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ANNUAL REPORT AND ACCOUNTS  
2003 - 2004



**Northern Ireland Council for the Curriculum, Examinations  
and Assessment**

**Annual Report and Accounts  
2003/2004**

**Laid before the Houses of Parliament by the Department of Education  
in accordance with Paragraph 12(2) and 12(4) of the Schedule to the  
Northern Ireland Act 2000 and Paragraph 13(2)(c) of Schedule 3 to the  
Education (Northern Ireland) Order 1998,**

**15 March 2005.**

**Laid before the Northern Ireland Assembly in accordance with  
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15 March 2005.**



## *History*

The Northern Ireland (CCEA), which was established by the Northern Ireland Education Body (NDPB) reporting to the Department of Education, has resulted in a unique body that brings together the three

## *Remit, duties and functions*

CCEA's duties and functions are set out in the Education Act (Articles 73 to 80). In

- keep under review the standards of education and make assessment for general purposes
- undertake statutory duties relating to the curriculum involving the curriculum
- advise DE on matters relating to examinations and assessments
- develop qualifications and standards that moderate relevant standards that are recognised as equivalent to assessments conducted by the U.K.
- accredit and provide quality assurance for examinations and assessments
- conduct the Northern Ireland examinations and assessments
- publish and disseminate information about examinations and assessments
- develop and produce materials for examinations and assessments
- carry out research into education

In addition, CCEA has a role in the development of the curriculum and the production of

### ***Management of CCEA***

CCEA receives core funding from DE. It supplements this income in a variety of ways, primarily through examinations entries fees. CCEA also receives funding from the Department for Employment and Learning (DEL) for regulatory work and project activity associated primarily with vocational qualifications.

CCEA reports to a Council which consists of a Chairman and not fewer than nine or more than seventeen members. The Chairman and Council members are appointed following advertisement by DE and typically represent all sectors of education and the world of business and commerce. They serve for a period of three years, but may apply for reappointment for a further term.

The Council is supported in its functions by the work of a number of committees which focus on each of the major functions of the organisation and ensure that Council is informed and represented on all major policy and operational matters that take place within the organisation. These include :

- Audit Committee
- Business Committee
- Regulation & Qualifications Committee
- Curriculum and Assessment Committee.

These Committees are chaired by Council members and their membership is a combination of Council members with particular expertise in a specific area and the relevant executive officers within the organisation.

CCEA works in partnership with a number of bodies involved in education in Northern Ireland and beyond. It recognises that the relationships it develops with other partners in the educational community are a crucial factor in achieving acceptance of and support for its work.

### ***CCEA's management structure and people***

Structurally, CCEA is organised into three broad areas : Chief Executive's Office, Corporate Services and Education Services. Within each area, there are discrete business units that may be further subdivided into operational teams.

CCEA employs approximately 260 permanent staff. CCEA also employs approximately 3,000 practising teachers as examiners, moderators and markers and approximately 1,000 examination invigilators to ensure that examinations are conducted in accordance with a mandatory Code of Practice laid down by the authorities that regulate examinations. In addition, at peak times, up to 300 temporary staff are employed to assist with the processing of the transfer test, assessments and examinations.

## Foreword from the Chief Executive

Few can fail to have been engaged by the debate that has raged since the announcement, at the end of January 2004, regarding Future Post-primary Arrangements in Northern Ireland. Emotions continue to run high on both sides of the argument - not surprising, considering the lack of unanimity in our community on the way forward on this matter.

I fear that much of the current debate has distracted attention away from the real issue - what do we teach in our schools and how do we teach it?

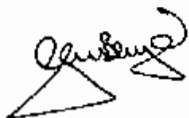
During the autumn of 2003, CCEA carried out the final phase of our work in reviewing the Northern Ireland curriculum and its assessment. Despite the relatively short timescale for the consultation, we received our biggest ever response to such a survey.

Our proposals for what is taught and assessed in Northern Ireland's schools now sit with the Minister for Education. If accepted, I believe these proposals carry with them the potential to create an education system with the choice and flexibility to take account of each young person's needs, aptitudes and inspirations and to respond to the needs of a fast changing world.

The Summer 2003 exam series saw CCEA achieve another error free year and also an increase in entries at both GCSE and GCE A level. I and my staff will be working to ensure that this high level of service and reliability is maintained. Particularly pleasing is the growing numbers of schools in England taking CCEA exams. This is a trend I hope to see continuing.

I see it as vital that CCEA offers the best possible service in all areas of our work. I see the evidence on a daily basis of staff at all levels striving to maintain and improve performance across the levels and disciplines. I was delighted therefore, when in January 2004, CCEA won the annual Northern Ireland Quality Award. This is the first time any public sector education authority in the United Kingdom has been recognised in this way.

While the award itself is very pleasing, it is what it represents that is most important. It has meant finding better ways to meet the needs and expectations of pupils, teachers and parents. That work continues.



**GAVIN BOYD**  
Chief Executive

### Development 4-16

All the major targets for the Development 4-16 Unit as set out in the operational plan in terms of Curriculum Review were met or exceeded. Some targets, in terms of piloting and developing materials, were affected by teachers' industrial action.

The Unit's work during 2003-04 focused on four broad areas :

#### 1. CURRICULUM REVIEW, CONSULTATION AND POLICY ADVICE

Detailed proposals for the Curriculum at Key Stage 3 (KS3) were developed and disseminated for consultation between September and November 2003. The KS3 'Pathways' consultation was the largest of its kind ever undertaken by CCEA, involving 25 information seminars and 18 focus group meetings and eliciting almost 1,700 responses. These were analysed as they arrived to allow CCEA to meet the very tight deadline for advice set for 31 December 2003. The Primary Curriculum and Key Stage 4 (KS4) had undergone consultation in 2002, and further work was undertaken to refine these areas during 2003 to allow a full suite of advice on all Key Stages to go forward by the set deadline. Refinement work on the detailed KS3 proposals in the light of consultation continued up to the end of March 2004 and was forwarded to DE by Easter 2004.

#### 2. PILOTING AND EVALUATION

In partnership with the Education and Library Boards (ELBs), a number of pilot projects were successfully established or expanded in curriculum areas that had received strong endorsement during consultation (Early Years, Personal Development, Citizenship, Employability and KS3 generally), in order to trial approaches and develop materials on the ground and to allow refinement of ideas prior to any decision about implementation. The success and effectiveness of these projects is being evaluated and these findings will inform broader implementation. Both the Early Years and the Citizenship Projects are subject to longitudinal evaluation while the Personal Development and the Employability Projects are subject to participant evaluation by both teachers and pupils.

#### 3. DEVELOPMENT OF SUPPORT

In partnership with the ELBs, guidance has been developed for the Foundation Stage and 24 Teaching Plans have been drafted to support Key Stage 1 (KS1) and Key Stage 2 (KS2). These materials will be trialled and refined over the coming year and interactive web-based versions will also be developed.

(Trialling was due to start earlier but has been affected by teachers' industrial action).



### 4. RESEARCH AND DEVELOPMENT

CCEA ensures that policy advice is forward thinking and robust by commissioning research into areas of innovation that might not otherwise make progress within the educational agenda. During 2003-04, CCEA has supported research into the effect of the Primary Movement Programme upon children with reading difficulties. It has also been privileged to work closely with Professor Carol Mc Guinness of Queen's University and Dr Lynne Bianchi of Sheffield Hallam University in ground-breaking developments to foster children's critical and creative thinking skills and personal capabilities.

### Assessment Development

#### EARLY YEARS ENRICHED CURRICULUM PROGRAMME

To inform the development of an assessment policy and practice programme, CCEA successfully conducted a pilot with Year 1 teachers which focused on assessment practice, recording and reporting in the first year of primary school. It is currently conducting a second pilot involving Year 1 and Year 2. As well as testing the improvements arising from the first pilot, the second pilot will focus on indicators of readiness to move pupils to a more formal style of learning.

#### KEY STAGES 1 AND 2

CCEA has worked with teachers and ELB personnel to develop levels of progression for Literacy, Numeracy and ICT that have embedded within them the generic skills which are one of the key features of the new curriculum.

It has also prepared guidance on a wide range of ICT supported assessment items and tasks in Mathematic and Numeracy, English and Literacy and in science to support teacher assessment. These items and tasks will be trialled in 2004-05 and will be accompanied by exemplar material to illustrate standards. The assessment outcomes will be incorporated automatically or can be inserted by the teacher into a standardised electronic recording system which will inform and support teacher judgement.

CCEA also provided additional advice on assessment in the Foundation and Primary Stages to the Minister in December 2003, clarifying issues arising out of the initial advice provided in April 2003.

#### KEY STAGE 3

The Assessment Development Unit, in conjunction with the Curriculum Development Unit, developed detailed policy and practice documents to support

the widespread consultation with schools, parents and other stakeholders which took place from September to November 2003. The outcomes of the consultation and the advice, which focuses on well-supported teacher assessment and a set of statutory requirements for annual reporting, were forwarded to the Minister on 31 December 2003.

### **ASSESSMENT FOR LEARNING**

From January 2004, CCEA has been working with the ELBs and approximately 25 schools to develop greater awareness of assessment for learning within schools. The outcomes will lead to improved practice in the classroom and inform CCEA and the ELBs on how training and support could be developed and conducted.

### **PUPIL PROFILE**

CCEA has worked with a number of schools and teachers in primary schools to develop and trial the Pupil Profile. The second trial has produced a wide range of suggestions to make the profile more appropriate and manageable.

### **Assessment Operations**

The work of the Assessment Operations Unit is diverse as it covers the full range of assessments such as :

- the Transfer Test,
- Key Stage Assessments,
- Key Stages 2 and 3 ICT Accreditation,
- Graded Objectives in Modern Languages (GOML),
- Occupational Studies,
- Key Skills
- Essential Skills.

Assessments are conducted throughout the year on an annual basis (eg: Key Stage Assessments), on a twice yearly basis (eg: GOML), on a six series annual cycle basis (eg: Key Skills), on a daily basis (eg: Online Basic Skills) and on demand (eg: Essential Skills).

## Reports from CCEA Business Units (continued)

During 2003-04, the following points are noteworthy in relation to specific assessments :

- the number of primary schools registered for the KS2 ICT Accreditation Scheme more than doubled;
- approximately 6,800 candidates entered for Entry Level subjects in the first year this provision was offered by CCEA in collaboration with WJEC;
- the total entry for GOML increased by 6.6%;
- a new Single and Double Award Occupational Studies specification which includes 11 occupational subjects (eg : engineering, retail and hospitality and catering) was introduced for first teaching from September 2003. The teaching required within many of the units has encouraged links between Further and Higher Education Colleges (FHECs), training organisations and schools;
- in September 2003, the opportunities for taking the Key Skills Tests were increased from 4 to 6 series;
- a scheme to accredit centres for Key Skills Assessments was introduced and approximately 70 centres registered;
- 13 training organisations and Learndirect centres participated in the Online Basic Skills Pilot which enables learners to take tests onscreen. During 2003-04, 375 learners received Online Basic Skills certificates.
- on behalf of DEL, CCEA developed assessment tasks for Essential Skills : Adult Literacy and Adult Numeracy at Entry Level, and piloted an on demand assessment regime with approximately 40 centres. Essential Skills at Entry Level is now operational and 80 centres are registered. A range of various types of centres (eg: FHECs and army, training and voluntary organisations) have registered. Approximately 1,300 certificates were issued to adult learners this year.
- planning and development of assessment materials was carried out in preparation for the Essential Skills Level 1 and Level 2 Pilot scheduled for March 2004.

The Assessment Activity Team undertakes the administration and processing of the full range of assessments. During 2003, staff numbers in this Team were increased to deal with the expanding range of qualifications and the provision of additional services to customers.

## **Accreditation**

The Accreditation Business Unit undertakes the statutory regulation work of CCEA. In so doing, the Unit works closely with regulatory partners in England (QCA) and Wales (ACCAC).

### **REVIEW OF ACCREDITATION**

A wide ranging review of the National Qualifications Framework (NQF) and the associated accreditation criteria was completed. The new accreditation arrangements will be phased in from September 2004. The aim of the review was to establish a more effective, flexible and responsive approach to Regulation. The revised NQF, comprising nine levels and replacing the current six-level framework, will make it easier for learners to find the qualification(s) they need and identify progression route(s) to their chosen career.

### **ENTRY LEVEL**

Entry Level Qualifications (ELQs) were introduced in 1997 in line with changes recommended by the Dearing Review. They are designed to provide awards with national currency for low/under achievers and those with learning difficulties. There are currently around 250 ELQs. The qualifications were reviewed by the Regulatory Authorities in 2003. A report, with recommendations for increasing the effectiveness of ELQs, has been produced.

### **LIFELONG LEARNING**

Development work to promote the Government's agenda for lifelong learning was undertaken with DEL and the Further Education sector. An Essential Skills qualification at Entry Level was accredited within the NQF and a pilot was introduced on a qualification at Levels 1 and 2. Advice on credit developments was submitted to Government. The advice sets out a three-year programme of work to enable us to contribute to a credit accumulation and transfer (CAT) system operating across England, Wales and Northern Ireland.

### **ENTERPRISE CERTIFICATE**

An innovative Certificate in Enterprise was trialled in a number of colleges. This award is designed to sit alongside main studies across a range of further education programmes and in order to promote enterprise among post-16 students. Initial evaluation of the trial indicates a high degree of acceptance of the certificate.

### **PROGRESS FILE**

Pilot work on the Progress File has been completed and advice on phased implementation submitted to DE. Over the next few years, the Progress File will replace the National Record of Achievement and provide a lifelong record of progress for learners.

### **Business Assurance**

The Business Assurance (BA) Team provides confidence to the Chief Executive that the organisation's systems and processes are working effectively and continuously improving. BA takes an independent view of the performance of the organisation and monitors and reports on this. During the reporting period all targets set for the Unit were met or exceeded. Highlights include the following :

#### **INTERNAL AUDIT AND RISK MANAGEMENT**

The Audit Committee met three times during the reporting period. The annual programme of the outsourced internal audit function provided by Deloitte & Touche was completed in full with all performance indicators achieved. CCEA undertook a fundamental review of its corporate risk register. This resulted in a recasting of risks into three categories: strategic, business and operational and provided increased confidence in respect of CCEA's risk management arrangements.

#### **BUSINESS IMPROVEMENT AND QUALITY**

CCEA was reaccredited to ISO 9001 (2000) and complied, without exception, with all requirements.

CCEA won the Northern Ireland Quality Award administered by the Centre for Competitiveness and achieved the prestigious Mark of Excellence recognition as a public sector body. CCEA also received public recognition from Business in the Community for the contribution it made to Northern Ireland society during the reporting period.

CCEA made the strategic decision to achieve Charter Mark status by December 2004 thereby further improving its already high standard of service to customers and began work in the area.

#### **PERFORMANCE MANAGEMENT**

CCEA extended further its performance management framework. Mechanisms were developed for monitoring and reporting on corporate, business unit and individual manager performance against corporate and operational plan objectives. CCEA's Customer Charter was reviewed and republished and mechanisms were introduced for reporting publicly on performance targets included within.

### EXAMINATIONS APPEALS

CCEA exceeded all timescales set by the regulatory authorities for the management of examinations appeals. The number of appeals continued to decrease to an almost insignificant number.

### EXAMINATIONS MONITORING, SCRUTINY AND SELF-ASSESSMENT

CCEA has continued the annual process of having its examinations operations monitored and scrutinised by the regulatory authorities. During 2003-04, CCEA began the process of undertaking self-assessment against criteria set by the regulatory authorities. It is well placed to carry out this exercise taking into account its experience of self-assessment against various quality models.

### Qualifications Development and Support

During 2003-04, the Qualifications Development and Support (QDS) Business Unit increased the range of qualifications available to CCEA centres.

Teaching in 13 new specifications began in September 2003, including piloting of a number of qualifications unique to CCEA :

- GCSE Construction (Single Award)
- GCSE Financial Services (Single Award)
- GCSE Hospitality (Single Award)
- GCSE Journalism (Single Award)
- GCSE and Entry Level Learning for Life and Work
- AS Moving Image Arts
- Occupational Studies at Levels 1 and 2 and Entry Level.

Development of a number of new GCE Specifications and vocationally related qualifications for first teaching from September 2004 was also begun.

Specifically :

- GCE Applied Business (Double Award)
- GCE Health and Social Care (Double Award)
- GCE Applied ICT (Double Award)

## Reports from CCEA Business Units (continued)

and Level 1 and 2 qualifications in

- Drug Awareness
- Employment Skills
- Fitness Industry Studies
- Performance Skills
- Photography
- Sport and Leisure Studies
- Teaching Assistants
- Working in the Community.

A wide range of high quality support materials were developed and produced for new and existing qualifications including :

- exemplar assessment material
- teacher and student guidance documents
- schemes of work
- multi-media and web-based resources

Throughout the year, over 2,200 teachers attended 71 promotional and support events including :

- seminars for the exemplification of standards in GCSE subjects
- information seminars and workshops for teachers of new qualifications
- briefings, professional development and INSET courses for Key Skill co-ordinators, internal moderators and Essential Skills tutors

On-site visits and briefings for senior management and teachers continued to be undertaken by CCEA personnel. CCEA officers contributed to support events organised by professional associations, ELBs and other stakeholders. CCEA qualifications were also promoted at a number of conferences, including the annual ANIC and North of England conferences.

A portfolio consultancy service was operated for teachers of the GCSE Double Award Specifications in Applied subjects and the six Key Skills. The second annual support calendar was issued to centres in August 2003 and links with a number of other educational bodies, including LSDA and ASDAN were established. The first edition of the new twice-yearly QDS newsletter, targeted at post-primary schools and colleges, was dispatched to centres in Autumn 2003.

Major work was also undertaken on completing work on the new Essential Skills Qualification for adults at Entry Level and on designing and developing the assessment arrangements and materials for the Qualification at Levels 1 and 2. The QDS Team developed 12 new assessment tasks and 36 portfolio templates for Application of Number and Communication at Levels 1 and 2, and work was begun on designing and developing 6 innovative electronic assessment tasks for trialling in Northern Ireland and England during 2004. Development work on a new Key skills accreditation model for introduction in May 2004 was successfully completed.

### ***Marketing and Communications***

This was a year of both success and change for the CCEA Marketing and Communications (MarComms) Team. During 2003-04, the team was reorganised, resulting in the appointment of an overall Marketing and Communications Manager, and went on to achieve top spot in the CCEA Team Awards for Continuous Improvement. The progression of the team was further underlined with the production of its first fully integrated marketing and communications strategy.

### **CUSTOMER FOCUS**

During the 2003-04 business year, the Team conducted its annual survey of CCEA customers. This year, six focus groups run by an independent body were added to the traditional questionnaire giving additional qualitative feedback. Overall satisfaction levels among schools remain high and headline results are now posted on the CCEA website alongside an Improvement Action Plan. Unfortunately, due to teachers' industrial action during the period, the post-primary survey was not undertaken.

### **RISING TO THE OCCASION**

The team also undertook an intensive events programme to :

- support a wide range of CCEA products and policy-making seminars
- reinforce the CCEA brand.



## Reports from CCEA Business Units (continued)

This year, the CCEA Annual Support Programme included 57 meetings involving 2,293 attendees. Satisfaction data at these events averaged 95% for areas such as venue, catering and course content.

In 2003-04, the "True Colours" art show moved under one roof at Belfast's Waterfront Hall, gaining considerable cost savings and attracting 8,500 teachers and pupils. The event also gained exposure to an estimated 10,000 members of the general public attending events in the venue.

CCEA's "Top Candidate" award ceremonies were re-branded as "Celebrating Excellence" and run as separate one day events for GCE and GCSE qualifications.

The Team also supported a series of seminars in Autumn 2003 to help explain the proposals for curriculum and assessment at KS3.

### **MEDIA RELATIONS**

The Team continues to be CCEA's filter for contact with the Northern Ireland education media and beyond. Figures for positive coverage in newspapers, radio and television rose from 97% in 2002-03 to 98% in 2003-04, while total coverage estimated as advertising spend totalled more than £350,000.

Campaigns of note included the 2003 issue of GCE and GCSE results, the consultation on KS3 and the 2004 examiner recruitment campaign.

### **IT'S GOOD TO TALK**

CCEA is an organisation changing quickly, not just in terms of its products and services, but in its structure and culture. Managing this change requires a steady stream of information and two way communication with all staff.

In June 2003, CCEA introduced its staff intranet site, now affectionately known as "iBrowse". This has quickly become one of the main forums for the exchange of information at a range of levels, and as a pool of knowledge for all staff.

Throughout the year, CCEA's Chief Executive, Gavin Boyd, continued his series of quarterly staff briefings.

In March 2004, the annual Staff Conference encompassed CCEA's tenth birthday celebrations. The special guest speaker was Kris Akabusi, former world champion 400 metre runner.

### ***CCEA Multimedia***

CCEA Multimedia provides the organisation and its external clients with multimedia packages to help support all areas of business in which CCEA is involved. These range from printed material to CD ROMS to interactive web-based solutions. The Multimedia Unit has recently relocated to the William Ritchie Building in the Clarendon complex to allow room for expansion. CCEA Multimedia seeks to find new and innovative solutions to problems which can make learning a fun activity for the student and a less labour intensive system for the teacher. In 2003-04, key successes include :

#### **INTERNAL PROJECTS**

##### **CCEA Website**

CCEA Multimedia has redesigned and restructured the CCEA website to make it more accessible and user friendly, being populated with the correct information in the correct place. The site was nominated and won the Golden Eye, Business Eye e-Education Award 2004. The e-Education Award honours the Northern Ireland based organisation that has made the best use of internet technology to deliver e-learning and e-education. The presentation was made at a Gala dinner at the King's Hall.

##### **CCEA Intranet site**

CCEA's intranet site was also re-launched in 2003 with great success. It has now become the internal portal for all information pertaining to CCEA's business and serves as a platform which keeps all staff updated in relation to current news and events.

##### **CCEA Microsites**

CCEA Multimedia has been committed to enhancing internal knowledge pertinent to improving customer service. To this end, we have put a lot of effort into designing and producing Microsites for the various sections of the organisation and for education specific areas (such as employability and languages). The Business Assurance Microsite was launched in February 2004 and, to date, has been a great success. Others in the pipeline are Employability, Society and Environmental Group (SEG), Health & Safety and People Services and Equality - Recruitment, to name but a few.

##### **QDS Magazine**

The new twice-yearly QDS magazine was successfully launched in Autumn 2003. Targeting post-primary schools and colleges, the newsletter provides updates on the activities of CCEA in relation to the development of qualifications.

### **CCEA Surveys and Questionnaires**

CCEA Multimedia has been producing on-line internal and external questionnaires and surveys which have been recognised at national level as being of exceptional quality.

### **Cross Talk**

2003-04 saw the production of an interactive CD Rom, which allows the end user to visit one of the five major denominational churches in Northern Ireland and compare all aspects of the church such as the building itself, its contents and their uses.

### **Technology and Design**

A CD ROM-based tool, which enabled both teachers and pupils to review technology and design work submitted in 2002-03 was produced during the year. The ability to identify grades awarded to work pieces in the previous year facilitated the setting of standards and expectations.

### **MarComms**

CCEA Multimedia has an ongoing commitment to the provision of advice and support to the MarComms Team in relation to publication materials, event materials and exhibition displays. IN 2003-04, the Unit was involved in successful events such as Score, True Colours and the annual Staff Conference.

### **ALTA**

In conjunction with ALTA Systems (NI) Ltd, we have been developing an online interactive system for assessing the pupil and encouraging e-learning.

## **EXTERNAL PROJECTS**

Part of CCEA Multimedia's role is to provide expert advice and products for stakeholders external to the organisation. To date, these have included :

### **Omagh Vision 2010**

For our client, Omagh Business Forum, we have developed an interactive website, which encourages learners of all ages to construct Omagh town centre, as they would like it to be in 2010. It consists of an interactive "Simms City" style game linked to cross-curricular tasks aligned with CCEA's curriculum.

### **Shop Around**

On behalf of the General Consumer Council, we have produced an education pack aimed primarily at adult community learners and advising them on their rights as consumers. The pack consists of a printed ring binder, a CD ROM and an interactive web site.

### **Timescapes**

Part-funded by the New Opportunities Fund, the "Timescapes" project involved archiving 3,000 years of Irish history in an interactive and visually stimulating website.

### **Grid Club ChessMate**

We have developed an interactive website which allows end users to learn how to play and/or improve at playing chess, and enables them to play one-to-one chess games across the internet on a world wide platform. Our client on this occasion was Channel Four.

## **ICT Services**

During the reporting period, the ICT Business Unit was restructured to improve delivery of corporate, strategic and operational ICT requirements. The Unit met or exceeded most of the targets laid out in the organisation's Operational Plan. Those requiring capital funding were reprioritised.

The Unit's responsibilities focus on 3 broad areas :

### **QUALITY ASSURANCE FOR THE STATEMENT OF INTERNAL CONTROL**

Improved internal ICT Quality Assurance initiatives were introduced using a number of key themes such as TickIT (Software Development), BS7799 (Security), ITIL (IT Service Development and Delivery) and EFQM. These programmes indicate 'best practice' in each specialist area and will be the tools for continual improvement over the next number of years. All members of the ICT team received professional training during the year and all are members of professional bodies such as the British Computer Society (BCS) and the Institute of Analysts and Programmers (IAP). The adoption of individual 'champions' for each element of the EFQM model within ICT has worked well and will be replicated in other projects (eg: BS7799).

### **BUSINESS SYSTEMS DEVELOPMENT**

The Business Systems Development Team developed and supported the customer requirement for the delivery of new specifications and learning environments within both statutory and operational deadlines. A continual

## Reports from CCEA Business Units (continued)

review of processes and procedures in this area in support of the TickIT initiative has resulted in improved process and project management. Monthly reviews with customers ensured 'customer driven' prioritised work lists which reflected a trade-off between capacity and demand. The capacity to meet the excess demand, including the G50 requirements, will increase with the recruitment of three trainee staff. All business systems were signed off as being fit for purpose by the end of June 2003 (on target for Summer 2003 processing)

### SUPPORT AND INFRASTRUCTURE DEVELOPMENT

Some infrastructure development was not completed due to the reprioritisation of capital funding. However, increased core capacity including Multimedia requirements and a new business location (the William Ritchie Building) have been added to the network infrastructure. All key performance indicators, such as outstanding support calls at the end of period (reduced from 15 to 11) and business services availability (in excess of 99%) were exceeded. This improvement in performance was effected against an increase in overall calls and an increase in the number of officers supported. The development of remote and mobile technology to achieve greater working flexibility was also reviewed. Full implementation will follow dependent on appropriate funding.

ICT service development and delivery commenced review against ITIL and this will be ongoing over a number of years. This was initiated by :

- FAST accreditation
- a BS7799 GAP analysis to identify best practice and to develop a road map and structures for achievement.

### ***People Services and Equality (PSE)***

Numbers employed by the organisation showed modest growth from 255 staff at the end of the 2002-03 financial year to 271 staff at the end of the 2003-04 financial year. However, this modest overall growth was affected by considerable restructuring activity. Specifically, within Corporate Services there was a considerable turnover of staff as the previous organisational structure made way for the new target structure, implemented on 30 November 2003. The most profound impact of restructuring was experienced within the ICT Services and CCEA Multimedia Business Units where a considerable influx of new skills was achieved. During this period, management consulted closely with staff and their representatives and, in so doing, ensured that the effects of restructuring on the people within the organisation were minimised

As a direct consequence of restructuring, there was a markedly high level of activity relating to appointments, promotions and transfers. Eighty-five

appointments at all levels were made during 2003-04, showing a healthy balance between internal promotion and transfer opportunities and an influx of new people. In addition to appointment activities related to core staff levels, this year saw a further increase in activity surrounding the appointment of short-term temporary staff for increased examinations processing activities. At peak times, there were upwards of 200 short-term temporary staff placed throughout the organisation by PSE.

The Top Management Team (TMT) continued to review the structure of the senior management team and the roles of the Business Unit Managers within this structure. After revising all Business Unit Managers' roles and job descriptions, CCEA's Remuneration Sub-Committee agreed and implemented a revised and consistent pay structure for the senior management team. An integral element of this process was the development of a competence-based performance framework for Business Unit Managers.

Through a combination of turnover in existing posts and restructuring, new Business Unit Managers were appointed to the Assessment Operations, Examinations, Finance and Management Information and E-Learning Development Business Units. There was also a new appointment to the post of Head of Corporate Services within the TMT.

Building on the organisation's successful accreditation against the standards of Investors in People in 2002, investment in Training and Development exceeded the average level for the public sector. Early in the year, significant emphasis was placed on management development programmes at senior management, professional and administrative grades. This effort was complimented later in the year by a major programme of Project Management training to address the increasingly project-based profile of work managed and delivered by CCEA. Through the organisation's Employee Development Scheme (EDS), record numbers of staff were encouraged to take up study for further qualifications, including recognised professional qualifications.

### ***Examinations and Assessment Administration***

#### **OVERVIEW**

The Examinations and Assessment Administration Unit had a very successful year in 2003-04, meeting all operational targets and deadlines.

Various AS400 software improvements made during the period enabled improved service delivery across the board and further reduced the risk of service failure. Additional improvements are planned for 2004-05. Timely development of the AS400 remains the single most important issue in Examinations Processing. A complete restructuring of the Unit was completed in October 2003, leaving it

## Reports from CCEA Business Units (continued)

well placed for the challenges of the next few years from a manpower perspective. A post-restructuring review will be conducted in October 2004.

During restructuring, a number of positions were created or upgraded and, as a consequence of successful applicants moving upwards, many other staff had the opportunity to move around. The restructuring has already had a positive effect on the effectiveness and efficiency of the Unit.

### **CENTRE AND EXAMINER SUPPORT TEAM**

#### ***Entries Section***

- The live deployment of the ICAA specifications increased the volume of all entries to 281,284 for Summer 2003
- Two additional permanent staff have been added to the Entries Section
- Deployment of new 'Statement of Entries' for candidates is a significant improvement measure which has reduced enquiries
- Better planning and delivery to agreed timescales has facilitated downstream processing
- All targets for Summer 2003 were achieved.

#### ***Special Requirements Section***

- Request for Special Arrangements and Special Consideration increased by approximately 50% in 2003
- Some AS400 development work has been completed but much of the work in this area is still completed manually
- Despite being labour intensive, processing was conducted on time and with few errors
- The Special Requirements Section has been completely restructured and combined with the Centre Information Section
- All targets for Summer 2003 were achieved.

#### ***Centre Information***

- All despatches completed accurately and on time
- Administration Handbook completed accurately and on time for September 2003 despatch

## Reports from CCEA Business Units (continued)

- Interface with Timetabling working extremely well
- Centre Visits programme working well but to be reviewed in light of ongoing JCGQ work in late 2003
- Invigilator training conducted for first time and worked well with six staff members from various Sections trained to conduct this activity
- Examinations Officers' Road Shows proving successful
- All targets for Summer 2003 were achieved.

### ***Appointments***

- Section Leader post upgraded
- New AS400 software used in Summer 2003 to reduce manual errors in the allocation of scripts to examiners
- 1,815 examiners recruited for Summer 2003
- 525 moderators recruited for Summer 2003
- All targets for summer 2003 were achieved.

## **EXAMINATIONS PROCESSING**

### ***Moderation/Meeting Support***

- New software now recognises 'true zeros' in the system
- Ongoing use of temporary staff is necessary, but will reduce as system is developed
- Meetings Diary now working very well
- Total number of meetings supported was 204
- Total number of meetings planned was 751
- All targets for Summer 2003 were achieved.

### ***Script Processing***

- New provisional case software used for the first time and worked very well. This has streamlined processing and enabled meetings deadlines to be met in full



## Reports from CCEA Business Units (continued)

- More photocopying facilities procured for Summer 2003
- Supervision of temporary staff has been refined and enhanced to reduce manual error and rechecking
- All targets for Summer 2003 were achieved.

### EXAMINATIONS SUPPORT

- In 2003-04, more emphasis was placed on checking the Base and Standing data earlier on in the series. This involved staff from a cross section of examinations processing sections
- Support for Review of Marking and Awarding (RMA) meetings worked very well
- All targets for Summer 2003 were achieved.

### ASSESSMENT TEAM

- First delivery of ELQ successfully completed
- Pilot of Essential Skills successfully completed
- AS400 being developed to include Essential Skills
- New AU print contract placed for 2003-04
- Key Skills to move to Assessment Team from Script Processing Team in October 2003
- All KS3 processing completed, including Mental Maths
- AS400 training for Assessment Team ongoing.

### ***Background information***

The Northern Ireland Council for the Curriculum, Examinations and Assessment (CCEA) was established under the Educational and Libraries (Northern Ireland) Order 1993 on the amalgamation of the Northern Ireland Curriculum Council (NICC) and the Northern Ireland Schools Examinations and Assessment Council (NISEAC). The principal functions of CCEA are :

- to keep under review all aspects of the curriculum in grant-aided schools and examinations and assessment;
- to advise the Department of Education (DE) on matters concerned with the curriculum, assessment, examinations and external qualifications;
- to publish and distribute, or secure or assist the publication and distribution of, information relating to the curriculum, assessment and examinations;
- to carry out statutory consultations required by the Education Reform (Northern Ireland) Order 1989 in relation to the curriculum;
- to conduct examinations and assessments, and the moderation of relevant examinations and assessments, ensuring that standards are recognised as equivalent to the standards of examinations and assessments conducted by other bodies or authorities exercising similar functions elsewhere in the United Kingdom;
- to produce, or secure or assist the production of, teaching materials for use in connection with the curriculum in grant-aided schools;
- to carry out such other activities as DE may direct in connection with its other statutory functions.

CCEA has prepared, and updates annually, a three year Corporate Plan which is submitted to DE for approval. The plan sets out clearly :

- CCEA's fundamental aim;
- its main objectives and priorities;
- financial assumptions; and
- the activities which it proposes to undertake in support of these objectives.

For each financial year, CCEA prepares a detailed costed Operational Plan and work programme to support the achievement of the objectives in the Corporate Plan. CCEA's Management Statement, agreed with DE, requires it to produce

## Foreword to the Financial Statements (continued)

accounts on an accruals basis and to properly present the income and expenditure and cash flows for the financial year and the balances held at the year end.

### **Review of activities**

A full review of activities is to be found in the annual report included in this document.

### **Summary results**

CCEA's financial results for the year ended 31 March 2004 are summarised as follows :

	2003-04 £000	2002-03 £000
Income	22,029	19,126
Expenditure	(22,011)	(19,223)
(Deficit)/Surplus	18	(97)
Other charges	(17)	(28)
	<u>1</u>	<u>(125)</u>

### **Changes in fixed assets**

During the year, assets no longer used or in existence were written off and removed from CCEA's fixed assets register. The net book value of these assets was £2k. The total capital expenditure for the year amounted to £367K.

### **Charitable donations**

CCEA made no charitable donations from its own funds during 2003-04.

### **Equal opportunity policy**

It is CCEA's aim to make the best possible use of its resources, especially its staff. It is committed to the merit principle in its recruitment and promotion processes. CCEA aims to comply with all relevant legislation and guidance on fair employment and equal opportunities, and aims to meet the legislative and other requirements in respect of disabled employees. CCEA aims to offer equality of opportunity for people with disabilities to make full use of the skills and abilities that they possess. Wherever possible, arrangements are made for the continued employment of persons who become disabled during service and for appropriate training, career development and promotion of disabled employees.

It is CCEA's policy to ensure, so far as it is reasonably practicable, the health, safety and welfare of all its employees in accordance with the relevant statutory requirements.

### ***Action taken to maintain or develop provision of information and consultation with employees***

CCEA has a Joint Consultative and Negotiating Committee (JCNC) to regulate industrial relations and promote co-operation between management and staff within the organisation. CCEA organises regular organisation development sessions at which the Chief Executive and members of the Senior Management Team brief staff on major developments and obtain feedback. CCEA's intranet site and e-mail capabilities serve as information platforms for ensuring that staff up-to-date with current and forthcoming activities and events.

### ***Auditor***

The financial statements are audited by the Comptroller and Auditor General (C&AG) in accordance with the Education (Northern Ireland) Order 1998. He is head of the Northern Ireland Audit Office and he and his staff are wholly independent of CCEA. He reports his findings to Parliament.

The audit of the financial statements for 2003-04 resulted in an audit fee of £13k which is included within "Other Operating Charges" in the Income and Expenditure Account.

### ***Details of Council Members***

The Council consists of members appointed by the Head of the Department of Education.

The following members held office during the year to 31 March 2004 :

*Dr Alan Lennon (Chairman) Chairman, CCEA*

*Mr Brian Carlin Former Executive Vice President, Short Bros plc;  
Chairman, CSA*

*Mr John Ellison Commercial Manager, BT*

*Mrs Helen McClenaghan Chief Executive, SELB*

*Mr Jim Clarke Deputy Chief Executive, CCMS*

*Professor Peter Roebuck Provost, University of Ulster*

## Foreword to the Financial Statements (continued)

<i>Miss Julie Bell</i>	<i>Owner : Bell Management Services</i>
<i>Ms Mae Watson</i>	<i>Stranmillis University College</i>
<i>Mrs Dorothy Black</i>	<i>Lecturer, University Of Ulster</i>
<i>Dr Wilfred Mulryne</i>	<i>Headmaster, Methodist College</i>
<i>Dr Anne Murray</i>	<i>Principal, Oakgrove Integrated Primary School</i>
<i>Mr James Lee</i>	<i>Deputy Principal , Castlereagh College</i>
<i>Mr David McKee</i>	<i>Principal, Duke of Westminster High School</i>
<i>Mrs Briega O'Neill *</i>	<i>Principal of St. Colmcille's Primary School and Nursery Unit</i>
<i>Mr David Thompson</i>	<i>Former Principal, Regent House School</i>
<i>Mr Brian Turtle</i>	<i>Director and Chief Executive, Belfast Institute of Further and Higher Education</i>
<i>Mr Jim Collins</i>	<i>Former General Manager, Ford Motor companyMs</i>
<i>Patricia O'Farrell</i>	<i>Education</i>
<i>Mr David Woods</i>	<i>Assessor, Department of Education</i>
<i>Mrs Catherine Bell</i>	<i>Assessor, Department of Further &amp; Higher Education, Training and Employment.</i>

*\* Retired from Council in October 2003*

### **Payment to Creditors**

CCEA is committed to the prompt payment of bills for goods and services received in accordance with the Better Payment Practice Code and British Standards BS7890 "Achieving Good Payment Performance in Commercial Transactions". Unless otherwise stated in the contract, payment is due within 30 days of the receipt of goods or services, or presentation of a valid invoice or similar demand, whichever is later. During the year, 96% of invoices were verified, approved and paid within this standard. We will continue to make efforts to improve towards meeting the standard required.

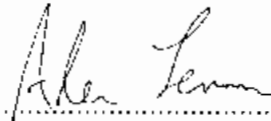
## Key financial targets

The Appendix contains a detailed report on CCEA's performance against all the measures contained within its costed Operational Plan for 2003-2004.

## Accounting Officer 2003-04

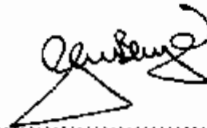
Gavin Boyd, Chief Executive, held Accounting Officer responsibilities for CCEA during the 2003-04 financial year.

Dr Alan Lennon  
Chairman



Date 15 December 2004

Gavin Boyd  
Chief Executive



Date 15 December 2004

## Statement Of The Responsibilities Of The Council And Chief Executive

Under Schedule 3 of the Education (Northern Ireland) Order 1998, the Northern Ireland Council for the Curriculum, Examinations and Assessment (CCEA) is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the Department of Education (DE) with the approval of the Department of Finance and Personnel (DFP). The accounts are prepared on an accruals basis and must give a true and fair view of CCEA'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, CCEA is required to:

- observe the accounts direction issued by DE including 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;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that CCEA will continue in operation.

The Accounting Officer of DE has designated the Chief Executive of CCEA as Accounting Officer for CCEA. His relevant responsibilities as Accounting Officer, including the responsibility for the propriety and regularity of the public finances for which he is answerable and for keeping proper records, are set out in the Non-Departmental Public Bodies' (NDPBs) Accounting Officer Memorandum, which is issued by DFP.

### SCOPE OF RESPONSIBILITY

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

As Accounting Officer, I oversee the operations of the internal control system in CCEA. This system follows the Government Internal Audit Manual (GIAM) definition of being :

*The whole network of systems established in an organisation to provide reasonable assurance that organisational objectives will be achieved, with particular reference to :*

- *the effectiveness of operations;*
- *the economical and efficient use of resources;*
- *compliance with applicable policies, procedures, laws and regulations;*
- *the safeguarding of assets from losses of all kinds, including those arising from fraud, irregularity or corruption;*
- *the integrity and reliability of information, accounts and data.*

*(GIAM - Chapter 7.1.8)*

In my role as Accounting Officer, my view of the overall system of internal control is informed by work managed by CCEA's Business Assurance and Finance & Management Information (FMI) Units, and includes in its scope :

- audit project work;
- consideration of the measures in place to manage corporate risks and the development of the risk management framework;
- business improvement systems and tools employed by CCEA;
- training and development plans involving the People Services & Equality (PSE) Unit and the implementation of these to ensure staff may discharge their responsibilities effectively;
- discussions with key staff and observations during the reporting period.



## Statement of Internal Control (continued)

### 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 departmental policies, aims and objectives;
- to evaluate the likelihood of those risks being realised and the impact should they be realised;
- manage them efficiently, effectively and economically.

The system of internal control has been in place in CCEA for the year ended 31 March 2004 and up to the date of approval of the annual report and accounts and accords with DFP guidance.

### CAPACITY TO HANDLE RISK

CCEA's risk management system has been formalised through :

- the development and communication of a CCEA risk management policy;
- the development and issue of an ISO 9001 risk management procedure;
- the development of a CCEA risk manual (under preparation in April 2004).

CCEA's outsourced internal audit function conducted a review of the risk management process within CCEA during 2003-04 and concluded that the processes within CCEA in relation to Risk Management were adequate and effective.

CCEA's Quality and Risk Executive took up post in June 2002 and has :

- undertaken a substantive and fundamental review of the corporate risk register;
- provided support for staff charged with managing risks;
- managed three risk management stewardship reporting exercises.

## Statement of Internal Control (continued)

During the reporting period, the Quality and Risk Executive met on a one-to-one basis with all managers. Her work included :

- supporting new managers as they commenced employment to understand the nature and scope of the risks they had inherited and for which they were responsible;
- helping managers of new business areas to identify risks in their areas of responsibility and to suggest mitigation measures helpful to manage these risks;
- working with managers to effect improvement where it was considered they had neither identified the risks to their business nor introduced effective mitigation measures.

### THE RISK AND CONTROL FRAMEWORK

#### *Corporate Risk Register*

The dynamic register of ranked corporate risks, with risk ownership clearly assigned, is available to all staff via CCEA's intranet site.

During 2003-04, a fundamental review of the Corporate Risk Register was undertaken. The purpose of the review was to ensure that :

- CCEA had appropriately identified its key business risks;
- ownership of these risks was properly assigned;
- risk mitigation measures were fit for purpose.

The outcome of the review was the division of CCEA's risks into three categories : strategic, business and operational. The identification of strategic risks led to more direct ownership of risk management by members of TMT. The identification of operational risks led to the cascading of the risk management system into operational processing areas.

In addition to the fundamental review of the risk register, there was a focus on ensuring that CCEA clearly identified all opportunities for fraud and that the attendant management of this risk was reflected in the risks owned by managers. This led to the identification of specific fraud risks in some areas and, in others, the inclusion of fraud as part of an existing risk.

Further incremental improvement in the Corporate Risk Register was achieved as follows:

## Statement of Internal Control (continued)

- reassignment of risks to staff in the context of organisational restructuring and the appointment of new managers;
- inclusion of new risks and removal of redundant risks;
- amendment of risk ratings and rankings in the light of the likelihood of the risk occurring and the effectiveness of the mitigation measures;
- amendment of risk descriptors with the aim of achieving clarity for the owner and for management;
- identification and removal of duplicate and/or similar risks;
- assignment of individual ownership where risks were shared.

### *Stewardship Reporting*

Formal quarterly stewardship reporting exercises took place at the end of June, September and December 2003 and April 2004.

The stewardship reporting exercises required the owners of corporate risks to report on how effectively they were managing their corporate risks. The mechanism required the input of TMT who effectively operated in a quality assurance role and identified enhanced mitigation measures where weaknesses in the management of specific risks were identified.

The Business Assurance Unit also reviewed and provided advice and guidance on the effectiveness of mitigation measures and it prompted action to address any perceived weaknesses in control.

The stewardship reporting mechanism provides the bedrock for a comprehensive assurance on the control environment in CCEA and serves as a further component in the organisation's corporate governance framework.

### **REVIEW OF EFFECTIVENESS**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control.

My review is informed by :

- the work of the external consultants who provide our internal audit function
- CCEA's Audit Committee which oversees the work of the internal auditor

## Statement of Internal Control (continued)

- the work of the Business Assurance Manager who prepares an independent assessment of CCEA's Assurance Framework,
- executive managers within the organisation who have responsibility for the development and maintenance of the internal control framework, and
- comments made by the external auditors in their management letter and other reports.

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

The main components of this plan are as follows :

### *Risk and Control Framework*

As previously described, CCEA's risk and control framework involves the use of a dynamic register of risks which is monitored through ongoing stewardship reporting and supported by a dedicated Quality & Risk Executive.

### *Internal Audit*

The internal audit function in CCEA is undertaken by an external provider appointed on a three-year contract following competitive tendering. The overall audit programme was established subsequent to appointment of the provider and was determined following discussions and consultation between the

provider and CCEA management. CCEA's Audit Committee, which meets three times yearly, contributed to and approved the planned programme. This ensured that the programme focused on critical elements of CCEA's business. In addition, the plan is reviewed yearly by the Audit Committee providing confidence that it continues to focus on core business risks and interests of CCEA.

During 2003-04, the provider delivered the second year's work of the three-year programme of audits. The audits focused on all aspects of CCEA's business - financial, business processes, examinations operations and computer systems, as well as a risk assurance review and an assessment of CCEA's risk management arrangements. Some 56 audit days were expended with 10 audits being performed.

The conclusion of the externally sourced auditors in their annual statement of assurance for the period 1 April 2003 to 31 March 2004 was that the controls in place in CCEA provided a partial level of assurance to ensure the effective and

## Statement of Internal Control (continued)

efficient achievement of objectives. The auditors also indicated that where deficiencies in control had been identified they were satisfied they would be resolved in an appropriate manner.

### *Performance Management*

A performance management framework, including performance related pay (PRP), for staff at Business Manager level and above has been introduced. This mechanism is designed to ensure that staff at these levels are challenged in respect of their managerial behaviours and to provide confidence that business tools at their disposal are being deployed as required. The performance management framework also provides confidence to the Accounting Officer that all necessary actions are in place to enable him to sign off, with confidence, the annual Statement of Internal Control (SIC).

The performance management framework is being developed in the light of experience of its deployment during the first year of operation.

### *Financial Management*

The availability of detailed on-line financial information to budget holders supports CCEA's drive for greater financial accountability and transparency. It also equips CCEA budget holders with the tools to enhance control over financial resources. Regular reports on CCEA's financial performance are provided to both the Council and the Business Committee for comment.

Budget holders review financial performance on a monthly basis and an extensive process of managing bids and easements across all budgets is conducted regularly in line with the timescales available to submit bids and easements to DE for consideration.

The management of budgets is incorporated into budget holders' appraisal process and, in 2003-04, a costed operational plan was produced to link the objectives set for each Business Unit through to their budgetary impact by costing each objective in detail.

### *Corporate and Operational Plan Monitoring*

Quarterly Operational Plan monitoring rounds take place to record progress against the performance measures set for each costed operational objective. This quarterly exercise includes a comparison of actual and budgeted expenditure in the delivery of these objectives.

In monitoring Operational Plan performance, CCEA also gauge performance against its Corporate Plan and have conducted a detailed review of

## Statement of Internal Control (continued)

performance against the stated performance measures in its Corporate Plan. This has now been developed as an annual exercise that will inform a rolling three year corporate plan.

### *Quality Management and Business Improvement*

CCEA's ongoing support and commitment to maintaining ISO 9001 certification contributes to the control environment within the organisation. The appointment and rotation of internal quality auditors, continuous review of procedures and resolution of business issues through process improvement notes (PINs) all contribute to the achievement of the objectives of internal control as detailed above.

In 2003-04, further enhancement of internal control frameworks was facilitated by the continuing focus on 'process audits'. This has required ISO internal quality auditors to audit entire processes rather than components of processes.

During the reporting period, there were two ISO 9001 surveillance visits undertaken by an independent assessor. The visits resulted in continuing accreditation. It is important to note that during these visits, no 'non-compliances' against the clauses of the standard were identified. These provide confidence that the objectives of internal control detailed above are being achieved.

Since 1999, CCEA has employed the EFQM Business Excellence Model as a framework for continuous improvement for all aspects of its business. The evaluation of CCEA against the nine criteria of the EFQM Business Excellence Model represents a strategic control mechanism, as the process identifies improvement actions that fully support the objectives of internal control.

Since its introduction, CCEA has made substantial progress as measured by scores awarded against the model's criteria. During the year, CCEA increased its score from 430 to 520. It also achieved a public sector Mark of Excellence and won the Northern Ireland Quality Award. Such accolades strengthen my confidence in the organisation's internal control mechanisms.

### *Examinations Processing Operations Management*

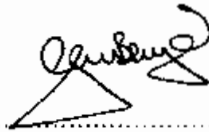
As an examinations awarding body, CCEA is required to follow a Code of Practice drawn up by the regulatory authorities. Under the umbrella of the Joint Council for Qualifications (JCQ), an organisation comprising all awarding bodies, CCEA also adheres to common arrangements agreed and adopted by all examinations awarding bodies for the purposes of consistency and commonality.

## Statement of Internal Control (continued)

The regulatory authorities conduct monitoring and scrutiny exercises in respect of CCEA as an examinations awarding body. The reports that emanate from these exercises point to areas for improvement in terms of adhering to the Code. The management of this process has been further developed during 2003-04 to ensure that recommended improvements are appropriately actioned within specified timescales.

Also during the reporting period, as required by the Code of Practice, CCEA as an awarding body began the process of undertaking a self-assessment of its examinations practices and processes against a given framework. There is early evidence that this exercise has been helpful in identifying areas for improvement in examinations that lie within CCEA's grasp and which, once implemented, will provide further confidence, along with the outcome of monitoring and scrutiny exercises, that the internal control framework in examinations provision is robust and that operational objectives will be achieved.

**Gavin Boyd**  
Chief Executive



Date 15 December 2004

### **Northern Ireland Council for the Curriculum, Examinations and Assessment**

#### **The Certificate and Report 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 38 to 58 under Schedule 3 of the Education (Northern Ireland) Order 1998. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 44 to 47.

#### **Respective Responsibilities of the Council, Chief Executive and Auditor**

As described on page 27 the Council and the Chief Executive are responsible for the preparation of financial statements in accordance with the Education (Northern Ireland) Order 1998 and Department of Education directions made thereunder and for ensuring the regularity of financial transactions. The Council and Chief Executive are also responsible for the other contents of the Annual Report. 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 my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Schedule 3 of the Education (Northern Ireland) Order 1998 and Department of Education 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 Foreword is not consistent with the financial statements, if the Council 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 Annual Report 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 28 to 35 reflects the Council'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 financial 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 Council's 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 Council and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Council'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 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 Northern Ireland Council for the Curriculum, Examinations and Assessment at 31 March 2004 and of the surplus, total recognised gains and losses and cash flows for the year ended and have been properly prepared in accordance with Schedule 3 of the Education (Northern Ireland) Order 1998 and the directions made thereunder by the Department of Education; and
- 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 have no observations to make on these financial statements.



**J M DOWDALL CB**  
Comptroller and Auditor General

24 January 2005

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

## Income and Expenditure Account for the year ended 31 March 2004

	Notes	2004		2003	
		£	£	£	£
<b>INCOME</b>					
Department of Education Grants	2		<b>14,855,133</b>		13,644,693
Income from activities	2		<b>7,173,335</b>		<b>5,481,758</b>
			<b>22,028,468</b>		<b>19,126,451</b>
<b>EXPENDITURE</b>					
Staff costs	4	<b>7,959,065</b>		6,969,145	
Other operating charges	7	<b>13,696,137</b>		11,892,350	
Depreciation charge for year	8	<b>348,987</b>		361,467	
Amortisation charge for year	9	<b>4,864</b>		-	
Loss on write-off of assets		<b>1,746</b>		-	
Operating cost for the year			<b>22,010,799</b>		<b>19,222,962</b>
<b>OPERATING SURPLUS/ (DEFICIT) FOR THE FINANCIAL YEAR</b>			<b>17,669</b>		<b>(96,511)</b>
Interest payable - short term	10		<b>(81)</b>		<b>(20)</b>
Surplus/(Deficit) for the year before notional costs			<b>17,588</b>		<b>(96,531)</b>
Notional cost of capital	10		<b>(16,851)</b>		<b>(28,448)</b>
Surplus/(Deficit) for the year after notional costs			<b>737</b>		<b>(124,979)</b>
Reversing credit in respect of notional costs			<b>16,851</b>		<b>28,448</b>
<b>AMOUNT TRANSFERRED TO/ (FROM) RESERVES</b>			<b>17,588</b>		<b>(96,531)</b>

## Statement of Total Recognised Gains and Losses

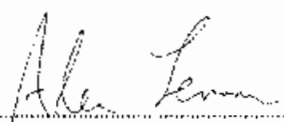
	2004 £	2003 £
Surplus/(Deficit) for the financial year	737	(124,979)
Total recognised gains/(losses) for the year	<u>737</u>	<u>(124,979)</u>

All activities are derived from continuing operations.

## Balance Sheet as at 31 March 2004

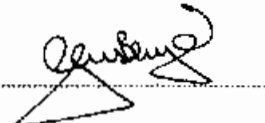
	Notes	2004		2003	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	8	782,573		795,103	
Intangible assets	9	<u>23,622</u>	806,195	-	795,103
<b>CURRENT ASSETS</b>					
Stock and work in progress	11	206,011		108,545	
Debtors due within one year	12	1,419,267		1,496,854	
Cash at bank and in hand		<u>6,020</u>		<u>61,691</u>	
		<b>1,631,298</b>		<b>1,667,090</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	13	<u>1,325,034</u>		<u>1,536,590</u>	
Net Current Assets			<u>306,264</u>		<u>130,500</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>1,112,459</b>		<b>925,603</b>
<b>PROVISION FOR LIABILITIES AND CHARGES</b>	14		<u>(588,669)</u>		<u>(481,805)</u>
<b>NET ASSETS</b>			<u><b>523,790</b></u>		<u><b>443,798</b></u>
Financed by:					
<b>CAPITAL AND RESERVES</b>					
Capital Account	16	69,171		17,860	
Government Grant Reserve	17	806,192		795,099	
General Fund	18	<u>(351,573)</u>		<u>(369,161)</u>	
			<u><b>523,790</b></u>		<u><b>443,798</b></u>

Dr Alan Lennon  
(Chairman)



Date 15 December 2004

Gavin Boyd  
(Chief Executive)



Date 15 December 2004

## Cash Flow Statement for the year ended 31 March 2004

	Notes	2004		2003	
		£	£	£	£
<b>NET CASH (OUTFLOW)/ INFLOW FROM OPERATING ACTIVITIES</b>	1		<b>(181,266)</b>		<b>201,302</b>
<b>RETURNS ON FINANCE AND SERVICING OF FINANCE</b>					
Interest paid		<u>(81)</u>		<u>(20)</u>	
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			<b>(81)</b>		<b>(20)</b>
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>					
Payments to acquire tangible fixed assets		<u>(260,977)</u>		<u>(530,258)</u>	
Payments to acquire intangible fixed assets		<u>(28,486)</u>		<u>-</u>	
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>			<b>(289,463)</b>		<b>(530,258)</b>
<b>NET CASH OUTFLOW BEFORE FINANCING</b>			<b>(470,810)</b>		<b>(328,976)</b>
<b>FINANCING</b>					
Capital grants received	4	<u>280,000</u>		<u>351,000</u>	
<b>NET CASH INFLOW FROM FINANCING</b>			<b>280,000</b>		<b>351,000</b>
<b>(DECREASE)/INCREASE IN NET CASH AND CASH EQUIVALENTS</b>	2		<b>(190,810)</b>		<b>22,024</b>

## Notes to the Cash Flow Statement for the year ended 31 March 2004

### 1 RECONCILIATION OF OPERATING SURPLUS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2004 £	2003 £
Operating Surplus/(Deficit)	17,669	(96,511)
Adjustment for non-cash transactions		
Depreciation	348,987	361,467
Amortisation	4,864	-
Loss on write-off of assets	1,746	-
Deferred capital grant release	(355,596)	(361,469)
Bad debts provision	9,043	-
Bad debts written off	3,354	-
Provision for liabilities & charges	106,864	10,145
Adjustments for movements in working capital		
(Increase)/Decrease in Stock	(97,466)	73,110
Decrease/(Increase) in Debtors	203,190	(519,429)
(Decrease)/Increase in Creditors	(423,921)	733,989
Net Cash (Outflow)/Inflow from Operating Activities	<u>(181,266)</u>	<u>201,302</u>

### 2 ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	2004 £	2003 £
Opening balance	61,691	39,667
Net cash (outflow)/inflow	<u>(190,810)</u>	22,024
Closing balance	<u>(129,119)</u>	<u>61,691</u>

### 3 ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS

	2004 £	2003 £	Change in year £
Cash at Bank and in Hand	<u>(129,119)</u>	61,691	<u>(190,810)</u>
	<u>(129,119)</u>	<u>61,691</u>	<u>(190,810)</u>

**Notes to the Cash Flow Statement for the year ended 31 March 2004 (continued)**

**4 ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR**

	<b>Deferred Capital Grant 2004 £</b>	<b>Capital Account 2003 £</b>
Balances at 1 April 2003	795,099	17,860
Capital grants received	-	280,000
Accrued capital grant	-	138,000
Transfer in respect of depreciating assets purchased	366,689	(366,689)
Release to Income and Expenditure Account	(1,746)	-
Release to revenue in respect of grant amortisation	<u>(353,850)</u>	<u>-</u>
Balances at 31 March 2004	<u>806,192</u>	<u>69,171</u>

## **1 ACCOUNTING POLICIES**

The principal accounting policies which have been adopted in the preparation of these accounts are as follows:

### **1.1 Accounting Convention**

- (i) The financial statements have been prepared in accordance with the historical cost convention. In prior years, the financial statements were prepared in accordance with the historical cost convention as modified by the revaluation of assets. In line with guidance contained in Executive Non-Departmental Public Bodies Annual Reports and Accounts Guidance (December 2000), we have used the historical cost convention without modification due to the revaluation of assets.
- (ii) The accounts direction issued by the Department of Education (DE) and approved by the Department of Finance and Personnel (DFP) is reproduced as an Appendix to these accounts
- (iii) Without limiting the information given, the accounts meet the accounting and disclosure requirements of the Companies (Northern Ireland) Order 1986 and accounting standards issued or adopted by the Accounting Standards Board and the accounting and disclosure requirements issued by DFP insofar as those requirements are appropriate.

### **1.2 Income**

#### **(a) Government Grants**

Government grants received are treated as follows:

- (i) Grants of a revenue nature are credited to income in the year to which they relate.
- (ii) Capital grants received from Government are credited to the Capital Account.
- (iii) Capital expenditure on depreciating assets is transferred to the Deferred Capital Grant Account and released to revenue over the estimated useful life of the relevant asset.
- (iv) Where there is a shortfall in grant finance for capital additions, this shortfall is made up from revenue grants if permission is given by DE.



**(b) Examination Fees**

CCEA charges examination fees in the same financial year as the examinations take place.

**1.3 Fixed Assets**

Fixed assets are capitalised at their cost of acquisition and installation.

The level for capitalisation as an individual or grouped fixed asset has been applied for the years shown at £1,500.

CCEA does not own any land or buildings.

**1.4 Leased Assets**

Rental payments in respect of assets held under operating leases are charged to Income and Expenditure Account as incurred.

Commitments under operating leases are shown in Note 15 to the Financial Statements.

**1.5 Depreciation**

Depreciation is provided on all tangible fixed assets from the month they are brought into service.

In order to write off the value, less estimated residual value of each asset, tangible fixed assets are depreciated on a straight line basis over their expected useful lives or lease period if shorter.

Lives of assets, which are reviewed regularly, are as follows:

Computer hardware	- 4 years
Computer software	- 4 years
Office equipment and furniture	- 4 years
Plant and machinery	- 4 years

**1.6 Amortisation**

Amortisation is provided on software licences from the month they are brought into service.

In order to write off the value, less estimated residual value of each asset, software licences are amortised on a straight line basis over their expected useful lives.

In line with the computer software to which they relate, software licences are deemed to have useful lives of 4 years.

**1.7 Stocks**

Stocks have been consistently valued at the lower of cost and net realisable value.

**1.8 Work in Progress**

Work in progress represents the estimated value of work commenced, but not invoiced, in respect of projects being undertaken by the Multimedia Department.

**1.9 Pensions**

CCEA participates in the following two pension schemes :

**a) Teachers' Superannuation Scheme**

CCEA makes employer contributions to the cost of pension cover provided for its staff, which are charged to the Income and Expenditure account as incurred.

**b) Northern Ireland Local Government Officers' Superannuation Committee Scheme**

The pension cost in respect of employees is charged to the Income and Expenditure Account so as to recognise the cost of pensions over employees' working lives.

**1.10 Value Added Tax (VAT)**

A small part of the activities of CCEA - mainly those associated with the Multimedia Department - falls within the scope of VAT. With the exception of expenditure directly related to these activities, VAT is not reclaimable by CCEA and so, in these cases, expenditure in the accounts is inclusive of VAT.

**1.11 Cost of Capital**

In accordance with DFP guidelines, notional interest is charged on the basis of 3.5% of the average value of capital employed by CCEA less interest already paid. Capital employed is defined as total assets less current liabilities.

**1.12 Early Departure Costs**

Although the Local Government (Compensation for Premature Retirement) Regulations (Northern Ireland) 1983 do not apply to CCEA, these regulations have been agreed with the recognised Trade Union as an acceptable basis to allow CCEA to have the discretion to

## Notes to the Financial Statements at 31 March 2004 (continued)

make provision for premature retirement of officers who cease to hold their employment by reason of redundancy or in the efficient discharge of their employee's functions.

Lump sum payments during the year, and a statement of continuing liability, are disclosed in Note 5 to the financial statements. The accounting practice is to provide for the full cost of early departure of employees in the Income and Expenditure Statement, based on actuarial tables in accordance with Financial Reporting Standard (FRS)12.

### 2 INCOME

#### (A) DEPARTMENT OF EDUCATION GRANTS

	2004 £	2003 £
Salaries grant (DENI Vote 1)	7,959,065	6,969,146
Recurrent grant (DENI Vote 1)	5,201,472	5,004,958
Substitute teachers	<u>1,340,746</u>	<u>1,309,120</u>
	<b>14,501,283</b>	<b>13,283,224</b>
Deferred capital grant release (see note 17)	<u>353,850</u>	<u>361,469</u>
	<b><u>14,855,133</u></b>	<b><u>13,644,693</u></b>

#### (B) INCOME FROM ACTIVITIES

	2004 £	2003 £
Publications	-	20
Research and development	287,108	164,727
Examination fees	5,645,916	4,559,706
Other activities	<u>1,240,311</u>	<u>757,305</u>
	<b><u>7,173,335</u></b>	<b><u>5,481,758</u></b>

Income from activities is shown net of Value Added Tax (VAT).

## Notes to the Financial Statements at 31 March 2004 (continued)

### 3 RECONCILIATION OF MOVEMENTS IN GOVERNMENT FUNDS

	2004 £	2003 £
Surplus/(Deficit) for year	17,588	(96,531)
Capital grants received	418,000	351,000
Release of deferred capital grant	(355,596)	(361,469)
Net increase/(decrease) in Government Funds	<u>79,992</u>	<u>(107,000)</u>
Government Funds at 1 April 2003	443,798	550,798
Government Funds at 31 March 2004	<u><u>523,790</u></u>	<u><u>443,798</u></u>

### 4 STAFF COSTS

The average number of employees during the year was made up as follows :

	2004	2003
Senior management	3	3
Direct employees	219	215
Temporary staff	85	62
Contract staff	<u>28</u>	<u>26</u>
	<u><u>335</u></u>	<u><u>306</u></u>

The costs incurred in respect of employees were :

	2004 £	2003 £
Gross salaries		
Direct employees	5,117,816	4,539,706
Temporary staff	753,583	613,390
Contract staff	980,723	1,052,374
Social security costs	542,435	429,165
Pension costs	552,350	324,365
Early departure costs (Note 6)	12,158	10,145
	<u><u>7,959,065</u></u>	<u><u>6,969,145</u></u>

## 5 EMOLUMENTS AND PENSION ENTITLEMENTS OF SENIOR MANAGEMENT

Emoluments	Real increase in pension earned in the year to 31/03/04	Real increase in accrued lump sum in the year to 31/03/04	Total accrued pension at 31/03/04	Total accrued lump sum at 31/03/04	CETV at 31/03/03	CETV at 31/03/04
£	£	£	£	£	£	£
Gavin Boyd - Chief Executive	83,846	995	2,984	11,160	28,251	41,127
Alastair Walker - Head of Education Services	67,422	4,326	12,978	76,720	356,843	462,696
Gerry Crossan - Head of Corporate Services (Resigned 30 September 2003)	31,409	1,395	4,186	13,156	134,967	155,395
David Mulholland - Head of Corporate Services (Appointed 21 October 2003)	51,287	832	2,497	1,776	7,900	15,953

All members of the senior management team participate in the NILGOSC Superannuation Scheme as defined in Note 6. "Emoluments" consist of gross salary and performance-related pay (PRP). No other bonuses, allowances or benefits in kind were provided during the year.

The increase in real terms of the accrued pensions and lump sums is calculated on the basis of an inflation adjustment factor of 2.8% for the year to 31 March 2004.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the disclosed pension arrangement. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework described by the Institute and Faculty of Actuaries. During the year, the honorarium paid to the Chairman was £18,415 (per Note 7).

No emoluments were paid to any other Council member.

## **6 PENSION COMMITMENTS**

### **a) Teachers' Superannuation Scheme**

36 employees of CCEA are members of the Teachers' Superannuation Scheme, which is a contributory scheme administered by the Department of Education (DE).

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 (DFP).

For 2003-04, the contribution rates were 7.85% employers and 6.00% employees.

## Notes to the Financial Statements at 31 March 2004 (continued)

Contributions for the year :

	2004 £	2003 £
Employers	114,175	115,948
Employees	87,268	88,624
Total	<u>201,443</u>	<u>204,572</u>

### b) Northern Ireland Local Government Officers' Superannuation Committee Scheme

CCEA participates in the Northern Ireland Local Government Officers' Superannuation Committee Scheme (The NILGOSC scheme) for 142 of its employees. The NILGOSC scheme is a "multi-employer", defined benefit scheme, which provides members of participating employers with the benefits related to pay and services at rates which are defined under statutory regulations. To finance these benefits, assets are accumulated in the scheme and are held separately from the assets of the employers. The scheme is funded by employers participating in the NILGOSC scheme who pay contributions at rates determined by an independent professionally qualified actuary on the basis of regular valuations using the projected unit method. The results of the most recent valuation, which was conducted at 31 March 2001, were as follows :

Main assumptions -

Rate of return on investments per annum	- 2.50%
Rate of general increase in salaries per annum	+ 3.00%
Rate of pension increases per annum	+ 1.70%

Market value of scheme's assets £2,223,707,000

Level of funding being the actuarial value of assets expressed as a percentage of the benefits accrued to members, deferred pensioners and members based on past service and after allowing for future salary increase 121%

The surplus is being amortised over the average remaining service life of the current membership, a period of approximately 10 years.

## Notes to the Financial Statements at 31 March 2004 (continued)

Contributions for the year :

	2004 £	2003 £
Employers	161,508	157,970
Employees	210,512	205,777
Total	<u>372,020</u>	<u>363,747</u>

**c) Early Departure Costs**

Lump sum payments during the year in connection with early departures amounted to: -

	2004 £	2003 £
	12,158	-

Annual costs relating to early departures in previous years, which are met by CCEA, currently amount to £37,293. These annual costs will continue in line with pension payments and are index linked.

	2004 £	2003 £
Provision for liabilities and charges.	588,669	481,805

In accordance with Financial Reporting Standard (FRS) 12 - "Provisions, contingent liabilities and contingent assets", full provision has been made for the best estimate of the expected total liability of CCEA in relation to early departures during the current year and previous years.



## Notes to the Financial Statements at 31 March 2004 (continued)

7 OTHER OPERATING CHARGES	2004 £	2003 £
Chairman's Honorarium	18,415	12,633
Council and Main Committee expenses	3,126	3,651
Examiners and other fees and expenses	5,076,986	3,626,194
Heat and light	79,967	85,317
Cleaning and other services	162,399	137,507
Rent and rates	1,174,551	1,047,114
Repairs and renewals - premises	162,208	97,198
Repairs and renewals - machinery and equipment	148,457	154,279
Rental, leasing and hire purchase of equipment	230,884	256,048
Audit fee	3,774	8,533
Professional charges	1,166,344	1,000,464
Hire of accommodation and equipment	57,441	71,702
Catering	204,197	208,956
Cost of saleable materials	68,609	85,314
Project costs	67,828	121,826
Transport and travel	255,591	232,540
Carriage	300,170	232,730
Advertising, printing and stationery	1,741,516	1,641,106
Telephone and postage	289,790	303,876
Insurance and risk management	70,452	73,363
Conferences and exhibitions	131,440	105,689
Training and health and safety	205,320	116,506
Inter-Board activities	38,837	59,552
Research and development	564,011	632,173
Substitute teachers	1,340,746	1,309,120
Minor fixed assets (under £1,500)	24,394	58,732
Bad debts provision	9,043	-
Bad debts written off	3,354	-
Miscellaneous	96,287	210,227
	<u>13,696,137</u>	<u>11,892,350</u>

## 8 TANGIBLE ASSETS

	Computer Hardware	Computer Software	Office Furniture & Equipment	Workshop Equipment	Plant & Machinery	Mallusk	TOTAL
	£	£	£	£	£	£	£
<b>COST</b>							
At 1 April 2003	990,143	625,177	500,567	51,829	-	209,187	2,376,903
Additions	111,340	96,230	130,634	-	-	-	338,204
Reclassifications	22,158	-	208,465	(51,829)	30,393	(209,187)	-
Assets written off	(288,304)	(130,868)	(34,374)	-	(10,394)	-	(463,940)
<b>At 31 March 2004</b>	<b>835,337</b>	<b>590,539</b>	<b>805,292</b>	<b>-</b>	<b>19,999</b>	<b>-</b>	<b>2,251,167</b>
<b>ACCUMULATED DEPRECIATION</b>							
At 1 April 2003	702,147	476,804	291,171	51,829	-	59,849	1,581,800
Charge to Income & Expenditure	134,788	75,735	133,506	-	4,958	-	348,987
Depreciation eliminated on reclassifications	18,393	-	76,473	(51,829)	16,812	(59,849)	-
Depreciation eliminated on assets written off	(286,557)	(130,868)	(34,374)	-	(10,394)	-	(462,193)
<b>At 31 March 2004</b>	<b>568,771</b>	<b>421,671</b>	<b>466,776</b>	<b>-</b>	<b>11,376</b>	<b>-</b>	<b>1,468,594</b>
<b>NET BOOK VALUE</b>							
At 31 March 2003	287,996	148,373	209,396	-	-	149,338	795,103
<b>At 31 March 2004</b>	<b>266,566</b>	<b>168,868</b>	<b>338,516</b>	<b>-</b>	<b>8,623</b>	<b>-</b>	<b>782,573</b>

## Notes to the Financial Statements at 31 March 2004 (continued)

### 9 INTANGIBLE ASSETS

	Software Licences £	TOTAL £
<b>COST</b>		
At 1 April 2003	-	-
Additions	28,486	28,486
<b>At 31 March 2004</b>	<b>28,486</b>	<b>28,486</b>
<b>ACCUMULATED AMORTISATION</b>		
At 1 April 2003	-	-
Charge for year	4,864	4,864
<b>At 31 March 2004</b>	<b>4,864</b>	<b>4,864</b>
<b>NET BOOK VALUE</b>		
At 31 March 2003	-	-
<b>At 31 March 2004</b>	<b>23,622</b>	<b>23,622</b>

### 10 INTEREST ON CAPITAL EMPLOYED

	2004 £	2003 £
Interest payable - short term	81	20
Notional interest	16,851	28,448
	<b>16,932</b>	<b>28,468</b>

### 11 STOCK

	2004 £	2003 £
Work in progress	13,443	-
Paper	7,384	8,545
Question papers	185,184	100,000
	<b>206,011</b>	<b>108,545</b>

### 12 DEBTORS DUE WITHIN ONE YEAR

	2004 £	2003 £
Trade debtors	485,544	694,668
Other debtors	76,370	-
Prepayments and accrued income	857,353	802,186
	<b>1,419,267</b>	<b>1,496,854</b>

## Notes to the Financial Statements at 31 March 2004 (continued)

### 13 CREDITORS FALLING DUE WITHIN ONE YEAR

	2004 £	2003 £
Bank overdraft	135,138	-
Taxes and social security	5,398	541
Other creditors	7,143	1,684
VAT	16,979	11,211
Accruals and deferred income	<u>1,160,376</u>	<u>1,523,154</u>
	<u>1,325,034</u>	<u>1,536,590</u>

### 14 PROVISIONS FOR LIABILITIES AND CHARGES

	2004 £	2003 £
As at 1 April 2003	481,805	471,660
Increase in pension provision during year	<u>106,864</u>	<u>10,145</u>
Pension provision in respect of Early Departures at 31 March 2004	<u>588,669</u>	<u>481,805</u>

### 15 LEASE COMMITMENTS

#### (A) OPERATING LEASES

At 31 March 2004, annual commitments under non-cancelable operating leases were as follows:

	2004 £	2003 £
Operating leases which expire:		
Within one year	84,458	457
Within two to five years	<u>6,821</u>	<u>95,860</u>
	<u>91,279</u>	<u>96,317</u>

#### (B) RENTAL OF PROPERTY

	2004 £	2003 £
Property leases which expire:		
Within one year	7,559	-
Within two to five years	293,637	329,456
More than five years	<u>695,600</u>	<u>535,800</u>
	<u>996,796</u>	<u>865,256</u>

## Notes to the Financial Statements at 31 March 2004 (continued)

### 16 CAPITAL ACCOUNT

	2004 £	2003 £
At 1 April 2003	17,860	(61,525)
Capital Grant Account (DENI Vote 1)	418,000	351,000
	<u>435,860</u>	<u>289,475</u>
Transfer to Government Grant Reserve	(366,689)	(271,615)
At 31 March 2004	<u>69,171</u>	<u>17,860</u>

### 17 GOVERNMENT GRANT RESERVE

	2004 £	2003 £
<b>GROSS VALUE OF DEFERRED GRANTS</b>		
At 1 April 2003	3,080,353	2,808,738
Transfer from capital account in respect of depreciating assets	366,689	271,615
At 31 March 2004	<u>3,447,042</u>	<u>3,080,353</u>

#### ACCUMULATED TRANSFERS TO REVENUE

At 1 April 2003	(2,285,254)	(1,923,785)
Transfer to the Income & Expenditure Account	(1,746)	-
Transfer to revenue in respect of grant amortisation for the year	(353,850)	(361,469)
At 31 March 2004	<u>(2,640,850)</u>	<u>(2,285,254)</u>

#### NET VALUE AT 31 MARCH 2004

<u>806,192</u>	<u>795,099</u>
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### 18 GENERAL FUND

	2004 £	2003 £
At 1 April 2003 based on valuation	(369,161)	(272,630)
Surplus/(Deficit) for the year	17,588	(96,531)
At 31 March 2004	<u>(351,573)</u>	<u>(369,161)</u>

### 19 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 31 March 2004, a capital commitment of £70,382 existed in respect of a new computer system for the Finance and People Services and Equality functions.

**20 RELATED PARTIES**

CCEA is a Non-Departmental Public Body (NDPB), established by the Education and Libraries (NI) Order 1993, which receives its core funding through grant-in-aid from DE.

DE is regarded as a related party. During the year, CCEA had a significant number of material transactions with DE, and with other entities for which DE is regarded as the parent Department, including :

- The Education and Library Boards
- Schools in Northern Ireland
- Colleges of Further Education in Northern Ireland
- Universities in Northern Ireland.

During the year, none of the board members, members of the key management staff or other related parties undertook any material transactions with CCEA.

**21 SEGMENTAL INFORMATION**

The Accounts Direction for the organisation requires CCEA to disclose appropriate segmental information on its services. For the year 2003-04, CCEA has calculated that, for its major services, the estimated full economic costs as offset by DE grants, income from examinations and income from other activities were as follows

	<b>2004</b> <b>£000</b>
Curriculum Services	(1,888)
Examination Services	(14,140)
Assessment Services	(4,766)
Regulatory Services	(1,217)
	<u>(22,011)</u>
DE Grants	14,855
Examinations income	5,646
Income from other activities	1,527
	<u><u>17</u></u>

**22 MANAGEMENT OF EXPOSURE TO RISKS**

CCEA has no borrowings and relies primarily on grant-in-aid from DE and, therefore, is not exposed to liquidity risks. As CCEA has no material deposits and all of its assets and liabilities are denominated in sterling, exposure to interest rate risk and foreign currency risk is removed.

**NORTHERN IRELAND COUNCIL FOR THE CURRICULUM, EXAMINATIONS  
AND ASSESSMENT (CCEA)****ACCOUNTS DIRECTION GIVEN BY THE DEPARTMENT OF EDUCATION,  
WITH THE APPROVAL OF THE DEPARTMENT OF FINANCE AND  
PERSONNEL, IN ACCORDANCE WITH SCHEDULE 3 OF THE  
EDUCATION (NI) ORDER 1998**

1. CCEA shall prepare accounts for the financial year ended 31 March 1997 and subsequent financial years comprising:
  - a. a foreword;
  - b. an income and expenditure account;
  - c. a balance sheet;
  - d. a cash flow statement; and
  - e. a statement of total recognised gains and losses,including such notes as may be necessary for the purposes referred to in the following paragraphs.
2. The accounts shall give a true and fair view of the income and expenditure and cash flows for the financial year and the state of affairs as at the end of the financial year.
3. Subject to this requirement, the accounts shall be prepared in accordance with:
  - a. generally accepted accounting practice in the United Kingdom (UK GAAP);
  - b. the disclosure and accounting requirements contained in "The Fees and Charges Guide" (in particular those relating to the need for appropriate segmental information for services or forms of service provided) and in 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. the accounting and disclosure requirements given in "Government Accounting Northern Ireland" and in "Executive NDPBs : Annual Reports and Accounts" guidance, as amended or augmented from time to time;

in so far as these are appropriate to CCEA and are in force for the financial year for which the statement of accounts is to be prepared.

4. Clarification of the application of the accounting and disclosure requirements of the Companies (NI) Order 1986 and accounting standards is given in Schedule 1. Additional disclosure requirements are set out in Schedule 2.
5. The income and expenditure account and balance sheet shall be prepared under the historical cost convention modified by the inclusion of:
  - a. fixed assets at their value to the business by reference to current costs; and
  - b. stocks at the lower of net current replacement cost (or historical cost if this is not materially different) and net realisable value.
6. This direction shall be reproduced as an appendix to the accounts.

*Signed by authority of the Department of Education  
Mr Richard Cushnie Dated 1 February 2005*

**Schedule 1 to the Accounts Direction**

**APPLICATION OF THE ACCOUNTING AND DISCLOSURE REQUIREMENTS  
OF THE COMPANIES (NORTHERN IRELAND) ORDER 1986 AND  
ACCOUNTING STANDARDS**

**Companies (NI) Order 1986**

1. The disclosure exemptions permitted by the Companies (Northern Ireland) Order shall not apply to CCEA unless specifically approved by the Department of Finance and Personnel.
2. The Companies (NI) Order requires certain information to be disclosed in the Directors' Report. To the extent that it is appropriate, the information relating to CCEA shall be contained in the foreword.
3. When preparing its income and expenditure account, CCEA shall have regard to the profit and loss account Format 2 prescribed in Schedule 4 to the Companies (NI) Order.
4. When preparing its balance sheet, CCEA shall have regard to balance sheet Format 1 prescribed in Schedule 4 to the Companies (NI) Order. The balance sheet totals shall be struck at "total assets less current liabilities".
5. CCEA is not required to provide the additional information required by Paragraph 33(3) of Schedule 4 to the Companies (NI) Order.
6. The foreword and balance sheet shall be signed by the Accounting Officer and dated.



**Accounting Standards**

7. CCEA is not required to include a note showing historical cost profits and losses as described in FRS 3.

**Schedule 2 to the Accounts Direction**

**ADDITIONAL DISCLOSURE REQUIREMENTS**

1. The foreword shall, inter alia,
  - a. state that the accounts have been prepared in a form directed by the Department with the consent of the Department of Finance and Personnel in accordance with Article 26 of the Education Reform (Northern Ireland) Order 1989.
  - b. include a brief history of CCEA and its statutory background.
2. The Notes to the Accounts shall include details of the key corporate financial targets set by the Department together with the performance achieved.

