provides the Board, with assurance on the adequacy and effectiveness of the internal control system and Corporate Governance.

Diagram 1: WELB Service and Committee Overview



School Provision

Sector	Number of Schools		Enrolment	
	00/01	04/05	00/01	04/05
(1) Board Sector				
Nursery Controlled	12	12	573	628
Primary Controlled	70	64	10,083	9,774
Primary Maintained	122	120	21,866	21,222
Primary Independent	-	2	-	194
Secondary Controlled	11	7	4,457	3,969
Secondary Maintained	23	23	11,923	11,281
Controlled Grammar	4	4	2,436	2,481
Special Schools	10	10	902	712
TOTAL	253	237	52,240	50,261
(2) Other Sectors				
Primary Integrated	3	4	778	868
Secondary Integrated	3	3	1,693	2,619
Voluntary Grammar	10	10	8,823	9,106
Primary Irish Medium	-	4	208	395
TOTAL	16	17	11,502	12,988



Youth Provision 2004/05

Full-time Clubs (Controlled)	10
Full-time Clubs (Voluntary)	7
Part-time Clubs (Controlled)	22
Part-time Clubs (Voluntary)	339
Total Number of Registered Youth Groups	378
Total Involved in Youth Service (5-25 years)	46,471
Total Involved in Youth Service (5-18 years)	44,533

Library Provision 2004/2005

Number of Branches	16
Mobile Stops & other Service Points	132

Board Membership

Chairman	Mr J H Mullan	L Y E F S
Vice-Chairman	Mr H Faulkner	L Y E F S
Members Representative of Transferors of Schools	Rev R Herron Archdeacon C T Pringle Mr N W Lambert	L E E S E S
Members Representative of Trustees of Maintained Schools	Mrs F G Durkan Mr J P Martin Mr D N McElholm Mr P Duffy Mr E S McCaffrey	Y E S Y E S L Y E F S L E F S Y E F S
Members Representative of the Teaching Profession	Mr S S MacCionnaith Mrs B T Maguire Miss D M McNamee	E E S L E S
Members Representative of Library Interest	Mrs E F Brunt Mrs E Waterson Mr P D Donnelly	L Y E F S L Y E F S L F S
Members Representative of Other Interests	Mr H Faulkner Mr J H Mullan Dr J Cornyn Mr S B Morrow Miss E M Cunningham Mr D Rainey Mr W D Reilly	L Y E F S L Y E F S Y E E F S Y E S L E F S L Y F S
Members Representative of District Councils	Derry Mrs M Bradley Mrs M Garfield Mr J Kerr Ms M McLaughlin Mr P Fleming	L Y E F S Y E F S L Y E F S Y E L Y E
	Fermanagh Mr R Irvine Mr T O'Reilly Mr J O'Kane	E F S Y E S L Y E F S
	Limavady Mrs A Brolly Mr E Stevenson	E F S
	Omagh Mr B McElduff Mr S Shields	L Y E S L Y E F S
	Strabane Mr D Hussey Mrs C McGill	L Y E F S L E S
KEY:	Audit Committee A Education Committee E Finance Committee F Library Committee L  Chairperson	Services Committee A Teaching Appointments Committee T Youth Committee Y  Vice-Chairperson

Useful Telephone Numbers

GENERAL	
WELB HQ, Omagh	028 8241 1411
Derry District Office	028 7127 2300
Enniskillen District Office	028 6634 3900
Technology Education Centre, Omagh	028 8224 0809
The Laurel Centre, Derry	028 7186 5959
AREA YOUTH OFFICES	
Derry	028 7127 1932
Enniskillen	028 6634 3927
Limavady	028 7776 0930
Omagh	028 8241 1481
Strabane	028 7138 2096
OUTDOOR EDUCATION CENTRES	
Corrick	028 8164 8165
Gortatole	028 6634 8888
Magilligan Field Centre	028 7775 0234
LIBRARIES	
Central, Derry	028 7127 2300
Enniskillen	028 6632 2886
Limavady	028 7776 2540
Omagh	028 8224 4821
Strabane	028 7188 3686
TRANSPORT	
Castledearg	028 8167 1681
Enniskillen	028 6632 3251
Lisnaskea	028 6772 1350
Omagh	028 8224 9978
Springtown	028 7126 9952
Strabane	028 7138 2410
TEACHERS' CENTRES	
Omagh	028 8224 4821
North West	028 7186 1116
South West	028 6632 3240
Strabane	028 7138 2632

2. CORPORATE MATTERS

Best Value

The WELB continued to support the implementation of the five Board programme of Fundamental Performance Reviews, examining aspects of service delivery provided by Board Services. Best Value Fundamental Reviews endeavour to:

- Challenge the justification for existing current practices.
- Consult with users of the Service, both internal and external.
- Compare with other providers of the same or similar services, setting meaningful and comparable performance indicators.
- Compete for future provision of a better quality service, continuously improving service delivery through setting challenging targets for improvement.

To date, Fundamental Reviews have been completed in:

- Home-to-School Transport
- Building Maintenance
- Special Education
- Catering
- Youth
- Curriculum Advisory & Support Service.

These reviews have resulted in a comprehensive range of recommendations designed to improve services. At local level, reviews of Transfer and Open Enrolment and Schools' Library Service were undertaken.

liP (Investors in People) Success

The WELB celebrates success in achieving the Investors in People (liP) Standard. The liP Standard provides a framework for organisational development, built on four principles of Commitment, Planning, Action and Evaluation, which are underpinned by indicators of good practice. The Board made a commitment to become an liP accredited organisation, and worked tirelessly towards obtaining the Standard.

During May and June 2005, external assessors visited the Board, and interviewed 87 members of staff across various grades, levels and locations. Indicators of good practice were used to judge whether the Board is doing everything it needs to get the best out of its people.

Recognition was awarded at the highest level, with full marks being achieved in all areas of assessment.

WELB continues to work at maintaining these high standards, and is currently working towards liP reassessment in 2007.

The Equality Duty

The Board has provided practical advice to all staff on how they should engage in consultations and/or make information available to the public. In addition, guidelines have been issued to staff involved in consultations and these guidelines are being used as part of a

training programme established in partnership with Disability Action.

Access to Services

The Board has made the following arrangements to facilitate better access to its services:

- Information can be provided on computer disc;
- Information can be provided in Braille with a Braille printer and reader now installed at Library HQ, Omagh;
- Information can be provided on audio cassette. The Board has an agreement with Armagh Talking Newspapers for the provision of a reader service;
- The Board has established links with the Northern Ireland Council for Ethnic Minorities (NICEM) and Newham Language Shop to ensure requests for translation/interpreter services are dealt with promptly.

Disability Access

In 2004/05 the Board received £900,000 from the Department of Education for the purpose of improving disability access to school buildings whilst £252,000 was allocated by the Department of Culture, Arts and Leisure for similar works at public libraries. Improvement works include such measures as installing external and internal ramps, stair lifts, automatic doors and Braille signage, enlarged and improved toilet facilities and providing car parking spaces for people with disabilities. In addition to these alterations to buildings, automated wheelchair lifts were also installed on a number of school buses. In total, works to improve access for the disabled were carried out at 56 schools, 16 public libraries and nine other locations including teachers' centres and at Board headquarters, Omagh.

C2k – Leading the Way in Computer Technology for NI Schools

C2k is Northern Ireland's world-leading computer technology for schools' initiative. Dedicated to ensuring that all children in Northern Ireland schools have access to top quality ICT equipment, C2k has created a safe, secure, online environment in which all children can learn to use the software and computing technology that will power tomorrow's society.

Under the auspices of the Western Education and Library Board, C2k is funded by the Department of Education to purchase, install and maintain computers, educational, application and management information software, and local area networks (LANs) in Northern Ireland schools. They have also connected all school LANs to a broadband wide area network (WAN).

The initial hardware phase of the C2k project was completed in 2004/05, and its broadband network today connects 1,200 schools, and has over 350,000 users. The ICT hardware will be constantly updated to ensure that pupils throughout Northern Ireland continue to have access to the best computer and software technologies.

During the year C2k's started to implement a new web-based learning environment called LearningNI, which will provide safe, secure access for pupils and teachers to online educational libraries and resources, and offer collaborative tools such as video conferencing and online discussion boards.

Through LearningNI, schools will be able to work together online to set up courses in any subject, enabling pupils from different communities and cultural backgrounds to learn together. The courses will be accessible on a 24 hour basis from any computer with an

Internet connection, and will help bridge the gap between home and school.

Over 100 educators from key education organisations such as the Department of Education, the Regional Training Unit and the five Education and Library Boards took part in a four-day LearningNI 'Train the Trainers' course which ran from November 2004 to March 2005. The participants who attended the courses have now trained key personnel in their own organisations.

In addition, C2k has been implementing a new Management Information Systems (MIS) called SIMS.net. All post primary schools have been running the new 'SIMS.net MIS' since the beginning of the 2004/05 academic year. The new system enables C2k to install new features and resolve problems remotely. One of the benefits of the SIMS.net technology is an e-ordering module which has the potential to greatly reduce the volume of paperwork associated with school requisitioning. In primary schools, the conversion to SIMS.net continued throughout the year and was accompanied by an extensive training programme for school staff.

3. CURRICULUM ADVISORY AND SUPPORT SERVICE

The Board's Curriculum Advisory and Support Service (CASS) continues to develop and support schools through numerous programmes and initiatives.

Helping Parents Access Free Pre-School Places: *Partnership in Action*

The WELB in partnership with NIPPA – The Early Years Organisation, arranged a conference on 'Helping Parents Access Free Pre-School Places' on Friday, 19 November 2004. The conference helped to raise awareness amongst those working, either directly or indirectly, with parents of young children who may be applying for free pre-school places.

Business Education Partnership: *Helping to Prepare Young People for the World of Work*

Hundreds of pupils from Fermanagh and Tyrone attended a Careers Fair in the Lakeland Forum, Enniskillen on 22 January 2005. The business community in Omagh also joined with local schools on 3 December 2004 in Omagh Teachers' Centre to share experiences of their career area with young hopefuls. The events, organised by the WELB on behalf of Fermanagh and Omagh Business Education Partnerships, aim to improve the employability skills and work readiness of school students, increase teachers' understanding of the needs of the global economy whilst creating a forum for industry to communicate their needs to the education sector.

Dreams and Teams: *Developing Leadership and Cross-Cultural Awareness*

Loreto Grammar School, Omagh, received a prestigious award for their development of pupils' leadership skills via links with Berrewaerts College in Sri Lanka. At a special ceremony at Stormont Buildings, 14 pupils from Loreto Grammar were presented with their Dreams and Teams Gold Award. In March 2005, as part of the ongoing Dreams and Teams leadership programme, two Enniskillen schools, St Fanchea's College and Erne Integrated College, hosted a delegation of 11 students and three teachers from Sri Lanka for one week. Dreams and Teams is a project developed by the British Council and the Youth Sport Trust in partnership with the WELB.

Developing the Role of the Newly Appointed Literacy Co-ordinator: *Making Effective Use of E-Learning*

WELB teachers successfully completed an Online Learning Course which commenced in January 2005. The 10 week course facilitated by the WELB Literacy Team was the first Literacy course delivered through online learning. The course enabled teachers to develop a greater confidence and understanding of their role and an opportunity to share experiences with other teachers through the online discussions and activities.

Creativity in Focus: *WELB Pupil Concert a Real Hit*

The WELB Music Service organised a well attended concert in Spring 2004, performed exquisitely by pupils from many of the schools across the Board area. The concert highlighted the musical talents of the pupils attending schools in the WELB area.

Creativity Through 'MADEIT 2'

A very special showcase of 'MADEIT 2', celebrating the promotion of Music, Art & Design Education, through the creative use of ICT, was held in Omagh Teachers' Centre. This unique initiative celebrated the combined creative talents and abilities of teachers and pupils in Art & Design and Music from four WELB schools. MADEIT 2 is the second phase of an exciting and creative initiative between the WELB and the Nerve Centre.

Fermanagh Students Display Outstanding Creative Skills

Eighteen Fermanagh students who were selected to attend a cross-border Academy of Arts training programme excelled at Gartan Outdoor Education Centre, Letterkenny. All 18 students graduated from the intense week-long programme with flying colours and were singled out for their commitment, skills and creativity during the training. The Academy of Arts is an innovative arts education initiative promoted by the WELB and Donegal VEC and funded by the Peace II programme.

Creative Youth Partnerships

Creative Youth Partnerships (CYP) is an exciting new arts initiative aimed at creating, developing and sustaining arts programmes for children and young people throughout Northern Ireland.

Each Education and Library Board area has engaged a CYP Development Officer, to facilitate arts programmes and initiate creative partnerships within Board areas.

Developing Children's Learning and Thinking Skills

Professor Barbara MacGilchrist and Mrs Maggie Buttress visited Western Board on 14 and 15 October 2004 to lead conferences on Learning to Learn. The conferences were attended by principals of primary schools, staff representatives and BOGs of schools in the School Support Programme and CASS staff. The conference was organised as a result of a visit by a group of CASS officers to Highlands PS in the London Borough of Redbridge where Maggie Buttress is the Principal. Her school had been involved in an action research project with Professor MacGilchrist that was focused on developing children's learning and thinking skills to enable them to develop their confidence, their self-esteem and the attitudes needed to become lifelong learners. The visit clearly demonstrated how the school's focus on learning had led to significant improvements in children's motivation, behaviour, engagement in learning and learning outcomes.

Magilligan Field Centre

Magilligan Field Centre (MFC) continued to provide specialist field studies support for teachers with 3,894 students availing of the unique facilities. As well as the normal MFC programmes an innovative environmental sustainability awareness cross-border programme was successfully piloted as part of the North West Regional Education Programme. Further information on this and other courses can be obtained from the MFC website www.welb-cass.org/mfc.

Achievements in Technology

Pupils from St Patrick's College, Dungiven, were the overall winners in the 2004 NI Finals of F1 in Schools Challenge at W5, Belfast. Gortin PS was the WELB's overall regional winner of the final of the 'Sentinus Science and Technology Challenge'.

Students from the WELB area were placed 1st, 2nd and 3rd in the CCEA, Technology and Design examination at GCSE level. John Haaijer, Portora Royal, received top marks. Second place went to Kathryn Wilson and third place to Stephanie Connor both student at Collegiate GS, Enniskillen.

Fact File:

- The CASS Reading Recovery Team successfully trained 21 teachers in 'Reading Recovery', an early intervention programme for six year olds who are experiencing difficulties with reading and writing.
- 126 beginning primary teachers started the WELB 2004/05 Induction Training Programme.
- Sixteen WELB schools lead the way in 'Investing in Health'. The aim of the Health Promotion Schools' Initiative is to support schools in promoting health.
- 138 children participated in the annual WELB 'Game 24' competition which challenges and tests speed and agility in mental calculation, with first place being awarded to Orla Martin, St John's PS, Bligh's Lane. Sixteen children progressed through to the NI Final.
- 260 pupils from ten schools took part in "Mathématiques Sans Frontières", a competition which is enjoyed by tens of thousands of pupils throughout the European Community. St Columb's College topped the Advance level and St Cecilia's College took Intermediate level and went on to be awarded runners-up prize in the NI Finals.

4. SPECIAL EDUCATION

Special Education Service

Arvalee School and Resource Centre

Arvalee School and Resource Centre opened in Omagh in September 2004. This new school and centre has been established as a result of an amalgamation of Cranny and Heatherbank schools in Omagh and currently provides education for 140 pupils with a wide range of special educational needs. The amalgamation is part of the Board's ongoing review of its special school provision and is within the context of the overall restructuring of primary and post primary education and in line with Board and Department of Education targets. It is anticipated that along with all special schools in the Board's area, Arvalee will play an increasing role in supporting mainstream schools to promote the inclusion of children across the full range of special educational needs.

Autistic Spectrum Disorder: Training for Parents and Early Years Specialists

The number of children being diagnosed with Autistic Spectrum Disorder (ASD) is on the increase. With the emphasis on early diagnosis and intervention for these children, the Department of Education provided additional funding to support a wide range of training initiatives during this year, targeting specifically early years professionals and the awareness needs of parents. As a result of these initiatives, the Board provided ASD awareness training for 75 support workers within the voluntary sector, training workshops for 42 parents and training in Applied Behavioural Analysis for 15 teachers from the Board's pre-school special needs team.

Educational Psychology Service (EPS)

The new Time Allocation Model of service delivery was embedded throughout WELB following a two year pilot project. This enables schools to prioritise children who are most in need of psychological assessment and to have them seen within a short time frame. During September 2004 all primary schools received a planned and structured consultancy visit from their named Educational Psychologist. Over 12,000 issues and cases were discussed through consultation throughout the year. 1,994 full psychological assessments were carried out, including 326 formal assessments and 134 transfer placements. One hundred and sixty-five courses and projects were delivered to schools, parents and other professionals on a wide range of topics.

A new specialist Senior Educational Psychologist was appointed to help cater for an increasing number of referrals in the area of autism. All pre-school referrals were assessed within a maximum of six months from date of referral. The WELB EPS was represented on several five Board working parties which produced materials such as practical guidance booklets for schools and parents on Attention Deficit Hyperactivity Disorder (ADHD).

Education Welfare Service

The Education Welfare Service aims to help parents meet the duties placed on them under Article 45 (1) of the Education and Libraries (NI) Order 1986.

During 2004/05 the Education Welfare Service prioritised referrals indicating an attendance level of less than 85% and assisted schools to lower their number of persistent non-attenders by 10% at post primary level and by 5% at primary level.

The first monitoring report from the Department of Education for 2004 indicates that in the WELB area there was a 60% improvement in attendance for the cases referred and that 'clearly, the minimum target of 30% of cases referred to achieve an improvement in attendance has been comfortably met.'

Four primary schools were targeted for inclusion in the Primary Attendance Matters Project during 2004/05.

	Average Attendance 2003/04	Average Attendance 2004/05	% Improvement
4 Primary Schools	91.99%	93.03%	1.04%

School Attendance % - Yearly Average			
	2002/03	2003/04	2004/05
Primary Schools	95.12%	95.56%	95.24%
Secondary Schools	90.53%	91.04%	90.91%
Grammar Schools	94.99%	94.98%	95.07%

5. YOUTH SERVICE

A major refurbishment was completed at Waterside Youth Information Centre, formerly Waterside Youth Club in 2004/05. This project was funded from the Executive Programme fund, the Londonderry Regeneration Initiative and the Youth Service Capital Budget. The Youth Information Centre is a Board-wide initiative, as well as being the home of the Northern Ireland Youth Information Website (www.niyouthinfo.org), and the Northern Ireland Youth Information Unit. Waterside Youth Club meets here on two evenings each week and the location, on an interface area, offers great opportunities for peace building and community relations work.

Axis and Lift Off Projects

Over 100 young people completed these projects aimed at enhancing employability through educational and vocational programmes in the Derry area.

Princes Trust XL Programmes

There was continued success in 25 Princes Trust XL Programmes in post primary schools throughout the Board area. The programme targets young people who are disaffected with school or who are not reaching their full potential for any reason.

Health Promoting Youth Award

Twenty-six youth groups received Gold, Silver and Bronze Awards at the Health Promoting Youth Awards Presentations.

Youth Service Child Protection Policy

A new Youth Service Child Protection Policy was launched in 2004/05 and training courses provided to ensure that there are designated child protection workers in each controlled youth centre. The same level of training and support is offered to all youth groups in the voluntary sector.

Drugs Awareness

Thirty young people in the Limavady area completed a Drugs Awareness Training Course.

Bawnacre Refurbishment

There was major refurbishment and extension works at the Bawnacre Centre, home to Irvinestown Youth Club. This is a joint provision facility managed by Fermanagh District Council. The enhanced facilities included a new lift, new kitchen, extended lounge, chill out zone, activity room, new reception area and foyer.

Cross Community and Social Inclusion Activity

Youth Service Cross Community projects in the Board's area involved 2,500 young people in cross community activity during 2004-05. The Board organised Community Relations Workshops for part-time youth workers and a NI Open College Network Community Relations Citizenship course.

Over 100 projects aimed at interface areas and social inclusion programmes were successfully completed. These were supported by earmarked funding of £240,000 from the Department of Education.

ETI Inspection Report and Parents Satisfaction Survey

A very positive ETI Inspection Report was published at Gortatole Outdoor Education Centre. The report commended aspects of the organisation, its management and work at the Centre.

Parent Satisfaction Survey

The WELB Youth Service completed and published a parent's satisfaction survey on the Youth Service. This was carried out as a pilot exercise and provided very positive feedback throughout the Board area.

Appraisal and Training

Staff Appraisal is now in place for all permanent Youth Service staff and a new Induction Programme is in place for all new staff. Seventy young people completed Young Adult Development training and 75 completed Northern Ireland Open College Network certificated courses.

6. LIBRARY SERVICE

Increased Use of Service

The Library Service continued to increase use in a number of areas and to improve the quality of the library estate. Highlights of the year included the refurbishment of Fintona Library and the purchase and delivery of five new mobile libraries.

The cross border mobile library service began in the Donegal and WELB areas in October 2004. The service includes a programme of planned activities such as storytelling and ICT support and is funded by the EU Programme for Peace and Reconciliation.

Foyle Inspire

In line with the Board's theme of creating effective partnerships FOYLE INSPIRE was launched on 2 September 2004. This is a co-operative venture between the public library service and libraries in higher and further education institutions and is a first in Northern Ireland. The pilot project aims 'to create a seamless cross sectoral pathway for learning by adults' in the Derry City Council area and includes all public libraries in the area, and the libraries of the NWIFHE, University of Ulster at Magee and Altnagelvin Hospital.

FOYLE is part of the INSPIRE (Information Sharing Partners in Resources for Education) UK initiative which hopes to exploit resources more fully by providing enhanced access for all and to reach nonusers and those currently excluded from access to learning opportunities.

Healthy Living

A programme of healthy living activities took place in all five council areas, including talks, displays and clinics to promote the health information available in libraries. In Fermanagh the collection was promoted at Enniskillen Farmers' Mart. The Library Service also continued to make a major contribution to DCAL's learning strategy with initiatives like 'Libraries Without Walls'. Services to ethnic minorities in the community were improved with the development of collections of Chinese books. After a launch in October 2004 the two collections, in Waterside and Central Libraries, have been promoted through the Chinese Welfare Association and the media.

Service Improvement and Income Generation

The Library Service continued to find innovative ways to generate income and improve services. A successful bid for £232,000 to the EU Programme for Peace and Reconciliation for the Inspiring Readers project will allow the Library Service to improve its staff training, creating a catalyst for reader development on a cross border basis.

During the second half of the year a significant amount of work was undertaken to develop a Library Service Provision Policy in order to ensure equitable provision across the Board area. This provided a useful foundation for subsequent work on a strategy to enable the Library Service to remain within budget during the period 2005 to 2008.

The Board prepared for the full implementation of the Freedom of Information (FOI) Act which took place on 1 January 2005. Over 350 staff received awareness training on the new legislation and an FOI section was added to the Board's website.

The Board's Information and Media Office continued to work in partnership with the local and national media promoting accountability and transparency by highlighting key developments and initiatives. During 2004/05, the Information and Media Office responded to 247 media requests and issued 347 press releases and statements. The Office co-ordinated the production and distribution of the WELB annual report which was distributed to all registered households in the WELB area.

Key Facts: Libraries in the Western Education & Library Board

- Loaned 1,074,619 items
- Provided 265,542 computer sessions
- Welcomed 1,104,748 visits
- Achieved a user satisfaction rate of over 99% for knowledge and helpfulness of staff

7. PROPERTY SERVICES

Cleaning Service

The Cleaning Service is a non-profit based business unit within the Western Education and Library Board and currently manages a £5.7m budget in cleaning contracts employing over 1,000 staff who clean 449,046 m² per day in 300 WELB locations. It provides a high quality service delivered in accordance with the specification as agreed in individual Service Level Agreements.

The ethos of the Cleaning Service is the provision of a high quality, customer focused, competitive service. The service achieves this through the continuous training of staff, monitoring service standards at each location and employing innovative approaches and best industry practices to ensure improvements in the efficiency and effectiveness of cleaning.

Catering Service

The Catering Service served 5,651,861 meals in the year ending March 2005. The Nutritional Standard Pilot Scheme commenced in 20 schools.

New kitchens were opened at Edwards, Cooley and Bready Jubilee Primary Schools. Official openings were catered for by the Catering Service at these schools as well as St Brigid's College, Carnhill.

Training in Basic Hygiene, Basic Health and Safety and a Foundation Course in Nutrition, Manual Handling to certificate level was delivered to 180 staff whilst 12 new staff received the 'In-House Educator' 2 day training course.

Six managers achieved the Royal Institute of Public Health Intermediate Certificate in Nutrition.

Cashless systems were installed in three Limavady post primary schools in conjunction with Limavady Partnership.

Development & Design

Major Works

Autumn 2004 saw the completion of three new primary schools, namely Edwards PS, Castlederg; Cooley PS, Sixmilecross and Bready Jubilee PS, Bready.

At a cost of £2m, Edwards PS was a new-build school on the playing fields of the existing school. The new school consists of a nursery unit, seven classrooms and two units for children with moderate learning difficulties.

Cooley PS was constructed on a greenfield site on the outskirts of Sixmilecross and evolved from the amalgamation of Dervaghroy, Hutton and Sixmilecross Primary Schools. The £1.2m accommodation comprises a nursery unit and six classrooms.

Bready Jubilee PS received funding of £1.3m for a new school on an extended site to accommodate pupils as the result of the rationalisation of Bready and Sandville Primary Schools. The accommodation consists of 5 classrooms set out in clusters with adjoining resource areas.

Design works also progressed during the year on Kesh PS and Maguiresbridge PS. Work commenced on the new school at Knockavoe, Strabane, to replace the existing Glenside School for pupils with severe learning difficulties and will also make provision for pupils with moderate learning difficulties.

Funding of £335k was secured under the Reinvestment and Reform Initiative to extend and refurbish Ardstraw PS.

During the 2004/05 year, the Board undertook a comprehensive programme of Minor Works including large schemes at:

- Omagh North Nursery – Major refurbishment of facilities
- Limavady High School – Provision of new hard play area
- Strabane High School – Upgrade art and technology accommodation
- Campsie Changing Facilities – Upgrade and refurbishment of facilities

Claims & Legal Administration

The Board through its Claims and Legal Administration Section, acquired three major sites for just over £7m to meet the needs of the Capital Development Programme. These were for Devenish College, Enniskillen, Strabane Grammar School and the extended Killen Primary School. The disposal of the former Irvinestown Branch Library was also completed.

The Board received 19 public liability claims together with nine employer’s liability claims. A total of 27 public liability claims together with 17 employers liability claims were settled under self funded arrangements. An overall figure for settlement of these claims in respect of financial damages and costs amounted to £248,558.08.

The table below indicates the total number of liability claims received together with the number of claims settled with damages and costs.

2004/2005			
<i>Claims</i>	<i>Claims Received</i>	<i>No. of Claims Settled</i>	<i>Damages & Costs</i>
<i>Public Liability</i>	19	27	£130,209.39
<i>Employers Liability</i>	9	17	£118,348.69
<i>TOTAL</i>	28	44	£248,558.08

Maintenance

A reduced budget of £680k available for planned maintenance allowed for a limited programme of work. Forty-eight buildings were redecorated externally, window replacement carried out at five schools, heating boiler replacement at one school, new roof coverings at five schools and major concrete repairs and window replacement carried out at two schools. As well as delivering the programme of planned works, the section continued to respond to day-to-day maintenance of WELB premises. It also delivered a programme of minor capital works to school and non-school premises as well as implementing access control and

improvements to provide disabled access to numerous premises.

Grounds Maintenance

Contractual Undertakings

During the 2004/05 financial year the Grounds Maintenance Service achieved its anticipated performance targets for delivery of the Service Level Agreements in Schools, Colleges and other Board establishments.

Financial performance was also on target with the Grounds Maintenance Service returning a positive balance sheet at close of accounts for the financial year.

Minor Works Programme

2004/05 was a busy year for capital and minor works projects and during the year the Grounds Maintenance Service completed over £250,000 of capital funded projects.

Some of the capital works included:

- Belmont House Special School – Provision of Bitmac Playground
- Foyle View Special School – Excavation, Hardcoring and Paving of Activity Areas
- Strathfoyle Nursery School – Paved Pathway and Activity Area
- Ballykelly Primary School – Paved Pathways around Play Areas
- McClintock Primary School – Drainage of Grass Football Pitch
- Trench Road Nursery School – Provision of Paved Play Area
- Limavady High School – Upgrade of Hard Porous Hockey Pitch

A number of fencing projects were completed at the following schools:

- Ballinamallard Primary School
- Belleek Primary School
- Florencecourt Primary School
- Collegiate Grammar School
- Dromore Primary School
- Aghadrumsee Primary School
- Lisbellaw Nursery School

Training

During 2004/05 two members of the Grounds Maintenance management team and 30 members of the Grounds Maintenance staff successfully completed Health and Safety – Construction Skills Training (CSR). One foreman and three groundsmen successfully completed Construction Skills Register (CSR) – 360 Digger Training.

Health and Safety

The following Health and Safety programme was completed in 2004/05.

- Existing security access control systems improved at 30 schools
- Safety management system audited at 20 schools
- Service management team trained in a “live” emergency management response scenario
- All premises surveyed for asbestos and an asbestos management plan implemented.

In addition, the section also prepared and delivered a comprehensive Disabled Access Programme. The access for disabled pupils and adults was improved at 30 locations which included schools, libraries, youth clubs, home-to-school transport and administration buildings. An investment of £1 million was committed during the year.

Energy and Environment

In 2004/05 the Western Board emitted 39.4kg of CO₂\m² against the base year figure of 70.42 kg of CO₂\m². This 44% reduction was achieved by the completion of energy efficiency measures and from the purchase of CO₂ free electricity supplies.

Energy Efficiency measures carried out within the Capital and Planned Maintenance Programmes in 2004/05 are as follows:-

- | | |
|---------------------------------------|----------|
| • Boiler Cleaning/Serviceing | £ 36,945 |
| • Window Replacement (Double Glazing) | £122,359 |
| • Roof Insulation | £ 11,963 |
| • Lighting Upgrades | £ 9,654 |

The Board invested £59,000 of funding from the Central Energy Efficiency Fund in further specific energy efficiency measures.

The Board continues to allocate one full time Energy & Environment officer and one full time Energy & Environment support officer to energy and environmental management responsibilities in line with Audit Commission guidelines. The Energy & Environment Section's role has expanded to implement the joint Board Environmental Policy considering other matters such as waste management, recycling, resource consumption etc. An Environmental Management Group has been established to implement this joint Board Environment Policy.

8. ADMINISTRATION AND MANAGEMENT

Overview

The Administration and Management Division is one of three Divisions within the Services Department. It provides the Board and its schools with a range of services in line with Best Value principles.

Benefits

In 2004/05, 19,807 pupils were eligible for free school meals and £537,286 paid to the families of 8,232 post primary school pupils to assist with the cost of school uniform and physical education clothing.

Governor Support Service

The main focus of the work of the Governor Support Service in 2004/05 centered on: extensive training for Board of Governors; facilitating controlled schools in the appointment process for Principals and Vice-Principals; and working in liaison with the Regional Training Unit (RTU) on the Professional Qualification for Headship (NIPQH).

Registry and Reception

During 2004/05 Registry and Reception Section at Board Headquarters continued to welcome visitors, received and dispatched letters and dealt with telephone enquiries. Comments/Complaints which arrived at Headquarters were also forwarded to the relevant departments.

Reprographics

The Reprographics Section in 2004/05 upgraded and met the demands of a variety of customers. Print production ranged from black and white documents to full colour brochures, letterheads, business cards and prospectuses.

Schools' Office

The Schools' Office continued to provide advice and support to the Board and its schools. The management of school holiday closings for 2005/06 and the updating and distribution of the WELB Directory for 2004/05 were, once again, significant areas of work for the section.

Student Support

In 2004/05 the Student Support Section processed applications for 10,798 Northern Ireland students and 399 EU students.

- £6,727,000 was distributed in Higher Education Bursaries which are targeted at low income families (i.e. those with a household income less than £21,000). The maximum bursary per student is £2,000.
- 324 students qualified for a discretionary award to assist with tuition fees and living costs.
- 200 students availed of the disabled student allowance which provides help with the

extra costs a student has as a result of undertaking their course and as a direct result of their disability.

Transfer and Open Enrolment

In 2004/05, 4,242 pupils transferred to post primary education, of which 2,534 transferred to secondary schools, 1,708 to grammar schools and 245 pupils either transferred to special education, went to schools outside Northern Ireland or were retained in primary education. There were 3,980 applications for primary school education with 3,913 admissions and 4,070 applications for pre-school education with 2,459 admissions.

The recommendations in the Section's Local Best Value Review Action Plan commenced during 2004/05. As the Transfer & Open Enrolment Section is the lead Board for the CAPITA Transfer and Admissions Module, the operational requirements also commenced for this new Management Information System for admissions to pre-school, primary and post primary schools.

Transport

With the assistance of Department of Education Capital Funding and Health and Safety Disability Budget, the Board's Fleet had 13 life expired 33 seat buses replaced with new Mercedes 814D seat belted vehicles. The Disability Budget provided for air conditioning to be fitted to the Board's 30+ Fleet of Special Education 18 seat Tail Lift Vehicles. This greatly improved the comfort for mobility challenged passengers.

Experienced transport staff from Central Depot, Omagh, were seconded to a Five Board Capita, Transport Management Information (IT) System which is scheduled to come into operation in WELB in 2005/06. This will replace the existing McDonnell Douglas menu driven, pupil and guardian database which has served the Board since 1991.

Falling pupil numbers, primary in particular, has eased the introduction of further seat belted buses and the phasing out of 3 for 2 seating for under 14 years olds.

9. HUMAN RESOURCES

Training and Development

Thirty-two officers were sponsored under the Board's Post Entry Training Scheme to undertake a range of accredited courses leading to recognised qualifications. A number of officers have also participated in the Regional Training Unit's suite of Management qualifications accredited by the Chartered Management Institute and the Institute and Leadership Management.

A wide range of in-house corporate and departmental training programmes were devised to meet specific training needs as identified through the Board's appraisal process.

Induction Training

The Board values highly the induction process for all employees. A series of quarterly Corporate Induction programmes were organised for new permanent Board staff. These sessions, facilitated by Board officers, were presented to staff in all areas of the Board through videoconferencing. New staff also received a local departmental induction from their line managers on commencing employment.

Training for Boards of Governors

The Board's Human Resources Division continued to actively facilitate training modules for Governors in conjunction with the Administration and Management Division in the area of Recruitment and Selection, Managing Attendance and Salary Policy.

Job Evaluation

Progress has been ongoing in respect of the implementation of the Education and Library Board's Job Evaluation Scheme, a mechanism designed to assess the grading of posts which come under the remit of the Joint National Council. To date, targets have been achieved in respect of the evaluation of all former AECPT posts in schools, the Library Service and posts in Headquarters and outcentres. Considerable progress has also been made on the evaluation of former manual posts.

Recruitment Website

The Board's recruitment website currently advertises all teaching and non-teaching job vacancies. Application forms and job descriptions can also be accessed through the website, by visiting www.welbni.org/jobs and click on the 'jobs' link.

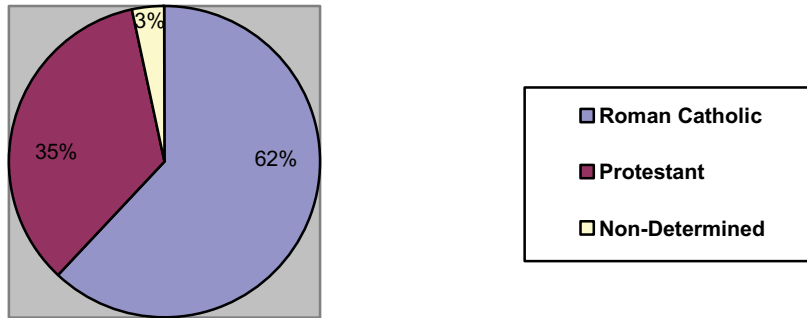
Equal Opportunities

The Equal Opportunities Unit obtained information on a total of 6,515 non-teaching employees and 4,041 applicants for the period ending 1 January 2006. This information was extracted from the current Annual Fair Employment Monitoring Return.

Employees

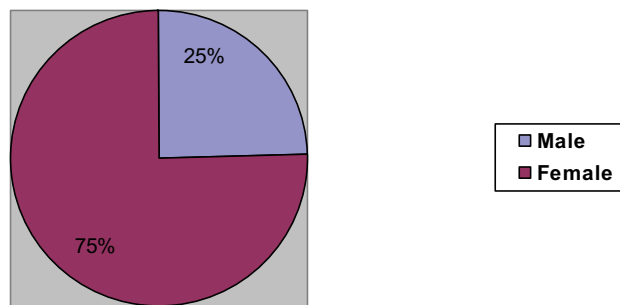
Composition by Religion – The Board has on the whole continued to maintain an appropriate balance in terms of the percentage ratio of Protestants and Roman Catholics in employment.

Table 1: Employee Composition - Religion



Composition by Gender – The percentage levels of males and females employed by the Board has also remained constant at a ratio of 3:1.

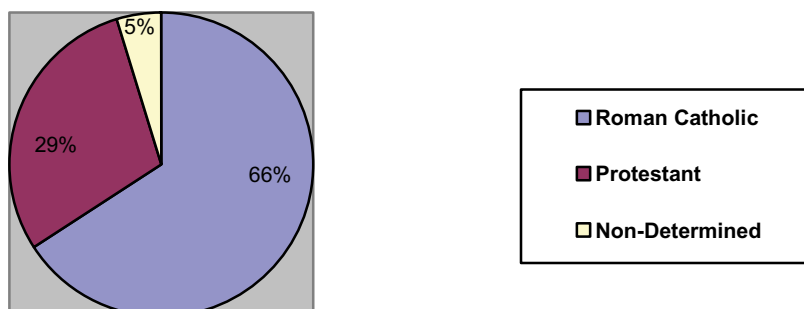
Table 2: Employee Composition - Gender Balance



Applicants

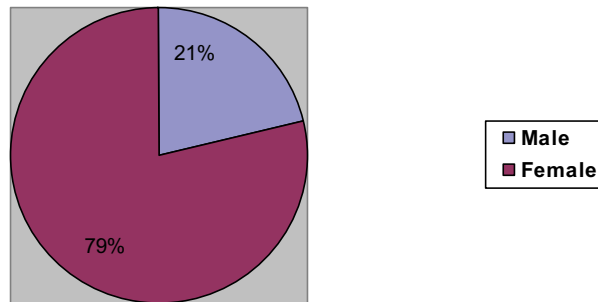
Composition by Religion – the composition of applicants remains consistent with the religious composition of the previous year.

Table 1: Applicant Composition - Religion



Composition by Gender – there has been an increase in the number of males who made applications for employment to the Board

Table 2: Applicant Composition - Gender Balance



Breakdown of Recruitment as at 1 January 2006

	Gender	Religion	Total
Applicants	868 (M) / 3173 (F)	2663 (RC) / 1189 (P) / 189 (ND)	4041
Appointments	206 (M) / 640 (F)	549 (RC) / 250 (P) / 47 (ND)	846
KEY:	M: Male RC: Roman Catholic	F: Female P: Protestant	ND: Non-Determined

Notes:

Applicants

Composition by Religion – the composition of applicants remains consistent with the religious composition of the previous year.

Composition by Gender – there has been a slight percentage increase in the number of females who made application for employment with the Board.

Appointees

Composition by Religion – there has been a slight increase in the number of Roman Catholic appointees to the Board.

Composition by Gender – the gender composition of appointees remains constant.

10. INTERNAL AUDIT

Internal Audit is an independent and objective appraisal service within the Board which reviews the risk management, control and governance systems operating throughout the Board. The primary objective is to provide an opinion on whether these systems support the achievement of objectives set out in the Board's Corporate Plan, whilst safeguarding public funds and assets.

Internal Audit also provides an independent and objective consultancy service to help line management, including schools, youth clubs and libraries to improve their systems.

The Board has an Audit Committee which consists of six Board members. It meets four times per year and provides guidance and support on control and governance matters. It receives summaries of all internal audit reports, external auditor's management letter and relevant correspondence received by the Board.

The principle of accountability includes the need to carry out a risk assessment on all the functions carried out by the Board. Risk registers are in existence for all departments and divisions and they are reviewed by management on a regular basis to ensure risks are being managed efficiently and effectively

This year saw the Internal Audit section carry out various types of audits in a wide variety of areas within the Board. A summary of time spent in the different categories of audit is shown below:

Summary of Audit Activity (days)

	2003/04	2004/05
Headquarters	509	429
Consultancy	222	300
Miscellaneous audits	479	386
Locations	153	175

Audits Completed

Type of audit	Number of audits completed	Number in progress
Headquarters	2	6
Review	2	3
Annual	14	1
School/Location	19	11
Consultancy	10	-

The systems and review audits covered high risk areas operating within the Board. The annual audits are completed each year and provide the Board with assurance on claims made by the Board including funding claims from EU and other sources, and on feeder systems to important schemes such as school enrolments and student awards. School audits covered financial and administrative systems operating within schools.

The audit work resulted in reports being sent to line managers and, for schools, to the Principal and Chairperson of the Governing Body/Board of Governors. An important element of post audit review is to ask whether internal audit met customer needs particularly in the areas of Audit Planning, Audit Field Work and Reporting.

The Section operates to Government Internal Audit Standards which are determined by HM Treasury. The section also has accreditation under ISO 9000.

Business Plan 2004/5

	Objective	Comment
1	To provide an independent and objective opinion to the Accounting Officer on risk management, control and governance	Achieved
2	Carry out audits in accordance with Annual Audit Plan	Substantially achieved
3	Contain expenditure within budget	Achieved
4	Have appropriate staff and structure	Achieved
5	Review customer satisfaction survey results	Achieved
6	Maintain external quality accreditation (ISO 9001)	Achieved

11. FINANCIAL PERFORMANCE

The Western Education and Library Board recorded an annual turnover of £318 millions for the 2004/05 financial year. The Finance Department, reporting monthly to the Finance Committee, has a crucial role in helping to manage these resources and also provides a comprehensive range of financial services including Payroll, Supplier Payments, Procurement Services, Computer Services, Budgetary Control, Accounting and Advisory Services.

Sources of Funding

The Department of Education provides the majority of Board funding (£293.7m or 92%) to enable the Board to meet the running costs of schools under arrangements for local management (LMS) and also to provide central services that include Special Education, Home-to-School Transport, School Catering and other services in support of schools. The Department of Culture, Arts & Leisure (£3.7m or 1%) funds the operational costs of the public library service and the Department for Employment and Learning (£9.1m or 3%) provides funding in support of students attending approved courses for further and higher education. In addition to the grant-aid provided by the three government departments the Board receives total income (£11.5m or 4%) from the New Opportunities Fund and European Funds and by charging for certain services such as school meals.

The Financial Position

A key strategic objective for the Board in 2004/05 remained the imperative to plan for service delivery in a way that ensured that expenditure was contained within the financial limits as notified by the three sponsoring government departments. Happily, as the accompanying charts illustrate, this objective was achieved and the Board would pay tribute to schools' management and budget-holders across all board services for the prudent and effective management of resources which has resulted in the Board again meeting its financial targets.

Financial Services

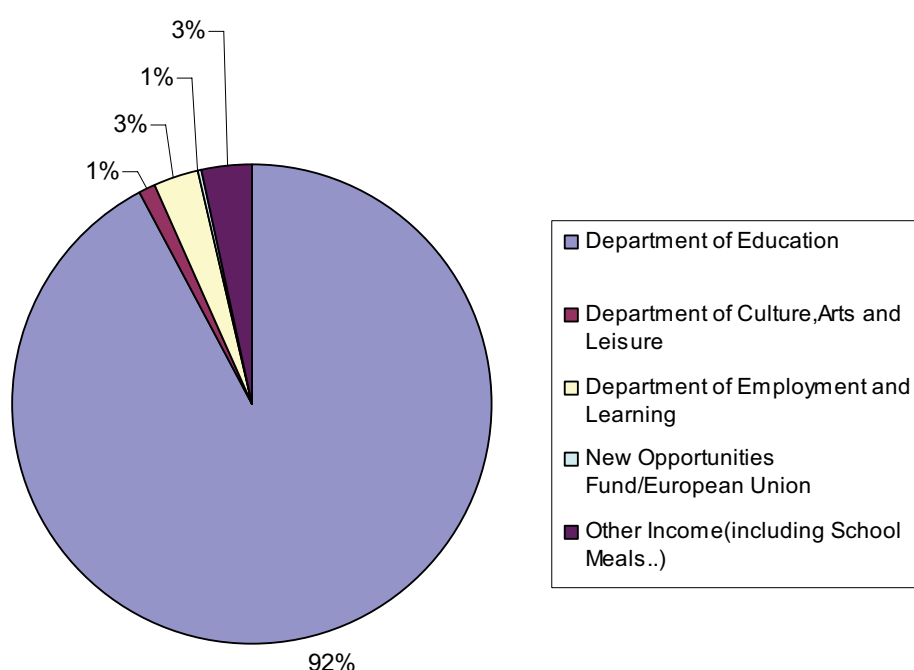
- **Payroll:** Approximately 6,200 non-teaching staff are paid directly by the Board with 102,000 payslips processed in 2004/05. Over 90% of payroll payments are now paid directly into employee bank accounts via BACS. A further 4,000 teaching staff are paid on an agency basis on the Board's behalf by the Department of Education.
- **Supplier Payments:** The Board is committed to the continuous improvement of its performance for paying trade creditors in accordance with the Better Payment Practice Code. Approximately 184,000 invoices were paid in 2004/05, of which 72% were paid within the target timescale of 30 days from the receipt of goods or services or the presentation of a valid invoice.
- **Procurement:** The Board makes contract arrangements for a wide variety of goods and services with due regard being taken of Board Standing Orders, EU Directives and other government legislation and also in the context of working in close collaboration with the other four Education and Library Boards. In 2004/05 the procurement section placed approximately 14,000 purchase orders on behalf of various central services throughout the Board, excluding schools.
- **Computer Services:** The Board's Computer Development Section is responsible for the

development, implementation and maintenance of a range of financial and administrative support systems that includes payroll processing, pupil support, equal opportunity monitoring, computer based training, the Board's website, e-mail and Internet access etc. In 2004/05 the service supported 800 desktop/laptop users throughout the Board (excluding schools) and responded to some 6,000 calls made to the section's helpdesk.

Annual Financial Accounts

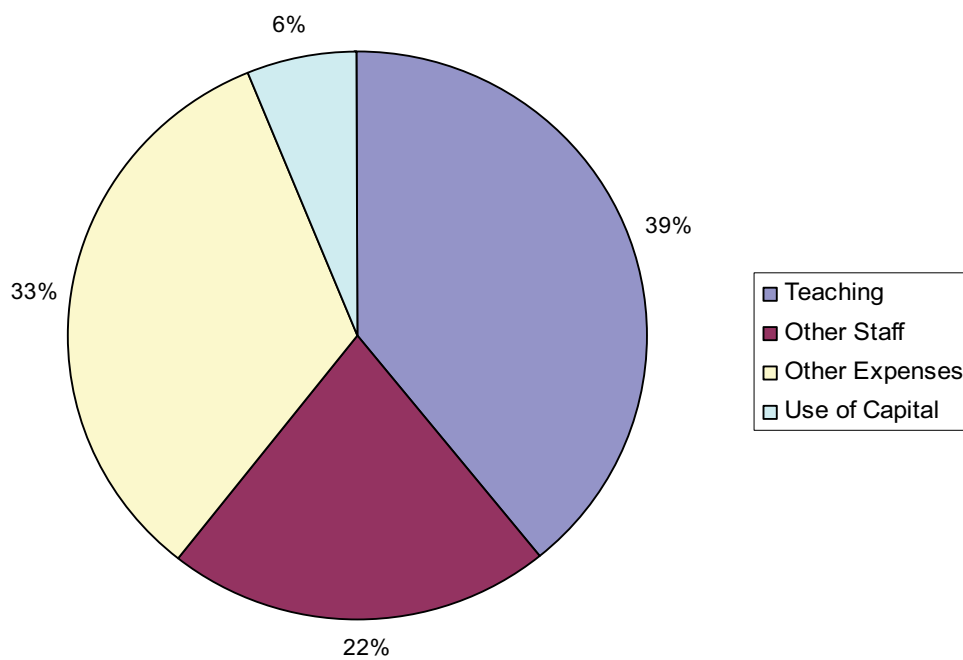
The Board was pleased to receive clear audit opinions from the Northern Ireland Audit Office in respect of the Annual Accounts for the years ended 31 March 2003, 2004 and 2005. The 2004/05 Annual Accounts are included as an addendum to this report.

Where Does the Board Receive its Income?



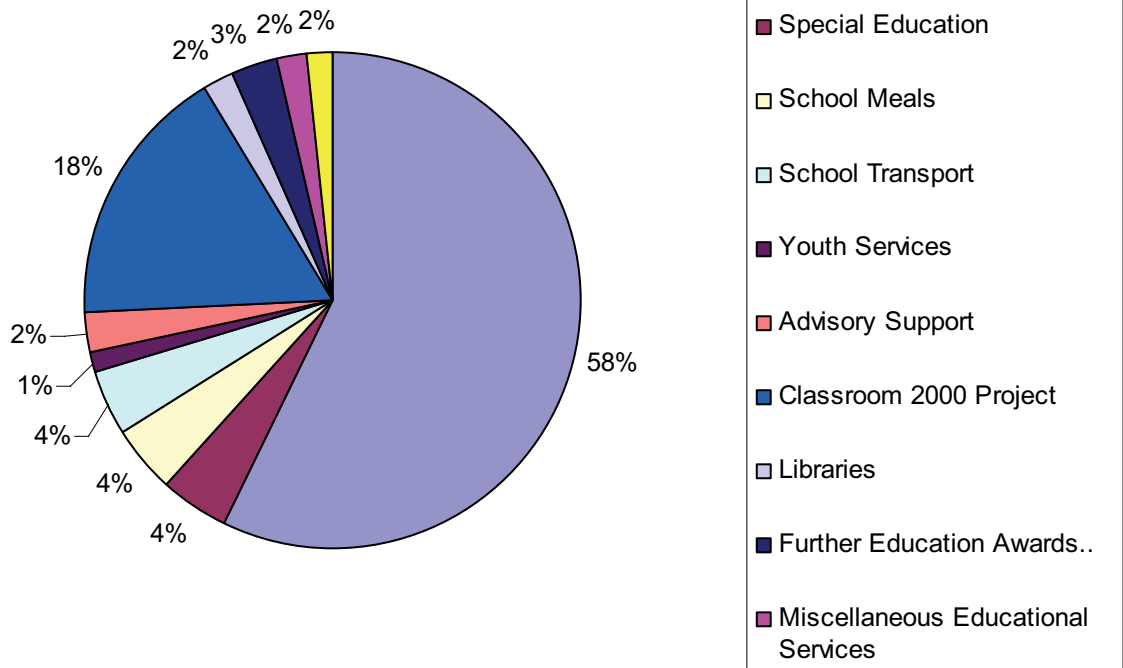
Income Source	£ms	(NOTES)
Dept. of Education	276.8	End Year Flexibility added back
Dept. of Culture, Arts & Leisure	3.7	Note 5 of Accounts
Dept. of Employment & Learning	9.1	
New Opportunities Fund / E.U.	1.6	
Other income (inc. school meals)	9.9	
TOTAL	301.1	

Where Does the Board Spend its Income?



Area	£ms	(NOTES)
Teaching	120.9	
Other Staff	69.5	Includes Provisions
Other Expenses	102.8	
Use of Capital	18.8	
	312.0	
Add back Credit in respect of Notional Costs	-8.4	
TOTAL	303.6	

How Does the Board Distribute its Money?



Service Area	£ms
Schools (Delegated and Non-Delegated)	172.6
Special Education	12.8
School Meals	13.3
School Transport	12.9
Youth Services	4.2
Advisory Support	7.0
Classroom 2000 Project	52.2
Libraries	5.9
Further Education Awards..	9.6
Miscellaneous Educational Services	5.3
Central Administration	5.2
TOTAL	301.1

12. ANNUAL ACCOUNTS FOR YEAR ENDED 31 MARCH 05

FOREWORD TO THE ACCOUNTS

1 BACKGROUND INFORMATION

The Western Education and Library Board (hereinafter referred to as the Board) is an executive non-departmental public body sponsored by the Department of Education, the Department of Culture, Arts and Leisure and the Department for Employment and Learning. The Board's principal functions are the provision of education, library and youth services to the local Council areas of Derry, Fermanagh, Limavady, Omagh and Strabane.

These accounts have been prepared in a form directed by the Departments with the consent of the Department of Finance and Personnel in accordance with Article 12 of the Education and Libraries (N.I) Order 2003. A copy of the accounts direction can be found as an annex.

2 BRIEF HISTORY

Business Review

The Board produces an Annual Report of its activities and a full report is contained therein.

Results for the Year

The results for the year of the Western Education and Library Board are set out in detail on page 47. The deficit for the year was £ 2,454,881 after charging notional costs of £ 8,391,372.

Fixed Assets

Details of the movement of fixed assets are set out in note 12 to the accounts.

The Board does not believe that there is any material difference between the market and book values of its lands and buildings.

3 FUTURE DEVELOPMENTS

(a) Education Services

Work will commence during the summer 2005 period on the construction of the new Lisneal College in Londonderry with a timetable for the new school to be ready for occupation by September 2007. Works should also commence in 2005/06 on the construction of replacement primary schools at Kesh, Killen and Burnfoot/Dungiven/Largy.

Planning work is presently proceeding apace on a Public Private Partnership project to provide five new replacement schools, namely Devenish College, Strabane Grammar School, Belmont House Special, Erne Special and Limegrove/Glasvey Special Schools. This project is currently at the stage of Outline Business Case and the indicative timetable is for the new accommodation to be available and service delivery to begin at the start of the autumn term in September 2008.

The Board has submitted a request to the Department of Education for approval to proceed with a number of schemes under the Specialist Accommodation Programme at a total estimated cost of £2.30m. If approved this will allow the Board to provide new science and/or technology accommodation at Castlederg and Limavady High Schools and at Omagh Academy, the Collegiate and Limavady Grammar Schools.

The Board will continue with a programme of improvement works to the schools' estate to overcome any physical barriers to access to premises by people with a disability.

(b) Youth Services

In January 2005 work started on the refurbishment and alterations to the former Waterside Youth Club to establish a headquarters in Londonderry for the Youth Information Service. This flagship project, which should be commissioned by September 2005, will locate a significant new service within a designated Neighbourhood Renewal area and will actively seek to involve young people from all sections of the community in promotion and training skills associated with Youth Information.

The Board has received the sum of £300k from DE in 2005/06, specifically for the purpose of addressing requirements under the Disability Discrimination Act and to meet health and safety requirements within the Youth Service

(c) Public Library Services

The Board expects to receive the necessary approvals and funding from the Department of Culture, Arts & Leisure to enable the Board to acquire a site in Dungiven for a replacement branch library. Construction of a new library for Dungiven could begin by Summer 2006.

The Board will continue to function in its present form for the foreseeable future.

4 IMPORTANT EVENTS OCCURRING AFTER THE YEAR END

There have been no significant events since the year-end, which would affect these accounts.

5 CHARITABLE DONATIONS

During the year the Board made no donations for charitable or political purposes.

6 BOARD MEMBERS

The following served as Board Members during the year:

- Mrs M Bradley
- Mrs A Brolly
- Mrs E F Brunt
- Dr J Cornyn
- Miss E M Cunningham
- Mr P D Donnelly
- Mr P Duffy
- Mrs F G Durkan
- Mr H Faulkner **Vice-Chairman**
- Mr P Flemming
- Mrs M Garfield
- Mr E S McCaffrey
- Mrs B Maguire
- Mr B McElduff
- Mr D N McElholm
- Mrs C McGill
- Ms M McLaughlin
- Miss D M McNamee
- Mr S B Morrow
- Mr J H Mullan **Chairman**
- Mr J O'Kane
- Mr T O'Reilly
- Arch C T Pringle
- Mr D Rainey
- Mr W D Reilly
- Mr S Shields
- Mr E Stevenson
- Mrs E Waterson

7 DISABLED EMPLOYEES

The Board actively encourages applications for employment from disabled persons where the requirements of the job may be adequately performed by a disabled person.

Where existing employees become disabled it is the Board's policy wherever possible to provide continuous employment under normal terms and conditions and to provide training and career development and promotion where appropriate.

8 PAYMENT TO SUPPLIERS

Public Sector Payment Policy – Measure of compliance:

The Government requires that the Board pays its trade creditors in accordance with the Better Payment Practice Code and Government Accounting Rules. The Board's payment policy is consistent with the Better Payment Practice Code and Government Accounting Rules and unless otherwise stated in the contract, payment is due within 30 days of the receipt of the goods and services, or presentation of a valid invoice or similar demand, whichever is later. The measure of compliance is:

	Based on Invoice Date	
	Number	£000s
Total bills paid	183,668	129,192
Total bills paid within target	131,396	92,424
% of bills paid within target	71.54%	

9 EMPLOYEE INVOLVEMENT

During the year the policy of providing employees with information about the Board has been continued through regular distribution of circulars. Regular meetings are held between staff at different levels to allow a free flow of information and ideas.

10 COMPANY DIRECTORSHIPS AND OTHER SIGNIFICANT INTERESTS

A register of member's interests is available and can be inspected on application to the Chief Executive's office.

11 AUDITOR DETAILS

The Principal Auditor is the Northern Ireland Audit Office, 106 University Street, Belfast, BT7 1EU.

COST OF AUDIT	£000
Audit Services (notional cost)	37
Further Assurance Services	-
Tax Services	-
Other Services	-

The services provided relate to the statutory audit of financial statements.

There were no non-audit services provided by the Principal Auditor.

Chairman: *Dominic McElholm*

Date: 15 December 2005

Chief Executive: *Barry Mulholland*

Date: 15 December 2005.

STATEMENT ON INTERNAL CONTROL 2004/2005

1 Scope of Responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Board policies, aims and objectives, whilst safeguarding the public funds and Board assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting Northern Ireland.

I provide assurance in respect of expenditure incurred by the Board on programmes and schemes funded by the Department of Employment and Learning and in respect of the Board's adjudication on entitlement to student loans and awards. In addition, audit certifications have been issued as required in respect of entitlement to student loans and awards.

I am responsible for maintaining administrative structures which enable the Board to discharge its statutory duties which takes into account working with the Boards sponsoring Departments, other education and library boards and education, youth and library partners. The achievement of these responsibilities is discussed at regular Accountability Review meetings with the Permanent Secretary of the Department of Education and arrangements are in place to hold Accountability Review meetings with the Department for Employment and Learning and the Department of Culture, Arts and Leisure as required. On these occasions I normally accompany the chairman of the Board.

2 The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to:-

- Identify and prioritise the risks to the achievement of Board policies, aims and objectives
- evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control for the year ended 31 March 2005 and up to the date of approval of the annual report and accounts, and accords with DFP guidance.

3 Capacity to Handle Risk

Leadership has been given to the risk management process by senior management ensuring that all services managers review and evaluate their key risks and controls on a regular basis.

The Board has a Risk Management Strategy and Policy which are developed by the Risk Management Group and are endorsed by the Chief Executive and the Audit Committee. These documents specify the risk management process within the Board and set out the roles and responsibilities of officers and members

Internal Audit have provided assistance and written guidance to all service managers concerning the evaluation of risks and the completion of the required documentation.

4 The Risk and Control Framework

The Risk Management Strategy for the WELB details a formal process for identifying, assessing, managing and monitoring risks faced by the Board, including a prioritisation methodology based on risk ranking of impact and likelihood.

Each service manager is responsible for:

- identifying risks for their service
- evaluating these risks in terms of impact and likelihood; and
- establishing an adequate control mechanism, commensurate with the perceived level of risk

This information is forwarded to the relevant Head of Department who determines whether the relationship between risk and control is appropriate. These risks are then incorporated into the Board risk register.

Risk management is also a feature within the corporate and business planning process. The senior management team have considered the Board's objectives as detailed in the corporate plan and from these have identified corporate risks. Business managers, when completing their annual business plan, consider the risk impact of any proposed actions.

Risk appetite is considered low when factors such as health and safety, delivery of major projects, government targets, budgetary control and fraud are involved.

5 Review of Effectiveness

As Accounting Officer, I also have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the heads of department who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board and the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Board, through its committees, maintains and reviews the system of internal control within the business divisions by continually monitoring the service being provided to customers to ensure it meets objectives set in the respective divisional Business Plans. Updates on Business Plans are provided to relevant committees on a termly basis. The Chairperson of the Audit Committee reports to the Board as a whole on audit activity including risk management on a regular basis.

The Board has reviewed its position in relation to the recommendations emanating from the Jack Report into the Financial Management Arrangements within BELB and SEELB. The general view, however, is that while Board officers have identified a number of areas for improvement, it is reassuring to note that current arrangements within the Western Education and Library Board appear, in the main, to address the Jack Recommendations.

The Board via the Audit Committee receive periodic reports concerning internal control. There is a minimum of four Audit Committee meetings a year. Representatives of the Northern Ireland Audit Office (NIAO) also attend the meetings and outline for the Committee

their main findings and recommendations from their audits of the annual accounts and value for money reviews. The Board has an Internal Audit Branch, which operates to the Government Internal Audit Standards defined by HM Treasury. Internal Audit submits regular reports to the Audit Committee, including the head of internal audit's opinion on the adequacy and effectiveness of the Board's system of internal control.

6 Significant Internal Control Problems

As Accounting Officer I am responsible for expenditure, targets and controls concerning all activities within the WELB. However the level of direct authority or control that I have with regard to the Board's role in managing teacher absence and the planning and development of the school estate (including PPP Projects) is limited to those schools where the Board is the employing authority, i.e. the controlled sector.

During 2003/04 a review of principals and vice principals pay flexibilities identified a number of control weaknesses. The Chief Executives of the five Boards agreed a revised control framework which was forwarded to the Department of Education (DE) which is responsible for the payment of teachers' salaries. To date the concerns expressed by the Chief Executives are still being considered by DE.

An audit by DE internal audit on the Teachers Payroll Branch has identified a number of concerns which mean they are unable to provide the WELB with a level of assurance that would be considered reasonable given the importance of this system.

The Boards computerised financial systems do not easily facilitate in year completion of accounts on an accruals basis leading to an increased risk of budget overspend due to in year revenue budget monitoring on a cash basis. Monthly management information, therefore, is based on cash expenditure adjusted for known accruals (e.g. Job Evaluation Arrears, Pay Awards Outstanding, Prepayments). The Boards is currently investigating methods of improving the capture of accruals utilising IT, and it is proposed by Chief Finance Officers that this be taken forward through a project on e-procurement.

The current timescale for informing Boards of their initial allocation creates difficulties in ensuring that corporate planning priorities adequately reflect the actual resources available to the Board. This delay also has implications for the timescale of the Board in setting budgets for the year and the availability of accurate budgetary information at the beginning of the financial year. The Chief Finance Officers have suggested to colleagues in the Department of Education that a Financial Planning Forum be established in order to ensure maximum involvement in and awareness of the all parties in forecasting the financial resources likely to be made available and the consequences on planning priorities.

The Board's non teaching employees belong to the Northern Ireland Local Government Officers Superannuation Scheme (NILGOSC). The latest actuarial valuation at 31 March 2004 identified a shortfall of £392m and although employer contribution rates will increase from the current level of 4.6% to 13% by 2007/08 these increases will not recover any part of this deficit. Recovery is therefore delayed until the next three year actuarial cycle when a target rate of 17.3% is currently anticipated, although this will be recalculated and confirmed at the next valuation.

Barry Mulholland
Accounting Officer

Date: 15 December 2005

Statement of the Board and Chief Executive's Responsibilities

Under Article 12 of the Education and Libraries (N.I) Order 2003 the Board is required to prepare a statement of accounts in the form and on the basis directed by the Departments with the consent of the Department of Finance and Personnel.

The accounts are prepared on an accruals basis and must give a true and fair view of the Board's state of affairs at the year end and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts the Board is required to:

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

The Accounting Officers of the Departments have designated the Chief Executive of the Board as the Accounting Officer for the Board. The Chief Executive's relevant responsibilities as Accounting Officer, including responsibility for the propriety and regularity of the public finances and for the keeping of proper records, are set out in the non-departmental public bodies Accounting Officers Memorandum, issued by the Department of Finance and Personnel.

Barry Mulholland
Accounting Officer

Date: 15 December 2005

The Certificate of the Comptroller and Auditor General to the House of Commons and the Northern Ireland Assembly

I certify that I have audited the financial statements on pages 47 to 74 under the Education and Libraries (NI) Order 2003. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 51 to 55.

Respective responsibilities of the Accounting Officer and Auditor

As described on page 44 the Board and Chief Executive are responsible for the preparation of the financial statements in accordance with the Education and Libraries (NI) Order 2003 and the Department of Education's directions made thereunder and for ensuring the regularity of financial transactions. The Board and Chief Executive are also responsible for the other contents of the Accounts. My responsibilities, as independent auditor, are established by statute and I have regard to the standards and guidance issued by the Auditing Practices Board and the ethical guidance applicable to the auditing profession.

I report in my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Education and Libraries (NI) Order 2003 and the Department of Education's directions made thereunder, and whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. I also report if, in my opinion, the Annual Report is not consistent with the financial statements, if the Board has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I read the other information contained in the Accounts, and consider whether it is consistent with the audited financial statements. I consider the implications for my certificate if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

I review whether the statement on pages 41 to 43 reflects the Board's compliance with the Department of Finance and personnel's guidance on the Statement on Internal Control. I report if it does not meet the requirements specified by the Department of Finance and Personnel, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered whether the Accounting Officer's Statement on Internal Control covers all risks and controls. I am also not required to form an opinion on the effectiveness of the Boards corporate governance procedures or its risk and control procedures.

Basis of audit opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Board's circumstances, consistently applied and adequately disclosed.

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

Opinion

In my opinion:

- the financial statements give a true and fair view of the state of affairs of the Western Education and Library Board at 31 March 2005 and of the deficit, total recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the Education and Libraries (NI) Order 2003 and directions made thereunder by the Department of Education; and
- in all material respects the expenditure and income have been applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them

**J M Dowdall CB
Comptroller and Auditor General
30 March 2006**

**Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU**

WESTERN EDUCATION AND LIBRARY BOARD

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

Income	Notes	2005 £000s	2004 £000s
Grant from Departments	2	289,632	259,653
Other grant income	3	1,573	1,291
Other operating income	4	9,889	9,686
Total Income		301,094	270,630
Staff costs	6 & 7	190,347	183,009
Depreciation	12	10,417	6,605
Other operating expenses	8 & 11	102,785	80,567
Notional costs	9	8,391	7,598
Total Expenditure		311,940	277,779
(Deficit) for the year		(10,846)	(7,149)
Credit in respect of notional costs	9	8,391	7,598
Amount Transferred to Reserves	20	(2,455)	449

All amounts above relate to continuing activities.

The notes on pages 51 to 74 form part of these accounts.

WESTERN EDUCATION AND LIBRARY BOARD

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED
31 MARCH 2005**

	Notes	2005 £000s	2004 £000s
Surplus/(Deficit) for the year		(10,846)	(7,149)
Net surplus/(deficit) on revaluation of fixed assets	21	22,224	9,864
Backlog Depreciation	21	(1,393)	(474)
Total recognised gains (losses) for the year		9,985	2,241

The notes on pages 51 to 74 form part of these accounts.

WESTERN EDUCATION AND LIBRARY BOARD

BALANCE SHEET AS AT 31 MARCH 2005

	Notes	2005 £000s	2004 £000s
Fixed Assets			
Tangible Assets	12	249,887	217,954
Current Assets			
Stocks	13	252	233
Debtors	14	32,425	56,348
Cash at bank and in hand	23(vi)	(2,951)	(6,200)
		<u>29,726</u>	<u>50,381</u>
Current Liabilities			
Creditors: amounts falling due within one year	15	<u>16,442</u>	<u>19,689</u>
Net Current Assets		13,284	30,692
Total Assets less Current Liabilities		263,171	248,646
Creditors: amounts falling due after more than one year	16	-	-
Provisions for Liabilities and Charges	18	5,499	2,808
Deferred Income	19	12,855	30,411
Net Assets		<u>244,817</u>	<u>215,427</u>
Reserves			
Income and Expenditure Reserve	20	(10,046)	(7,950)
Other Reserves	21	<u>254,863</u>	<u>223,377</u>
		<u>244,817</u>	<u>215,427</u>

The Financial Statements on page 47-74 were approved by the Board on 14 December 2005 and were signed on its behalf by:

Chairman: Dominic McElholm Date: 15 December 2005

Chief Executive: Barry Mulholland Date: 15 December 2005

The notes on pages 51 to 74 form part of these accounts.

WESTERN EDUCATION AND LIBRARY BOARD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2005 £000s	2004 £000s
Net cash (outflow)/inflow from operating activities	23 (i)	3,266	(8,107)
Returns on investments and servicing of finance	23 (ii)	71	48
Capital expenditure and financial investment	23 (iii)	<u>(88)</u>	<u>172</u>
Net cash (outflow)/inflow before financing		3,249	(7,887)
Financing	23 (iv)	-	-
Increase/(decrease) in Cash		<u>3,249</u>	<u>(7,887)</u>

The notes on pages 51 to 74 form part of these accounts.

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

1. STATEMENT OF ACCOUNTING POLICIES

1.1 *Accounting Convention*

These financial statements have been prepared in accordance with the Accounts Direction issued by the Departments on 22 July 2004 and in accordance with applicable Accounting Standards under the modified historical cost convention.

Without limiting the information given the financial statements comply with the accounting and disclosure requirements of the Companies (Northern Ireland) Order 1986, the accounting standards issued or adopted by the Accounting Standards Board and accounting and disclosure requirements issued by the Department of Finance and Personnel, insofar as those requirements are appropriate.

1.2 *Recognition of Income*

The final approved resource allocation (recurrent) from the Department of Education is included in the income and expenditure account to the extent of matching the relevant expenditure incurred during the period. Where expenditure incurred exceeds/is less than cash received a Departmental debtor/creditor is created. Where expenditure incurred is less than the final approved resource allocation (recurrent) a funding commitment is disclosed. However, reference should be made to note 5 for further detail.

The annual recurrent allocations from the Department of Culture, Arts and Leisure, the Department for Employment and Learning and the Department of Health and Social Services and Public Safety are intended to meet recurrent costs, which are credited to the income and expenditure account.

Income from other grants received for specific purposes, that is, restricted income, are included in the income and expenditure account to the extent of matching the relevant expenditure incurred during the period. Restricted income received but not matched to relevant expenditure during the period is shown as deferred income on the balance sheet.

Income from services rendered is included to the extent of the completion of the contract or service concerned. All income from short-term deposits is credited to the income and expenditure account in the period in which it is earned.

1.3 *Foreign Currency Transactions*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the end of the financial period with all resulting exchange differences being taken to the income and expenditure account in the period in which they arise.

1.4 *Taxation*

The Board is exempt from corporation tax on income it receives.

Items in the Income and Expenditure account are net of recoverable VAT.

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

1. STATEMENT OF ACCOUNTING POLICIES (cont'd...)

1.5 Fixed Assets

All spending on a fixed asset which yields a benefit for a period of more than one year, is treated as capital expenditure in the accounts. This excludes expenditure on repairs and maintenance of fixed assets which only maintains the value of the asset.

1.5.1 Land and Buildings

All land and buildings are capitalised and stated in the balance sheet at valuation on the basis of depreciated replacement cost. The 5 boards have agreed a 5 year rolling programme of full valuations with the Valuation and Lands Agency (VLA). Full valuations are made by the Valuation and Lands Agency (VLA) every five years and in the intervening years these valuations are updated by the VLA using appropriate indices. Land and buildings acquired during the year are included in the balance sheet. Completed building projects will be capitalised but not depreciated until commissioned. On going building projects are categorised as assets in the course of construction and shown separately. Project costs capitalised include design and related fees as well as construction costs. Where land and buildings are acquired with the aid of specific grants they are capitalised and depreciated as above. The related grants are credited to a Government Grant Reserve and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis which is consistent with the depreciation policy.

1.5.2 Maintained Schools

Land and buildings shown in the financial statements do not include any maintained schools, the assets of which belong to their trustees. The Board, however, is responsible for buildings and grounds maintenance at these schools, as well as providing them with certain other services and with 100% funding for general running costs under LMS. These costs are reflected in the Board's Income and Expenditure Account.

1.5.3 Donated Assets

Donated tangible fixed assets are capitalised at their valuation on receipt. This value is credited to the donated asset reserve. Subsequent re-valuations are also taken to this reserve. Each year an amount equal to the depreciation charge on the asset is released from the donated asset reserve to the Income and Expenditure Account.

1.5.4 Assets other than Land and Buildings

Assets other than land and buildings costing less than £3,000 per individual item are written off to the income and expenditure account in the period of acquisition. Assets are valued each year using appropriate indices or professional valuations.

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

1. STATEMENT OF ACCOUNTING POLICIES (cont'd...)

1.5.5 Depreciation

Depreciation is provided for all fixed assets with a finite useful life, by allocating the cost (or revalued amount) less estimated residual value of the assets as fairly as possible to the periods expected to benefit from their use. Useful lives are estimated on a realistic basis, reviewed annually and adjusted prospectively over the revised economic life where appropriate.

All assets are depreciated on a straight line basis over their expected useful lives. A full month's depreciation is charged in the period of acquisition/commissioning and no depreciation is charged in the month of disposal. Assets in the course of construction are not depreciated until brought into use. Depreciation will not normally be provided for on freehold land unless subject to depletion or on assets which are identified as surplus to requirements and held pending disposal.

Capitalised assets are depreciated over their useful economic lives. The following useful economic lives should, where necessary, be used as approximations to the levels estimated annually.

Asset Class	Asset Sub-Class	Asset Life
Lands	Land	Not Depreciated
Buildings	Permanent Buildings	50 years
	Temporary Buildings	15 years
Computers	Hardware and Software	3 years
Plant and Equipment	Reprographics	7 years
	Machinery	15 years
	Music	10 years
	Grounds Maintenance	7 years
	General and Other	10 years
	Cleaning	7 years
Vehicles	Small Mini-buses	5 years
	33 Seater mini-buses	10 years
	> 33 Seater Mini-buses	14 years
	Vans	5 years
	Grounds Maintenance	7 years
	Mobile Libraries	10 years
	Cars	4 years
Miscellaneous	Library Books – Books and collections	Not Depreciated

Where these assets are acquired with the aid of specific grants the asset is capitalised and depreciated in accordance with the above policy, with the related grant being credited to a Government Grant Reserve and released to the income and expenditure account over the expected useful economic life of the related asset.

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

1. STATEMENT OF ACCOUNTING POLICIES (cont'd...)

1.6 *Stocks*

It is policy to carry stock for the meals service, vehicle maintenance and central depots.

Stocks are stated at the lower of current replacement cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks.

1.7 *Pension Scheme*

The Board's employees belong to two principal schemes, the Teachers' Superannuation Scheme (TSS) and the Northern Ireland Local Government Officer's Superannuation Committee Scheme (NILGOSC).

The Teachers' Superannuation Scheme is a contributory scheme administered by the Department of Education. The conditions of the Superannuation (NI) Order 1972, the Teachers' Superannuation Regulations (NI) 1977 and subsequent amendments apply to the scheme. The scheme is presently notionally funded. The rate of the employer's contribution is determined from time to time by the Government actuary and advised by the Department of Finance and Personnel. The scheme is administered by the Department of Education, Balloo Road, Bangor.

The Northern Ireland Local Government Officers' Superannuation Committee Scheme is of the defined benefits type, the assets of the schemes being held in separate trustee administered funds. The Board's contribution to the Northern Ireland Local Government Pension Scheme is determined by the fund's actuary based on a triennial Valuation. The scheme is administered by NILGOSC, Holywood Road, Belfast.

The pension costs are assessed in accordance with the advice of independent qualified actuaries using the projected unit method.

1.8 *Nature of substantial reserves*

- The **Income and Expenditure Reserve** balance represents the surplus of revenue income over expenditure. It can be used to supplement income in future years.

Other Reserves

- The Schools Reserve is the cumulative unspent portion of schools' locally administered budgets. These were set up under the Local Management in Schools arrangements required by the Education Reform Northern Ireland Order 1989.
- The Grant Reserve represents the surplus of grant income over expenditure.
- The Donated Asset Reserve and Revaluation Reserve will depend on the application of the accounting guidance for Non Departmental Public Bodies.

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

1. STATEMENT OF ACCOUNTING POLICIES (cont'd...)

- The Government Grant Reserve represents the movement of fixed assets in line with the accounting guidance for Non Departmental Public Bodies.
- The General Reserve represents the proceeds of the sale of non-property assets, in line with the accounting guidance for Non Departmental Public Bodies.
- The Special Book Reserve represents the valuation of the special library book collection.

1.9 *Finance and Operating Leases*

Operating lease rentals are charged to the Income and Expenditure account in equal annual amounts over the lease term. Leasing agreements which transfer to the Board substantially all benefits and risks of ownership of an asset, are treated as if the asset had been purchased outright.

The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against income in proportion to the reducing capital element outstanding. Assets held under finance lease are depreciated over the useful lives of equivalent owned assets.

1.10 *Private Finance Initiative*

The Board follows HM Treasury's "Technical Note 1 (Revised) How to Account for PFI Transactions" which provides guidance for the application of the FRS 5 Amendment.

The Western Education and Library Board has responsibility on behalf of all five Boards for the Classroom 2000 Project. This is a PFI scheme, the purpose of which is to design, develop and operate an ICT infrastructure to support the curriculum, management and information needs of the major bodies within the Education Service in Northern Ireland.

The North Eastern Education and Library Board has responsibility on behalf of all five Boards for the Electronic Libraries for Northern Ireland (ELFNI) Project. This is a PFI Scheme, the purpose of which is to deliver public access to electronic information through the public library network.

The South Eastern Education and Library Board has responsibility on behalf of all 5 Boards for the Board's Oracle Financial IT system. This is a PFI scheme, the purpose of which is to provide an IT system to support the financial and management needs of the Boards in light of the requirements of Resource Accounting.

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

2. GRANT FROM DEPARTMENTS

DEPARTMENT OF EDUCATION, DEPARTMENT OF CULTURE, ARTS AND LEISURE AND DEPARTMENT FOR EMPLOYMENT AND LEARNING

	2005 £000s	2004 £000s
<i>Recurrent Grant</i>		
- Grant-in-Aid	269,556	244,730
- Higher Education Bursaries	6,351	5,639
- Mandatory Awards	549	595
- Premature Retirement Compensation Pensions	1,452	1,243
- Premature Retirement Compensation Lump Sums	650	397
- Release of Government Grant Reserve	10,751	6,746
	289,309	259,350
DEPARTMENT OF HEALTH, SOCIAL SERVICES AND PUBLIC SAFETY		
<i>Recurrent Grant</i>		
- Mandatory Awards	323	303
	289,632	259,653

3. OTHER GRANT INCOME

	2005 £000s	2004 £000s
European Funds	894	495
New Opportunities Fund	678	705
Other Funds	1	91
	1,573	1,291

4. OTHER OPERATING INCOME

	2005 £000s	2004 £000s
Catering operations	6,309	6,099
Other income generating activities	833	686
Interest Receivable	92	68
Miscellaneous	2,655	2,833
	9,889	9,686

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

5. FUNDING COMMITMENT / END YEAR FLEXIBILITY

The following funding commitment or end year flexibility from the Department has not been accrued as income:

	2005 £000s	2004 £000s
Amount of Grant formally committed:		
Department of Education	8,467	7,491

The funding commitment or end year flexibility represents a guaranteed resource which will be added to the Board's approved spending limit in the next financial year. In establishing whether the Board has achieved financial targets set, this funding commitment or end year flexibility is added to the non asset reserves and provisions as reported in these accounts.

6. STAFF COSTS

The average number of persons (including Senior Post-holders) employed by the Board during the year are as follows:-

Staff costs:

	2005 £000s	2004 £000s
<i>Teaching</i>		
Wages and Salaries	101,947	99,561
Social Security Costs	8,419	7,966
Pension Costs	7,037	7,524
Other Employee Expenses	3,488	2,554
	120,891	117,605
<i>Non-Teaching (including Board Members)</i>		
Wages and Salaries	62,743	59,497
Social Security Costs	3,885	3,492
Pension Costs	2,255	2,017
Other Employee Expenses	573	398
	69,456	65,404
	190,347	183,009

Average staff numbers:

	2005 Number	2004 Number
Teaching	4,003	3,960
Non-Teaching	6,158	6,019
TOTAL	10,161	9,979

NDPB Guidance requires detailed disclosure in respect of full time equivalents, staff on secondment or loan as well as agency, temporary and contract staff. It is expected that full disclosure will be made after full implementation of the new Payroll/Human Resource systems in the Boards and Department of Education.

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

7. EMOLUMENTS OF SENIOR POST HOLDERS AND MEMBERS

	Salary inc benefits in kind 2005	Salary inc benefits in kind 2004	Real inc in pension at 65	Total accrued pension at 65 at 31/03/05 (note b)	Value of cash equivalent transfer value at 01/04/04	Value of cash equivalent transfer value at 31/03/05	Real increase in cash equivalent transfer value during year
	£	£	£	£	£	£	£
Mr B Mulholland <i>Chief Executive</i>	81,980	6,832	4,403	23,596	247,198	322,998	69,590
Mrs S McCaul <i>Head of Curriculum Services</i>	68,123	68,123	789	32,182	579,693	583,202	3,399
Mr O Harkin <i>Chief Finance Officer</i>	57,933	14,483	355	11,564	113,572	125,154	8,640
Mr J A Stewart <i>Director of Services- C2k</i>	63,797	63,797	739	26,491	441,024	460,267	16,228
Mr R Beattie <i>Central Support Manager-C2k</i>	64,038	63,980	766	27,244	444,114	467,501	16,440
Mr S A Rainey <i>Head of Services</i>	63,797	63,797	739	27,933	476,648	500,447	17,052
Ms H Osborn <i>Chief Librarian</i>	62,355	62,355	662	3,413	29,564	39,194	8,884

Notes

a Where the requirements of a post include the use of a car, the Board offers a loan. Interest is payable at 4.45% on the initial amount of capital borrowed. Repayments of capital and interest are deducted from pay on a monthly basis.

There is 1 (2004: 1) loan(s) outstanding at the year-end to Senior Postholders amounting to £3,115 (2004: £5,989).

b For each of these members of the NILGOSC Pension Scheme, a lump sum equal to 3 times the total Accrued Pension at 31 March 2005 is also payable on retirement.

The total emoluments (incl. honoraria) of the Chairman for the year ended 31 March 2005 were £12,395

The highest payment for any other Board member was £7,189

The aggregate amount of Board members emoluments was £47,628

No members waived emoluments. However, 6 members made no claim for emoluments during the year.

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

7. EMOLUMENTS OF SENIOR POST HOLDERS AND MEMBERS (cont'd)

The number of Board members who received emoluments falling within the range below:

	2005 Number	2004 Number
Nil	6	9
£1 - £4,999	27	24
£5,000 - £5,999	-	-
£6,000 - £6,999	-	-
£7,000 - £7,999	1	1
£8,000 - £8,999	-	-
£9,000 - £9,999	-	-
£10,000 - £10,999	-	1
£11,000 - £11,999	-	-
£12,000 - £12,999	1	-

8. OTHER OPERATING EXPENSES

DEPARTMENTS	2005 £000s	2004 £000s
Premises, Fixed Plant & Grounds	10,807	11,170
Supplies & Services	66,319	45,359
Transport	10,949	9,986
Establishment	3,025	2,889
Grants to Persons/Bodies	9,031	8,437
Permanent Impairment of Fixed Assets	-	-
Profit/(Loss) on disposal of Fixed Assets	334	141
Miscellaneous	1,997	2,215
	102,462	80,197
DEPARTMENT OF HEALTH AND SOCIAL SERVICES AND PUBLIC SAFETY		
Grants to Persons/Bodies	323	370
	102,785	80,567

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

8. OTHER OPERATING EXPENSES (Cont...)

Other operating expenses include:

	2005 £000s	2004 £000s
Operating leases - hire of plant and machinery	98	111
Operating leases - property	-	-
Hospitality	3	11
P.F.I	-	-
	101	122

9. NOTIONAL COSTS

	2005 £000s	2004 £000s
Auditors Remuneration	37	37
Valuation and Land Agency	-	-
Teachers Payroll	300	292
Use of Capital*	8,054	7,269
	8,391	7,598

* The Board bases the cost of capital calculation on total assets less total liabilities. The cost of capital percentage for the year ended 31 March 2005 is 3.5% (31 March 2004: 3.5%).

10. INTER BOARD TRADING

During the year the Board earned £NIL from the selling of services and purchased £NIL of services from the other Boards.

11. INTEREST PAYABLE

	2005 £000s	2004 £000s
On Finance Leases	0	0
Other	21	20
	21	20

These expenses are included in other operating expenses.

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

12. TANGIBLE FIXED ASSETS

	Land & Buildings	Vehicles	Computers	Plant, Equipment & Miscellaneous	Assets in Course of Construction	Total
	£000s	£000s	£000s	£000s	£000s	£000s
*Cost or Valuation						
At 1 April 2004	208,415	10,879	618	4,711	5,039	229,662
Additions	7,410	0	108	1,138	13,497	22,153
Asset Transfer	7,909	1,766	-	-	(9,675)	-
Disposals	(559)	(247)	-	(18)	-	(824)
Revaluation	21,959	159	(18)	124	-	22,224
Permanent Impairment of value	(4,030)	-	-	-	-	(4,030)
*At 31 March 2005	241,104	12,557	708	5,955	8,861	269,185
Depreciation						
At 1 April 2004	5,443	4,518	374	1,373	-	11,708
Disposals	(28)	(198)	-	(15)	-	(241)
Backlog Depreciation	1,288	82	(18)	41	-	1,393
Charge for period	5,890	1,053	134	320	-	7,397
Deficit on Revaluation	(737)	(14)	5	-	-	(746)
Revaluation	(213)	-	-	-	-	(213)
At 31 March 2005	11,643	5,441	495	1,719	0	19,298
Net Book value at 31 March 2005	229,461	7,116	213	4,236	8,861	249,887
Net Book value at 1 April 2004	202,972	6,361	244	3,338	5,039	217,954

The Valuation and Lands Agency undertook a complete independent revaluation of all land and buildings as at 31 March 2003 on a depreciated replacement cost basis. The valuations as at 31 March 2005 were by way of approved government indices.

Should fixed assets be sold, proceeds from the sale can only be retained with the approval of the Departments and otherwise must be surrendered to the Departments.

The net book value of tangible fixed assets includes an amount of £2,251,620 (2004: £2,037,362) in respect of assets held in Reversionary Trusts i.e. if properties cease to be used as specified in the deeds they will revert to the ownership of the trustees.

As described in note 1.5.2, the amount of land and buildings noted does not include voluntary maintained schools. In 2004/2005 there were 143 such schools in the Board's area.

Fixed assets include £1,497,057 in relation to a special collection of library books which were originally valued by Mr Jack Gamble FRGS of Emerald Isle Books, 539 Antrim Road, Belfast on 9 May 2000. The library books have been valued on an open market existing use basis and have not been depreciated. The next revaluation was due to be carried out at 31 March 2005, but has not yet been completed. Therefore we have included the valuations uprated by indexation. A full revaluation is being sought for 31 March 2006.

The net book value of tangible fixed assets includes an amount of £nil (2004: £nil) in respect of assets held under finance leases.

The depreciation charge for the period is analysed as follows:

	2005 £000s	2004 £000s
Owned assets	7,397	6,904
Assets held under finance leases and hire purchase arrangements	-	-
Deficit on revaluation	3,020	(299)
	10,417	6,605

13. STOCK

	2005 £000s	2004 £000s
Catering	96	93
Maintenance and central depots	156	140
	252	233

14. DEBTORS:

AMOUNTS FALLING DUE WITHIN ONE YEAR	2005 £000s	2004 £000s
Trade debtors	907	771
Amount owed by Boards	16	95
Prepayments and accrued income	11,587	34,088
Recoverable VAT	3,985	6,314
Amounts owed by Departments	0	0
Other	296	0
	16,791	41,268

AMOUNTS FALLING DUE AFTER MORE THAN ONE		
Trade debtors	194	227
Prepayments	15,378	14.853
Other	62	0
	15,634	15.080
Total	32,425	56.348

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005 £000s	2004 £000s
Trade Creditors	5,772	4,742
Obligations under finance leases	0	0
Amount owed to Boards	231	255
Other taxation and social security	1,219	1,187
Accruals	8,451	12,836
Other Creditors	769	669
	16,442	19,689

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2005 £000s	2004 £000s
Obligations under finance leases	-	-
PFI Commitment	-	-
	-	-

17. ANALYSIS OF BORROWINGS OF THE BOARD: FINANCE LEASES

The net finance lease obligations to which the Board is committed are:

	2005 £000s	2004 £000s
In one year or less	-	-
Between one and two years	-	-
Between two and five years	-	-
Over five years	-	-
	-	-

18. PROVISIONS FOR LIABILITIES AND CHARGES

	Employer & Public Liability Claims £000s	Pensions £000s	Job Evaluations £000s	Total £000s
At 1 April 2004	856	1,705	247	2,808
Provided in the year	295	191	2,739	3,225
Provisions not required written back	-	-	-	-
Provisions utilised in the year	(325)	(138)	(71)	(534)
Unwinding of discount	-	-	-	-
At 31 March 2005	826	1,758	2,915	5,499

Premature Retirement for Teachers

As directed by the Department of Education, with the consent of the Department of Finance and Personnel a provision has not been included in Board accounts for future liabilities in respect of existing teacher premature retirement cases. It is agreed that any assessment of future financial liabilities in this regard should be reflected in the Teacher's Superannuation Account (part of the Departmental Accounting structure). The in-year charge in respect of such cases as well as requisite employer superannuation contributions is charged to the Board's income and expenditure account. In that respect the number of teacher Premature retirement compensation cases is as follows:

	No.
2004/05	88
Cumulative	1,029

Employer and Public Liability Claims

These are claims against the board submitted by members of staff and or the public in relation to accidents or incidents which have happened before the balance sheet date. Claims which are not considered dormant or statute barred by the passage of time since being lodged, but have progressed sufficiently to allow an estimated "settlement" figure to be calculated, are included in the provision. Estimates are calculated by reference to; analysis of previous claims of a similar type, the previous history of successful settlements and professional judgement.

The possible timing of payments in settlement of such cases is uncertain; it is plaintiff driven and the case's progress is dependant on the individual circumstances of that case. As a case progresses and more information becomes available the amount of the estimated "settlement" figure may in subsequent years be revised up or down.

Pension Provision

This provision refers to previous employees of the board who have retired and are in receipt of current pension benefits augmented by compensatory added years of pensionable service. The provision is calculated by reference to their current age at the balance sheet date, an actuarial indexation factor which anticipates future life expectancy, and the actual current pension being paid in the current year. The product of this calculation is an estimate of the future liability of the board in respect of these former employees. Payments in relation to this provision will be ongoing on a monthly basis.

Job Evaluation

This provision refers to employees, whose posts are due to be evaluated under the job evaluation scheme. As a result employees may be regraded to a higher grade and therefore entitled to a higher salary from the date additional duties were undertaken. Provision is made only in respect of those employee categories, whose job evaluations have progressed to the stage of agreed revised job descriptions, where it is probable arrears will be paid and the board is able to make a reliable estimate of the liability.

The timing of such payments is likely to vary for the different categories of staff. However, the board makes every effort to process payments as soon as possible, once union and individual agreement has been formally reached.

19. DEFERRED INCOME - DEFERRED GRANTS

	2005 £000s	2004 £000s
<i>External Funding Bodies</i>	310	204
<i>Other</i>	12,545	30,207
	12,855	30,411

20. INCOME AND EXPENDITURE RESERVE

	2005 £000s	2004 £000s
At 1 April 2004	(7,950)	(6,829)
Amount transferred from Income and Expenditure Account	(2,455)	449
Transfer to/from School Reserve	415	(1,570)
Transfer to/from Grant Reserve	(56)	-
At 31 March 2005	(10,046)	(7,950)

21. OTHER RESERVES

	Government Grant Reserve £000s	Special Book Reserve £000s	General Reserve £000s	Schools Reserve £000s	Grant Reserve £000s	Total £000s
At 1 April 2004	216,673	1,468	17	5,275	(56)	223,377
Transfer to/from I&E Reserve	-	-	-	(415)	56	(359)
Capital grants received for tangible fixed assets	22,054	-	-	-	-	22,054
Revaluation of Tangible Fixed Assets	22,195	29	-	-	-	22,224
Release of Grants - Depreciation	(7,397)	-	-	-	-	(7,397)
Release of Grants – Deficit on Revaluation	(3,071)	-	-	-	-	(3,071)
Backlog Depreciation	(1,393)	-	-	-	-	(1,393)
Disposal of Fixed Assets	(583)	-	-	-	-	(583)
Transfer to/from General Reserve	-	-	11	-	-	11
At 31 March 2005	248,478	1,497	28	4,860	0	254,863

22. PENSION AND SIMILAR OBLIGATIONS

The Board's employees belong to two principal schemes, the Teachers' Superannuation Scheme (TSS) and the Northern Ireland Local Government Officer's Superannuation Committee Scheme (NILGOSC).

For 2004/2005 the contribution rates to the Teachers' Superannuation Scheme were 7% employers.

For 2004/2005 the employers' contribution rate to the Northern Ireland Local Government Pension Scheme was 4.6%.

The Board has included pension costs totalling £9,293,129 in relation to the two schemes.

The latest actuarial valuation of the schemes was at 31 March 2004 (TSS) and 31 March 2004 (NILGOSC). The assumptions that have the most significant effect on the valuations and other relevant data are as follows:

	TSS	NILGOSC
Rate of return on investment:		
After Retirement	N/A	6.30%
Before Retirement	N/A	6.30%
Long Term	N/A	N/A
Rate of increase in salaries	N/A	4.40%
Rate of increase in pensions	N/A	2.90%
Rate of dividend growth	N/A	2.30%
Market value of the assets at the date of the last valuation	N/A	£2,152.3m

The actuarial value of the assets of NILGOSC was not sufficient to cover all of the benefits which had accrued to members after allowing for future increases in earnings. The current funding level corresponds to a past service deficit of £392m. This deficit will require to be recovered by increasing the employers' contribution rates. Increasing rates have been agreed for the next three years (2005/06: 8.5%, 2006/07:11%, 2007/08:13%), but these will not recover any part of the deficit and its recovery is therefore delayed until the next 3 year period from the 1st April 2008. It is planned that the employer contribution rates will again increase for the 3 years from the 1st April 2008. A target rate of 17.3% is currently anticipated but will be recalculated and confirmed at the next revaluation.

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

23. NOTES TO THE CASH FLOW STATEMENT

(i) Reconciliation of operating surplus/(deficit) to cash flow from operating activities

	2005 £000s	2004 £000s
Surplus/(Deficit) for the year	(10,846)	(7,149)
Adjust for:		
Depreciation (note 12)	7,397	6,904
Government grant release – depreciation (note 21)	(7,397)	(6,904)
Deficit on revaluation of fixed assets (note 12)	3,071	0
Government grant release – deficit on revaluation (note 21)	(3,071)	0
(Profit)/Loss on disposal of fixed assets (note 8)	334	141
Government Grant Release disposal of fixed assets	(334)	(141)
Interest Payable (note 11)	21	20
Interest receivable (note 4)	(92)	(68)
Notional Costs (note 9)	8,391	7,598
(Increase)/ Decrease in Stocks	(19)	27
(Increase)/Decrease in Debtors	1,947	(1,062)
(Increase)/Decrease in Prepayments and Accrued Income	21,976	(12,417)
Increase/(Decrease) in Creditors	1,106	(413)
Increase/(Decrease) in Accruals	(4,385)	5,329
Increase/(Decrease) in other Taxation and Social	32	168
Increase/(Decrease) in Provisions	2,691	(298)
Increase/(Decrease) in Deferred Income	(17,556)	158
Net cash inflow/(outflow) from operating activities	3,266	(8,107)

(i) Returns on investment and servicing of finance

Interest Received	92	68
Interest paid on finance leases	0	0
Other interest paid	(21)	(20)
	71	48

(iii) Capital expenditure and financial investment

Purchase of tangible fixed assets	(22,153)	(13,231)
Capital grants received	22,054	13,398
Proceeds from disposal of tangible fixed assets	11	5
	(88)	172

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

23. NOTES TO THE CASH FLOW STATEMENT (cont'd ...)

(iv) Financing

	2005 £000s	2004 £000s
Capital element of Finance lease payments	-	-
Issue of loans	-	-
Receipt of loan payments	-	-
	-	-

(v) Analysis of Net Funds

	01-Apr-04 £000s	Cash Flow £000s	31-Mar-05 £000s
Cash/(overdraft)	(6,200)	3,249	(2,951)
Debt due within one year	-	-	-
Debt due after one year	-	-	-
Finance Leases	-	-	-
	(6,200)	3,249	(2,951)

(v) Reconciliation of Net Cash Flow to Movement in Net Debt

	2005 £000s	2004 £000s
Increase/(Decrease) in cash	3,249	(7,887)
Cash inflow/(Cash Outflow) from Increase/(Decrease) in debt	-	-
Other non cash items	-	-
Change in net debt resulting from cash flows	3,249	(7,887)
Movement in net debt	3,249	(7,887)
Net Debt at 1 April 2004	(6,200)	1,687
Net Debt at 31 March 2005	(2,951)	(6,200)

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

24. CAPITAL COMMITMENTS

			2005 £000s	2004 £000s
Contracted			5,617	8,468
Authorised but not contracted			20,217	19,852
			25,834	28,320

25. FINANCIAL COMMITMENTS

At 31 March 2005 the Board had annual commitments under non-cancellable operating leases as follows:

		2005 £000s	2004 £000s
Expiring within one year		13	44
Expiring between 1 and 5 years inclusive		204	152
Expiring after 5 years		-	-
		217	196

26. CLASSROOM 2000 EXPENDITURE

Expenditure incurred during the year on the Classroom 2000 project is as follows:

	WELB £000s	BELB £000s	NEELB £000s	SEELB £000s	SELB £000s	Total £000s
Classroom 2k Spend	2,241	1,317	2,655	1,890	2,517	10,620
Classroom 2k Lot 1	1,262	334	1,634	858	1,305	5,393
Classroom 2k Lot 2	1,532	1,584	1,688	1,845	2,054	8,703
Classroom 2k Lot 3	2,734	2,415	2,734	2,376	3,013	13,272
Classroom 2k Lot 5	2,991	1,758	3,544	2,524	3,360	14,177
TOTAL	10,760	7,408	12,255	9,493	12,249	52,165

Private Finance Transactions

Lot 1 Contract

Lot 1 relates to the provision of local area managed service network systems in primary schools with an enrolment of less than 190 pupils. Procurement of this service was through the BECTA NGfI Managed Services arrangements: with a mini competition involving BECTA accredited service providers. On 29 October 2001 the Western Education and Library Board, on behalf of all Boards, entered into a Public Private arrangement with Viglen Ltd (with Sx3 as sub-contractors) for the provision of this service following approval of the FBC by DE/DFP and by the Western Education and Library Board. The contract value is £16.8m plus £3.4m for curriculum software licensing and £3.8m for Microsoft regional licensing. The service will be delivered to each school for a period of 3 years. The last school was installed in December 2002.

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

26. CLASSROOM 2000 EXPENDITURE (cont....)

Lot 2 Contract

Lot 2 relates to the provision of local area managed service network systems in primary schools with an enrolment of more than 190 pupils. Procurement of this service was through the BECTA NGfl Managed Services arrangements: with a mini competition involving BECTA accredited service providers. On 27 March 2002 the Western Education and Library Board, on behalf of all Boards entered into a Public Private Partnership arrangement with Viglen Ltd (with Sx3 as sub-contractors) for the provision of this service following approval of the FBC by DE/DFP and by the Western Education and Library Board. The contract value is £26.4m. The service will be delivered to each school for a period of three years. The last school was installed in March 2003. Under the arrangement the Western Education and Library Board has made a service prepayment to the Service Provider of £10m (of which the accrued spend for 2001/2002 is £0.145m) and this service prepayment will be utilised over the first two years of the contract against invoices raised by the Service Provider for services delivered until the value of the prepayment is reduced to zero.

Lot 3 Contract

Lot 3 (referred to in the OJEC notice as Category B Services) relates to the provision of local area managed service network systems in all post primary and special schools in Northern Ireland. The procurement of this service was initiated by publication of a contract notice in OJEC in May 2001 and followed the Negotiated Procedure. The contract was awarded to Sx3 (with RM as sub-contractors) on 3 February 2003, following approval of the FBC by DE/DFP and by the Western Education and Library Board. The contract value is £62.4m. The contract is for a period of 5 years, with the option to extend for a further 2 years. The contract provided for payment of Service Prepayments, £10m payable on contract award in February 2003 and a further £10m payable on successful implementation of the service in a prescribed number of schools. In addition, a monthly unitary charge for each school is payable on satisfactory implementation of the service at the school until the service expiry date.

Lot 5 Contract

Lot 5 (referred to in the OJEC notice as Category A Services) relates to the provision of a wide area network service for all schools in Northern Ireland. The procurement of this service was initiated by publication of a contract notice in OJEC in May 2001 and followed the Negotiated Procedure. The contract was awarded to HP on 14 February 2003, following approval of the FBC by DE/DFP and by the Western Education and Library Board. The contract value is £75.6m. The contract is for a period of 5 years, with the option to extend for a further 2 years. The contract provided for payment of Service Prepayments, £10m payable on contract award in February 2003 and a further £7m payable on availability of 6 prescribed service elements. In addition a monthly unitary charge for each school is payable when all service elements are available to all schools (such full service commencement due in February 2004) and until the service expiry date.

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

26. CLASSROOM 2000 EXPENDITURE (cont....)

The Board is committed to make the following payments during the next year in respect of PFI Schemes which expire:

	<u>Lot 1</u> £000s	<u>Lot 2</u> £000s	<u>Lot 3</u> £000s	<u>Lot 5</u> £000s
Within one year	-	-	-	-
2 to 5 years inclusive	755	4,814	13,191	14,530
Total	755	4,814	13,191	14,530
Estimated Capital Value of PFI Payments	<u>9,429</u>	<u>15,724</u>	<u>28,593</u>	<u>12,472</u>

27. CONTINGENT LIABILITIES

Job Evaluation

There remains a number of staff categories where the relevant job descriptions have not yet been agreed or job descriptions have been agreed but it is not considered probable that a liability will arise.

We include below a table detailing the progress of the various job categories, currently at this stage in the job evaluation process:

Description	Est. no. of Officers	Status
Classroom Assistants	1,250	Ongoing discussions between management and staff regarding the job evaluation outcome for classroom assistants.
Cleaners	240	Evaluations have take place. Awaiting adjudication from Appeals Panel.
Crafts People	45	Job evaluation process timetabled for this category after completion of miscellaneous and general assistants categories of staff.
General Miscellaneous including senior drivers	37	Job descriptions are in the process of being updated, prior to seeking agreement with the trade unions and progress on to evaluation.
Salaries and Wages (NEELB, WELB)	14	Evaluations have been carried out in 3 ELB's, but an appeal has been lodged in 1 ELB. The other 2 ELB's have not yet agreed revised job descriptions.
Domestics with caring duties/general	2	A generic job description is in the process of being updated, prior to seeking agreement with the trade unions and progress on to evaluation.
Other	50	Being addressed at pre-appeal and final appeal stage.

The potential total liability if all of these potential liabilities were to materialise is currently estimated at £4.5million.

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

27 CONTINGENT LIABILITIES (Cont....)

Legal cases and public liability

Proceedings against the Board have been initiated in a number of public and employer liability cases. The likelihood of the Board being found liable and the amount of the resulting settlements cannot yet be estimated as the cases concerned have not progressed sufficiently to allow assessment by the Board's solicitors.

Those amounts which are probable and ascertainable have been accrued within provisions for liabilities and charges.

28. POST BALANCE SHEET EVENTS

There were no significant post Balance Sheet events.

29. RELATED PARTY TRANSACTIONS

The Western Education and Library Board is a Non-Departmental Public Body (NDPB) sponsored by the Department of Education, the Department of Culture, Arts and Leisure and the Department for Employment and Learning

The Departments are regarded as related parties. During the year, the Western Education and Library Board has had various material transactions with the Departments and with other entities for which the Departments are regarded as the parent Department. These include;

- Belfast Education and Library Board;
- North Eastern Education and Library Board;
- Southern Education and Library Board;
- South Eastern Education and Library Board;
- Staff Commission for Education and Library Boards;
- Council for Catholic Maintained School;
- Voluntary Grammar Schools;
- Grant Maintained Integrated Schools;
- Northern Ireland Council for the Curriculum Examinations and Assessment; and
- Colleges of Further Education.

In addition, the Western Education and Library Board has had a small number of material transactions with other Government Departments and other Central Government bodies. Most of these transactions have been with the:

- (a) Department of Health and Social Services and Public Safety;
- (b) Health and Social Services Boards which are sponsored by the Department of Health and Social Services and Public Safety;

Included within debtors at note 14 are loans to 27 employees with a value of £110,143. Apart from the above mentioned loans to employees, none of the Board Members, members of the key management staff or other related parties have undertaken any material transactions with the Western Education and Library Board during the year other than those disclosed in Note 7.

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

30. FINANCIAL INSTRUMENTS

FRS 13, (Derivatives and Other Financial Instruments), requires disclosure of the role which financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the largely non-trading nature of its activities and the way in which it is financed, the Western Education and Library Board is not exposed to the degree of financial risk faced by business entities.

Liquidity Risk

The Board's net revenue resource requirements are largely financed by grants from its sponsoring Departments, just as its capital expenditure is. The Board is not therefore exposed to significant liquidity risks.

Interest Rate Risk

The Board's financial assets and liabilities carry Nil or fixed rates of interest. The Board is not, therefore, exposed to significant interest rate risk.

Foreign Currency Risk

The Board's exposure to foreign currency risk is not significant. Foreign currency income and expenditure are negligible.

31. EUROPEAN UNION FUNDING

	2005 Income	2005 Expenditure	2004 Income	2004 Expenditure
	£000s	£000s	£000s	£000s
Received via Department of Education				
Applicant:				
(a) Board	690	690	285	285
(b) Schools	204	204	210	210
(c) Other Services				
	894	894	495	495
Received from Other Sources:				
(a) Milk Subsidy	219	219	164	164
(b) Others	-	-	-	-
Total	219	219	164	164

WESTERN EDUCATION AND LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

32. NEW OPPORTUNITIES FUND

	2005 Income	2005 Expenditure	2004 Income	2004 Expenditure
	£000s	£000s	£000s	£000s
(a) Schools	504	504	566	566
(b) Public Libraries	55	55	67	67
(c) Other Services	119	119	72	72
	678	678	705	705

33. STATEMENT OF LOSSES

	2005 £000s	2004 £000s
(a) Cash Losses	37	18
(b) Claims Abandoned	5	3
(c) Fruitless Payments	39	-
(d) Stores Losses	170	161
	251	182

34. STATEMENT OF SPECIAL PAYMENTS

	2005 £000s	2004 £000s
(a) Ex-Gratia Payments	1	9
(b) Extra Statutory Payments	-	-
	1	9

35. FINANCIAL TARGET

The Board's financial targets for 2004-2005 were to contain expenditure within the accrued limits approved by the Departments. These targets have been achieved.

WESTERN EDUCATION AND LIBRARY BOARD

ACCOUNTS DIRECTION GIVEN BY THE DEPARTMENT OF EDUCATION, WITH THE APPROVAL OF THE DEPARTMENT OF FINANCE AND PERSONNEL, IN ACCORDANCE WITH ARTICLE 12 OF THE EDUCATION AND LIBRARIES (NI) ORDER 2003.

The annual accounts shall give a true and fair view of the I & E and cash flows for the financial year, and the state of affairs as at the year end. Subject to this requirement the Western Education & Library Board shall prepare accounts for the financial year ended 31 March 2005 and subsequent financial years in accordance with:

- a) Non - Departmental Public Bodies Annual Reports and Accounts Guidance;
- b) Other guidance which the Department of Finance and Personnel may issue from time to time in respect of accounts which are required to give a true and fair view;
- c) Any other specific disclosures required by the department;

Except where agreed otherwise with the Department of Finance and Personnel, in which case the exception shall be described in the notes to the accounts.

Date of Submission

The accounts shall be submitted to the Comptroller and Auditor General by 30 June immediately following the end of the financial year.

Signed by the authority of the Department of Education

KATRINA GODFREY

Dated 22 JULY 2004

APPLICATION OF THE ACCOUNTING AND DISCLOSURE REQUIREMENTS OF THE COMPANIES (NORTHERN IRELAND) ORDER AND ACCOUNTING STANDARDS

Companies (Northern Ireland) Order

The disclosure exemptions permitted by the Companies (Northern Ireland) Order shall not apply to the Board unless specifically approved by DFP.

The Companies (Northern Ireland) Order requires certain information to be disclosed in the Directors' Report. To the extent that it is appropriate, the information relating to the Board shall be contained in the foreword.

When preparing an income and expenditure account, the Board shall have regard to the profit and loss account format 2 prescribed in Schedule 4 to the Companies (Northern Ireland) Order.

When preparing its balance sheet the Board shall have regard to the balance sheet format 1 prescribed in Schedule 4 to the Companies (Northern Ireland) Order. The balance sheet totals shall be struck at "Total assets less current liabilities".

The Board is not required to provide the additional information required by paragraph 33(3) of Schedule 4 to the Companies (Northern Ireland) Order.

The foreword and balance sheet shall be signed by the Accounting Officer and dated.

Accounting Standards

The Board is not required to include a note showing historical cost profits and losses as described in FRS3.

ADDITIONAL DISCLOSURE REQUIREMENTS

The Foreword to the Accounts shall, inter alia:-

state that the accounts have been prepared in a form directed by the Department with the consent of DFP in accordance with Article 119 of the Education and Libraries (Northern Ireland) Order 1986, and in accordance with this Direction;

include a brief history of the Board and its statutory background.

The notes to the accounts shall include details of the key corporate financial targets set by the Department together with the performance achieved.

For further information on this report please contact:

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