

Account, prepared pursuant to Schedule 1, para 7(1) of the School Standards and Framework Act 1998, of the Ashington Education Action Zone for the period ended 9 January 2005, together with the Comptroller and Auditor General's Certificate and Report thereon. (In continuation of House of Commons Papers, No 1047 of 2003-2004.)

Presented pursuant to School Standards and Framework Act 1998. Sch 1. Section 11, para 7(3)

Ashington Education Action Zone Account 1 April 2004 to 9 January 2005

ORDERED BY THE HOUSE OF COMMONS TO BE PRINTED 8 JANUARY 2007

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Legal and Administrative Information

Trustees

All Forum members are Trustees. A list of Forum members is below

	School	Date joined
Karen Biggs	Hawthorn First School	Nov 2002
Christina Black	Newbiggin Middle School	Jan 2000
Helen Brown	Welbeck First School	Nov 2002
Pat Burns	Bothal Middle School	Jan 2000
Anne Carter	Windsor First School	Jan 2000
Janice Craven	Coulson Park First School	Jan 2000
John Davison	Alexandra First School	Jan 2000
Brian Johnson	Lynemouth First School	Jan 2000
Ged Lee	Hirst High School	Jan 2000
Sam Leslie	St Aidan's RC First School	Mar 2002
Gillian Philip	Pegswood First School	Jan 2000
Moira Pickup	Alexandra Middle School	Jan 2000
Kath Race	St Benedict's RC Middle School	Jan 2000
Andy Roberts	Hirst Park Middle School	Sept 2003
Carole Robinson	Moorside First School	Jan 2000
Paul Rusby	Seaton Hirst Middle School	Jan 2000
Daphne Smith	Wansbeck First School	Jan 2000
Mick Spencer	Central First School	Mar 2002
Ken Tonge	Ashington High School	Jan 2000
Katherine Unwin	Linton First School	Feb 2001
Kevin Vardy	Ellington First School	Jan 2000

	Partners	Date joined
Anne Arter	Northumberland Health Authority	April 2003
Lucy Backhurst	University of Newcastle Upon Tyne	Mar 2002
Tim Capron	Northumberland College	Jan 2000
Joan Forster	Northumberland Learning and Skills Council	Jan 2000
Carol Nicholson	Northumbria Police	Jan 2000
Derek Nickalls	Nickalls Accountants Ltd	Nov 2001
Jack Thompson	Ashington Rotary Club	Jan 2000
Brenda Trobe	Lindisfarne Press	Jan 2000
Kathleen Urwin	Wansbeck District Council	Jun 2001
Sally Weir	Northumberland Learning and Skills Council	Jun 2002

	Secretary of state appointee	Date joined
Steve Turnbull	Department for Education and Skills	Sept 2003

	Northumberland County Council	Date Joined
Brian Edwards	Northumberland County Council	Sept 2003
Tony Mays	Northumberland County Council	Nov 2001
Keith Woods	Divisional Director (Raising Achievement)	Sept 2003
Hazel Searle	Social Services	Nov 2001
Jim Wright	Northumberland County Council	Jun 2002

	Additional members	Date joined
Jacqueline Chant	Barclays PLC	April 2003
Eric Fear	Alcan Smelting and Power UK	Jan 2000
Garry Hindhaugh	ASDA, Ashington	Nov 2002
Gill Starkey	County Library Service	Jan 2000
Julie Stephenson	Cookswell Garage	Jan 2000

	Governing bodies	Date joined
Iain Colqhoun	Coulson Park First School	Jan 2000
Debra Toghe	Pegswood First School	Jan 2000
Mike Warren	Ashington High School	Jan 2000

	Teachers	Date joined
Rob Savage	Hirst High School	Feb 2001
Bob Smith	Hirst Park Middle School	Jan 2000
Tony Rigg	Moorside First School	Sept 2003

Chairman

The Chair of the Forum is Jack Thompson

EAZ Office

Wansbeck Business Centre
Rotary Park Way
Ashington
Northumberland NE63 8QZ

Auditors

Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
LONDON SW1W 9SP

Bankers

Barclays Bank
Northumbria House
Cramlington
Northumberland NE23 6QP

Executive Committee

Jack Thompson (Chair)
Ashington Rotary Club
Chair, Ashington EAZ

Bill Humphrey
Director, Ashington EAZ
Ex-officio

Christina Black
Headteacher
Newbiggin Middle School

Joan Forster
Northumberland Learning and Skills Council

Ged Lee
Headteacher, Hirst High School

Bob Smith (Co-opted)
Middle School Teacher Rep

Derek Nickalls
Nickalls Accountants Ltd
Vice Chair, Ashington EAZ

Anne Arter
Northumberland NHS
Child Health Development

Iain Colquhoun
First School Parent Governor

Brian Johnson
Lynemouth First School

Tony Mays
Northumberland LEA

Cllr Jim Wright
Northumberland County Council

Finance Committee

Kath Race (Chair)
Headteacher, St Benedict's RC Middle School

Derek Nickalls
Accountant
Co-opted Member
Vice Chair, Ashington EAZ

Christine Aldridge
Finance Officer, Ashington EAZ

Ged Lee
Headteacher, Hirst High School

Moira Pickup
Headteacher, Alexandra Middle School

Jack Thompson
Chair, Ashington EAZ
Ex-officio

Bill Humphrey
Director, Ashington EAZ
Ex-officio

Jacqueline Chant
Barclays Bank Plc, Cramlington

Sam Leslie
Headteacher, St Aidan's RC First School

Headteachers Advisory Group

Jack Thompson, Forum Chair
Derek Nickalls, Forum Vice Chair
Tony Mays, Northumberland LEA
Bill Humphrey, EAZ Director / Social Inclusion Strand Manager
Sue Gale, Teaching and Learning Strand Manager
Gordon Dickinson, ICT Strand Manager
Ruth Hudspith, Continuing Education 11-19 Year Olds Strand Manager

Plus 21 Headteachers (13 First, 6 Middle and 2 High Schools) as listed below.

Karen Biggs	Hawthorn First School
Christina Black	Newbiggin Middle School
Helen Brown	Welbeck First School
Pat Burns	Bothal Middle School
Anne Carter	Windsor First School
Janice Craven	Coulson Park First School
John Davison	Alexandra First School
Brian Johnson	Lynemouth First School
Ged Lee	Hirst High School
Sam Leslie	St Aidan's RC First School
Gillian Philip	Pegswood First School
Moira Pickup	Alexandra Middle School
Kath Race	St Benedict's RC Middle School
Andy Roberts	Hirst Park Middle School
Carole Robinson	Moorside First School
Paul Rusby	Seaton Hirst Middle School
Daphne Smith	Wansbeck First School
Mick Spencer	Central First School
Ken Tonge	Ashington High School
Katherine Urwin	Linton First School
Kevin Vardy	Ellington First School

Teaching and Learning Strand Management Group

Bob Smith (Chair) Middle School Teacher Rep	Sue Gale Strand Manager
Jack Thompson Chair, Ashington EAZ Ex-officio	Bill Humphrey Director, Ashington EAZ Ex-officio
Sue Arnold Windsor First School	Alec Bickerton Northumberland College
Christina Black Headteacher, Newbiggin Middle School	Nick Constantine Head of Mathematics, Ashington High School
Janice Craven Headteacher, Coulson Park First School	Ged Lee Headteacher, Hirst High School
Ray Malecki Learning and Skills Council	Kieran McGrane Ashington High School
Daphne Smith Headteacher, Wansbeck First School	Mick Spencer Headteacher, Central First School
Steve Taylor High School Teacher	Ken Tonge Headteacher, Ashington High School
Katherine Urwin Linton First School	Mike Warren High School Teacher Governor

ICT Strand Management Group

Ged Lee (Chair)
Headteacher, Hirst High School

Jack Thompson
Chair, Ashington EAZ
Ex-officio

Andrew Adams
Learning and Skills Council

Nigel Lister
Northumberland College

Andrea Sixsmith
Newbiggin Middle School

Richard Smith
Adviser, Northumberland LEA

Gordon Dickinson
Strand Manager

Bill Humphrey
Director, Ashington EAZ
Ex-officio

Brian Johnson,
Headteacher, Lynemouth First School

Carole Robinson
Moorside First School

Bob Smith
Chair, Teaching and Learning

Social Inclusion Strand Management Group

Ian Colquhoun (Chair)
First School Parent Governor

Jack Thompson
Chair, Ashington EAZ

John Davison
Headteacher, Alexandra First School

Laura O'Connor
Newbiggin Middle School

Moira Pickup
Headteacher, Alexandra Middle School

Hazel Searle
Northumberland County Council,
Social Services

Bob Smith
Chair, Teaching and Learning

Debra Tighe
School Governor

Kevin Vardy
Headteacher, Ellington First School

Bill Humphrey
Director / Strand Manager

Ashley Brown
Hirst High School

Malcolm MacDonald
Northumberland LEA

Carol Nicholson
Northumbria Police

Gill Philip
Headteacher, Pegswood First School

Angela Smith
Northumberland College

Gill Starkey
Northumberland County Libraries

Paulette Thompson
First School Governor

Continuing Education 11-19 Strand Management Group

Sue Greaves (Chair)
Deputy Headteacher, Hirst High School

Jack Thompson
Chair, Ashington EAZ
Ex-officio

Lucy Backhurst
Student Recruitment Office
University of Newcastle

Eric Fear
Alcan

Pam Lockey
Ashington High School

Hazel Searle
Northumberland County Council
Social Services

Mark Stutt
Aim Higher Co-ordinator
Kirkley Hall

Pete Thomas
Senior Teacher, Ashington High School

Sally Weir
Northumberland Guidance Company

Ruth Hudspith
Strand Manager

Bill Humphrey
Director, Ashington EAZ
Ex-officio

Tim Capron
Northumberland College

Brian Hannaford
Hirst High School

Mike Lyons
Headteacher Coordinator
Northumberland LEA

Bob Smith
Chair, Teaching and Learning

Heather Thomas
Northumberland Learning and Skills Council

Trevor Turnbull
Governor, Ashington High School

Report of the Trustees

The Trustees present their report and the audited financial statements for the period ended 9 January 2005.

Constitution and principal activities

The Ashington Action Forum is a corporate body and exempt charity established on 10 January 2000 under the 1998 School Standards and Framework Act. The Forum does not have a share capital. This Act and its associated regulations are the primary governing documents of the Forum. Trustees of the Forum are nominated by the partner organisations which constitute the Forum membership.

The principal activity of the Forum is to improve standards within the schools that are part of its Education Action Zone.

In accordance with the Act the Forum has adopted an 'Action Plan' approved by the Secretary of State for Education and Skills. The Action Plan specifies, amongst other things

- improving the quality of teaching and learning;
- ICT developments;
- support for pupils and their families;
- entitlement to out of school activities; and
- improving the take-up rate of post-16 and higher education.

Future prospects

Under the Schools Standards and Framework Act the Education Action Zone was given a statutory life of no more than five years. As this period was completed on the 9 January 2005 the Secretary of State for Education has passed an order for closing the Zone with effect from this date.

Going concern

In view of the cessation of the Zone's activities on 9 January 2005 the Trustees no longer consider the preparation of the financial statements on a going concern basis to be appropriate. Upon closure the Zone's assets and liabilities have been transferred to Zone schools at net book value. No adjustments have been necessary to the net book value of assets held immediately prior to closure.

Organisation and objectives

The sole activity of the Forum is the operation of the Ashington Education Action Zone.

The operational management structure of the EAZ consists of a full-time Director and Executive Assistant, four full-time Strand Managers and one part-time Finance Officer. These posts constitute the EAZ Senior Management Team which reports to the Forum. The Zone also employs an Office Assistant, two ICT Technicians and two ICT Apprentices.

The Action Forum has seven other committees to which it devolves many of its day-to-day management responsibilities. These are

- Executive Committee;
- Finance Committee;
- Teaching and Learning Strand Management Committee;
- ICT Strand Management Committee;
- Social Inclusion Strand Management Committee;
- Continuing Education Strand Management Committee; and
- Headteachers' Advisory Group.

The aim of the management structure is to involve schools and business partners and encourage involvement in decision making at all levels.

The present Trustees of the EAZ are set out on pages 2 and 3 of this report.

Developments, activities and achievements

The Forum is in its final period of operation. The key features of the past nine months of operation are

- Main Activities/Achievements/Costs of the Zone: At Key Stage (KS)1, the 2004 results maintained the high level of achievement from the previous year and the Zone results in reading and maths were significantly above the national average. At KS2 results at level 4 were down slightly on the previous year but still represent a 13 per cent improvement during the life of the Zone, but remain below the national average. At KS3, there was a decline in English performance at Level 5 but attainment in maths and science was in line with the previous year. Results were however in line with expectations based upon prior performance. AT KS4, achievement in GCSE has declined and is below target.
- Excellence Challenge: The main areas of Excellence Challenge activity in the last financial year are described below
 - the main task during the year has been to manage the merger with Partners 4 Progression into the new AimHigher programme. The co-ordinator has worked closely with the other AimHigher Co-ordinators in the region, the L.S.C., Connexions and the L.E.A., the local Universities and Northumberland College as well as the two High Schools to ensure close integration of all activities that influence the aspirations and choices of 16 – 18 year olds. This has involved regular participation in the AimHigher Area Steering Group. The EAZ AimHigher Coordinator has played a major part in shaping developments for the rest of the County; and
 - it should be noted that the Coordinator left half way through this process which was completed by her successor but only after a gap of three months.
- Transformation: The major task during this final period of the EAZ has been planning and managing transformation
 - a Transformation steering group was established to lead the process and this involved LEA representatives from the Successor Body;
 - the deployment of Zone staff became a serious problem due to colleagues leaving for other posts from September 2004 onwards. This inhibited our impact during the final period;
 - the EAZ Director was appointed as the future Coordinator of the Excellence Cluster which was extended from 20 schools to 51. This required a great input of time and energy to prepare the new schools for participation;

- despite the above it has been recognised by everyone that the transition from Zone to Cluster has been almost seamless; and
- the one outstanding problem has been the difficulty in finalising the Zone accounts due to loss of key personnel.

Operating and financial review

The financial statements have been prepared in accordance with current statutory requirements and the Forum's governing documents.

Most of the EAZ's income is obtained from the Department for Education and Skills (DfES) in the form of recurrent grants the use of which is restricted to particular purposes. The grants received during the period ended 9 January 2005 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the period ended 9 January 2005 the EAZ also received other restricted grants from the DfES and other Government Departments/Agencies and donations from commercial sponsors, the details of which are in notes 3, 4 and 5. These donations have been given to the EAZ to assist it to achieve its Action Plan and have been fully expended.

Expenditure for the period was covered by grants from the DfES and other income and the excess of incoming resources over resources expended for the nine months ending 9 January 2005 was nil.

Funding of £50,000 in total (£41,000 DfES, £9,000 Northumberland College) was received for AimHigher. This was used to support schools participating in the mentoring scheme, extending University liaisons, the upgrading of sixth form facilities, raising aspirations in Year 10 and the management costs associated with the strand.

In accordance with the Charities Commission SORP on Intangible Income, 'para. 99' notional income and expenditure in respect of volunteer helpers, has been excluded from the financial statements for the period ending 9 January 2005.

Fund review

When the Zone ceased to operate on the 9 January 2005 the net book value of fixed assets was Nil. Prior to being transferred to schools, the assets were used exclusively for providing education and associated support services to the pupils of the EAZ. Fund balances prior to this date were utilised in the achievement of the Zone's objectives. On cessation £101,214 was transferred to Northumberland County Council, which has been nominated as successor body committed to overseeing any outstanding matters.

To achieve its Action Plan objectives the EAZ remained dependent on the provision of grants from both the DfES and commercial sponsors.

Connected organisations

The EAZ worked closely with its partnership schools to achieve the Forum's objectives. The partnership schools were

- Alexandra First
- Coulson Park First
- Hawthorn First
- Lynemouth First
- Pegswood First
- Wansbeck First
- Windsor First
- Bothal Middle
- Newbiggin Middle
- St Benedict's Middle
- Hirst High
- Central First
- Ellington First
- Linton First
- Moorside First
- St Aidan's RC First
- Welbeck First
- Alexandra Middle
- Hirst Park Middle
- Seaton Hirst Middle
- Ashington High

Disabled persons

The policy of the Forum is to support the employment of disabled persons both in the recruitment and by retention of employees who become disabled whilst in the employment of the Forum, as well as generally through training and career development.

Post balance sheet events

The Zone ceased all activities at the end of its statutory life on 9 January 2005. At this date it transformed into South East Northumberland Excellence Cluster. Expenditure for the period ended 9 January 2005 included redundancy and retirement benefit costs of £2,111 relating to one member of staff.

No other events have occurred since the balance sheet date which affects the financial statements.

Reserves policy

The Forum cannot build up restricted reserves of DfES grant as the Department requires that this grant should be applied in the year in which it is received. Where the Forum has earned unrestricted income (e.g. bank interest) it is the Forum's policy to apply these reserves to its Action Plan priorities.

Risk management

In April 2004 the Trustees carried out a detailed review of the charity's activities and produced a comprehensive strategic plan setting out the major opportunities available to the charity and the risks to which it is exposed. The Trustees monitor progress against the strategic objectives set out in the plan at each meeting of the Forum. The risk management strategy comprises

- an annual review of the risks which the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

Statement on Internal Control

a Maintenance of internal controls

As Trustees, we have responsibility for maintaining a sound system of internal control that supports the achievement of the Forum's policies, aims and objectives whilst safeguarding the public funds and assets for which we are responsible, in accordance with the responsibilities assigned to us in our Financial Memorandum and Government Accounting.

The system of internal control established by the Forum is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system is based on an ongoing process designed to identify the principal risks to the achievement of Forum policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. However, the departure from the EAZ of a key member of personnel, in late November 2004, prior to closure of the Zone impacted on the level of the internal financial controls that were operated throughout the full period of accounts. The effect of this was that the accounts had to be prepared by an external provider of accountancy services from available records. Management assurance or the effectiveness of the system of internal financial control in some instances was not sufficient to fully support the assumptions and information required in the preparation of the final set of accounts.

The loss of a key member of personnel did restrict the maintenance of the internal controls during the period ended 9 January 2005 and up to the date of the report and accounts.

The above process has been in place for the period ended 9 January 2005 and up to the date of approval of the report and accounts and accords with Treasury guidance.

As the Forum ceased on the 10 January 2005 the system of internal control reflected the requirement to identify, evaluate and mitigate, where possible, the principle risks associated with closure, including;

- loss of key personnel;
- the continuing support of key partners; and
- maintaining key financial controls and continued segregation of duties.

b Review of controls

As Trustees, we also have responsibility for reviewing the effectiveness of the system of internal control. Up until November 2004 the Forum is able to demonstrate that the following processes were followed

- identification of the Forum's objectives and key risks;
- the establishment of systems and procedures to mitigate the identified risks;
- the implementation of procedures designed to minimise any potential impact on the Zone should any of those risks materialise;
- the allocation of risk ownership, including the role of the Forum, sub-committees and Project Director.
- holding regular reviews between the Project Director, the Chairman and Executive Committee to ensure that the Forum can respond quickly to minimise any potential impact on the Zone should any risk materialise;
- procedures for monitoring progress against the strategic objectives set out in the Zone's action plan at regular meetings (e.g. quarterly).

The Forum ensured the continuation of good practice achieved by the Zone by

- the separation of staff duties where possible;
- improving the clarity of meeting papers and reports;
- increasing the frequency of Forum, committee and staff meetings;
- identifying opportunities for staff development and training; and
- the development of a robust working relationship with local partners to ensure the good practice achieved by the Zone was transferred over to the Excellence Cluster.

Our review of the effectiveness of the system of internal control, as impacted by the loss of a key member of personnel as previously mentioned, is informed by comments made by the external auditors in their management letter and other reports.

Statement of Trustees Responsibilities for the Financial Statements

Under the School Standards and Framework Act 1998, Trustees are required to prepare financial statements for each financial period in the form and on the basis determined by the Secretary of State with the approval of the Treasury. In preparing these financial statements, the Trustees have

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the basis that the Forum's activities were ceasing on the 9 January 2005.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Forum and enable them to ensure that the financial statements comply with the Accounts Direction given by the Secretary of State. They are also responsible for safeguarding the assets of the Forum and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees have a responsibility to ensure that the Forum's accounting records and system of internal financial control for the relevant financial period comply with the obligations placed on the Forum by the Secretary of State for Education and Skills.

Auditors

The auditor, the Comptroller and Auditor General, is appointed under the terms of the 1998 School Standards and Framework Act.

Approval

The report of the Trustees was approved on 9 October 2006 and signed on its behalf by

Jack Thompson
Chairman

The Certificate of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements on pages 18 to 31 under the School Standards and Framework Act 1998. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 22 and 24.

Respective responsibilities of the Trustees and Auditor

As described on page 14 the Trustees are responsible for the preparation of the financial statements in accordance with the Schools Standards and Framework Act 1998 and Treasury directions made thereunder, and for ensuring the regularity of financial transactions. The Trustees are also responsible for the preparation of the Trustees' Annual Report. My responsibilities, as independent auditor, are established by statute and guided by the Auditing Practices Board and the auditing profession's ethical guidance.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the School Standards and Framework Act 1998 and directions made thereunder by the Secretary of State for Education and Skills, whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and whether the financial transactions conform to the authorities which govern them. I also report if, in my opinion, the Trustees' Annual Report is not consistent with the financial statements, if the Forum has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I review whether the statement on page 12 which reflects the Forum's compliance with HM Treasury's guidance 'Corporate Governance: statement on the system of internal control'. I report if it does not meet the requirements specified by the Treasury, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered whether the Trustees' Statement on Internal Control covers all risks and controls. I am also not required to form an opinion on the effectiveness of the Zone'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 except that the scope of my work was limited as explained below. 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 Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Zone's circumstances, consistently applied and adequately disclosed.

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

Following the passing of the Ashington Education Action Zone (Dissolution) Order 2005, the Zone ceased to exist with effect from 9 January 2005. Accordingly as explained in the Trustees' report and Note 1 to the accounts, the financial statements have been prepared on the basis that the Zone is no longer a going concern. My opinion is not qualified in this respect.

However, the scope of my examination was limited because the Zone failed to maintain adequate accounting records or to produce sufficient audit evidence to allow me to carry out planned audit procedures.

Opinion: disclaimer on view given by financial statements

The pervasive and material nature of the problems encountered during my audit and the possible effects of the limitation of the audit evidence available to me means that I am unable to reach an opinion as to whether

- the financial statements give a true and fair view of the state of affairs of the Ashington EAZ at 9 January 2005 and of its incoming resources, application of resources and cash flows for the period then ended and have been properly prepared in accordance with the School Standards and Framework Act 1998 and directions made thereunder by the Secretary of State for Education and Skills; 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.

Due to the limitation on scope of my work I have not been able to obtain all of the information and explanations that I required for the purposes of my audit. I have also not been able to determine whether proper accounting records have been maintained.

Details of these matters are explained more fully in my Report at page 17.

John Bourn
Comptroller and Auditor General

10 December 2006

National Audit Office
157-197 Buckingham Palace Road
Victoria
London SW1W 9SP

Report of the Comptroller and Auditor General to the Houses of Parliament

Under the School Standards and Framework Act 1998, the Secretary of State for Education Skills (SoS) established Education Action Zones with a view to improving standards in the provision of education at participating schools. Each Zone was established in the first instance for three years, with a further two years at SoS discretion.

This period came to an end on 9 January 2005 for Ashington Education Action Zone, and a dissolution order was passed effectively dissolving the Zone with effect from this date. Following the passing of the Ashington Education Action Zone (Dissolution) Order 2005, the Zone ceased to exist with effect from 9 January 2005. Accordingly as explained in the Trustees' report and Note 1 to the accounts, the financial statements have been prepared on the basis that the Zone is no longer a going concern.

I am required, under Auditing Standards, to obtain necessary audit evidence in order for me to reach an opinion on Ashington Education Action Zone's financial statements. In forming my opinion I examine, on a test basis, evidence supporting the disclosures in the financial statements and assess the significant estimates and judgements made in preparing them. I also consider whether the accounting policies are appropriate, consistently applied and adequately disclosed.

I disclaimed from providing an audit opinion on the 2004-05 Accounts of the Ashington Education Action Zone because my staff were not provided with all the information and explanations that I considered necessary for the purposes of the audit.

Prior to closure of the Zone a key member of finance staff left the Zone. Remaining staff were unable to access the computerised accounts system. The accounts that were presented for audit were prepared by an external provider of accountancy services from incomplete records using a combination of management accounts, bank transactions, and known transactions occurring post closure. However there was no robust audit trail underpinning this process to substantiate individual transactions and in particular the completeness and regularity of transactions. Consequently my staff were unable to verify or substantiate the majority of transactions selected for audit review. The nominated successor body, Northumberland County Council, and the Department for Education and Skills were likewise unable to reconstruct the audit trails to support the financial statements.

The lack of proper accounting records and audit evidence means that I am unable to obtain the necessary audit evidence to enable me to form an opinion on the financial statements. As a result of the limitation on the scope of my work I am unable to express an opinion on the accounts.

John Bourn
Comptroller and Auditor General

10 December 2006

National Audit Office
157-197 Buckingham Palace Road
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London SW1W 9SP

Statement of Financial Activities for the period ended 9 January 2005

	Unrestricted funds	Restricted funds		Fixed assets	Total 2004-2005	Total 2003-2004	
Notes	£000	DfES £000	Other £000	£000	£000	£000	
Incoming resources							
DfES grants receivable	2,3	0	593	46	0	639	948
Other government grants receivable	4	0	0	96	0	96	215
Private sector contributions	5	0	0	5	0	5	143
Public sector contributions	5	0	0	0	0	0	5
Other income	6	0	0	33	0	33	46
Total incoming resources		0	593	180	0	773	1,357
Cost of generating funds	7	0	0	0	0	0	1
Net incoming resources for charitable application		0	593	180	0	773	1,356
Charitable expenditure							
<i>Costs in furtherance of charitable objectives</i>							
Provision of education	7	0	0	0	0	0	0
Education support costs	7	0	0	38	0	38	603
Grants payable	7	0	383	120	0	503	616
Management and administration	7	9	229	47	0	285	152
Total charitable expenditure		9	612	205	0	826	1,371
Costs of termination of operations	9	0	0	5	0	5	0
Total resources expended		9	612	210	0	831	1,371
Net incoming/(outgoing) resources before transfers							
		(9)	(19)	(30)	0	(58)	(15)
Transfers between funds		(4)	(3)	7	0	0	0
Net movement in funds		(13)	(22)	(23)	0	(58)	(15)
Fund balances brought forward at 1 April 2004		13	22	23	0	58	73
Fund balances carried forward at 9 January 2005	18,19	0	0	0	0	0	58

The Statement of Financial Activities analyses all the capital and income resources and expenditures of the EAZ during the period and reconciles the movement in funds. There is no difference in the net movement of funds stated above and its historical equivalent.

All items dealt with in arriving at the net movement in Funds for 2004-2005 relate to discontinued operations.

Further analysis of the income and expenditure for the period is shown on page 19 and the overall financial position at the period end is summarised in the balance sheet on page 20.

The notes on pages 22 to 31 form part of these accounts.

Income and Expenditure Account for the period ended 9 January 2005

	Notes	2004-2005 £000	2003-2004 £000
Income			
DfES EAZ recurrent grant	2	593	886
DfES EAZ fixed asset grant	2	0	0
Other DfES grants	3	46	62
Other government grants	4	96	215
Private sector contributions	5	5	143
Public sector contributions	5	0	5
Other income	6	33	46
Total income		773	1,357
Charitable expenditure			
DfES EAZ grant expenditure	7	612	922
Other DfES grant expenditure	7	46	56
Other government grant expenditure	7	96	204
Depreciation	7	0	0
Other expenditure	7	72	189
Total charitable expenditure		826	1,371
Costs of generating funds	7	0	1
Costs of termination of operations	9	5	0
Total resources expended		831	1,372
Excess of expenditure over income		(58)	(15)
Net transfers to/from funds			
DfES EAZ fund	18	(22)	(36)
Other restricted funds	18	(23)	17
Unrestricted funds	19	(13)	4
Net movement in funds		(58)	(15)

The Income and Expenditure account is derived from the Statement of Financial Activities on page 18 which, together with the notes to the accounts on pages 22 to 31 provide full information on the movements during the period on all the funds of the Forum.

All items dealt with in arriving at the excess of income over expenditure for 2004-2005 relate to discontinued operations.

The Forum has no recognised gains and losses other than those included in the above results and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 22 to 31 form part of these accounts.

Balance Sheet as at 9 January 2005

	Notes	9 January 2005 £000	31 March 2004 £000
Fixed assets			
Tangible assets	13	<u>0</u>	<u>0</u>
		0	0
Current assets			
Debtors	15	<u>0</u>	<u>7</u>
Cash at bank and in hand		<u>0</u>	<u>116</u>
		0	123
Creditors: Amounts falling due within one period	16	<u>0</u>	<u>65</u>
Net current assets		0	58
Net assets		<u>0</u>	<u>58</u>
Funds			
Restricted funds	18	<u>0</u>	<u>45</u>
Unrestricted funds	19	<u>0</u>	<u>13</u>
		<u>0</u>	<u>58</u>

The financial statements were approved by the Forum on 9 October 2006 and signed on its behalf by

Jack Thompson
Chairman

Cash Flow Statement for the period ended 9 January 2005

	2004-2005 Note	2003-2004 £000	2003-2004 £000
Operating activities			
<i>Receipts</i>			
Recurrent EAZ grant received from DfES		593	886
Other grant from DfES		0	0
Other government grants		142	277
Private sector sponsorship		0	14
Public sector sponsorship		0	1
Other receipts		33	43
		<u>768</u>	<u>1,221</u>
<i>Payments</i>			
Staff costs		231	325
Other cash payments		656	890
Net cash inflow from operating activities	24	<u>(119)</u>	<u>6</u>
Returns on investments and servicing of finance			
Interest received		3	3
Interest paid		0	0
		<u>3</u>	<u>3</u>
Capital expenditure			
Purchase of tangible fixed assets		0	0
Receipts from sale of tangible fixed assets		0	0
Transfer of tangible fixed assets to schools		0	0
		<u>0</u>	<u>0</u>
Financing			
Deferred grant received		0	0
		<u>0</u>	<u>0</u>
Increase/(decrease) in cash in the period		<u>(116)</u>	<u>9</u>

Notes to the Financial Statements

1 Accounting policies

Format of accounts

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom, the Statement of Recommended Practice (SORP 2000), 'Accounting and Reporting by Charities' published in October 2000 and the Charities Act 1993. A summary of the principal accounting policies, which have been applied consistently, is set out below.

Basis of account

The financial statements are prepared under the historic convention, with the exception of listed fixed asset investments which are included at market value. The Forum was established under the School Standards and Framework Act initially for three years, subsequently extended by the Secretary of State for a further two years. The Forum came to the end of its statutory five year life on 9 January 2005. The Trustees therefore consider it inappropriate to prepare the financial statements on a going concern basis and have reflected this in the drawing up of the accounts.

Recognition of income

The annual EAZ grant from DfES, which is intended to meet recurrent costs and, where specified, to purchase fixed assets, is credited direct to the income and expenditure account as restricted income. Sponsorship monies are credited direct to the income and expenditure account as unrestricted income, as the Forum has discretion in how to apply such contributions to meet its objectives.

Contributions in Kind

In accordance with the Accounts Direction provided by the Department for Education and Skills an income value is attributed to Contributions in Kind from business. These contributions are brought into the accounts at a reasonable estimate of their value to the Forum. As all gifts in Kind represent expenditure which the Forum would have had to incur a notional expenditure charge is recorded equal to the value of the Contribution in Kind to the Forum.

Grants receivable

Where other grants have been received these are credited to the income and expenditure account as restricted income.

Investment income and interest receivable

Investment income and interest receivable are included in the financial statements on an accruals basis, and are stated inclusive of related tax credits.

Management and administration

Management and administration costs include expenditure on the administration of the charity and compliance with constitutional and statutory requirements, and an appropriate apportionment of indirect costs.

Allocation of cost between direct provision of education and other expenditure

In accordance with the charities SORP expenditure has been analysed between charitable and other expenditure. The only activity undertaken by the EAZ is the operation of Ashington EAZ. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned, these include

Project Director staff costs – time spent on programme area. Gross salary costs split between Management and Administration (40 per cent), Teaching and Learning (30 per cent) and Social Inclusion (30 per cent).

Tangible fixed assets

Tangible fixed assets costing more than £2,500 acquired since the Forum was established are included in the accounts at cost.

Where tangible fixed assets have been acquired with the aid of grants, either from the Government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Such fixed assets are shown within a restricted fund, as the undepreciated balance on that fund is not available to the Forum to spend.

It is the policy of the EAZ to purchase assets and donate them to specific schools. Any assets donated must be used for the agreed purpose.

Depreciation

Depreciation is provided evenly on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. The principal annual rates used for other assets are

Furniture and equipment	33%
Computer equipment and software	33%

Depreciation is charged for a full year in both the year of acquisition and year of disposal of fixed assets.

Leased assets

Rentals payable under operating leases are charged to the income and expenditure account as incurred.

Resources expended

Items are included as direct charitable expenditure where, in the view of the Forum, the activities relate to staff costs incurred when in direct contact with pupils.

Investments

There are no fixed asset investments to include in the balance sheet.

Stocks

There are no stocks at the balance sheet date.

Funds structure

Funds have been designated for restricted and unrestricted purposes. Fund balances existing immediately prior to the Zone's closure were transferred to Northumberland LEA to meet outstanding liabilities or returned to the DfES as directed by the Secretary of State for Education and Skills.

Taxation

The Forum is an exempt charity and as such is exempt from Income and Corporation taxes under the provisions of the Income and Corporation Taxes Act 1988. The cost of Value Added Tax incurred by the Forum has been included in the Income and Expenditure Account.

Pensions

The full cost of the Forum's pension contributions on behalf of its employees is recognised in the year those contributions are made.

The Forum made contributions on behalf of the EAZ employees to the TSS Scheme and the Northumberland Local Government Pension Scheme.

2 DfES EAZ grant

	2004-2005 £000	2003-2004 £000
DfES grant received in period	593	886
Carry over from previous period	17	53
<i>Less</i>		
Amounts due from DfES	0	0
Amount used to purchase fixed assets	0	0
Total grant available to spend	610	939
Spent in the period	610	922
Underspent grant/[funded from general fund]	0	17
Maximum permitted carry over level	0	77
Excess grant to surrender	0	0

The Trustees have not calculated a maximum permitted carry over level as the Zone is no longer a going concern.

3 Other DfES grants

	2004-2005 £000	2003-2004 £000
Excellence Challenge	41	46
Gifted and Talented	5	9
Easter School	0	2
Threshold	0	5
	46	62

4 Other government grants

	2004-2005 £000	2003-2004 £000
New Opportunities Fund: Out of schools activities	53	139
New Opportunities Fund: UK Online revenue	43	76
	96	215

5 Business contributions

	Cash	In kind	Total	Total
	£000	£000	2004-2005	2003-2004
			£000	£000
Private sector contributions				
Criterion software	0	0	0	120
Other private sector bodies	0	5	5	23
	<u>0</u>	<u>5</u>	<u>5</u>	<u>143</u>
Public sector contribution				
Northern Arts	0	0	0	1
Other public sector bodies	0	0	0	4
	<u>0</u>	<u>5</u>	<u>5</u>	<u>148</u>

6 Other Income

	2004-2005	2003-2004
	£000	£000
Northumberland College excellence challenge grant	9	12
Interest receivable	3	3
Sundry income	21	31
	<u>33</u>	<u>46</u>

7 Total resources expended

	Staff	Depreciation	Other	Total	Total
	£000	£000	£000	2004-2005	2003-2004
				£000	£000
Direct provision of education	0	0	0	0	0
Education support costs	0	0	38	38	603
Grants payable*	0	0	503	503	616
Management and administration	229	0	56	285	152
Costs of generating funds	0	0	0	0	1
Costs of termination of operations	2	0	3	5	0
	<u>231</u>	<u>0</u>	<u>600</u>	<u>831</u>	<u>1,372</u>
Of which					
DfES grant expenditure	231	0	381	612	922
Other DfES grant expenditure	0	0	46	46	56
Other government grant expenditure	0	0	96	96	204
Depreciation	0	0	0	0	0
Other expenditure	0	0	72	72	189
Costs of generating funds	0	0	0	0	1
Costs of termination of operations	0	0	5	5	0
	<u>231</u>	<u>0</u>	<u>600</u>	<u>831</u>	<u>1,372</u>

* In 2004-2005 the Zone paid the following grants to schools:

	Programmes			Total £000
	New Opportunities			
	Fund:			
	UK Online	Out of school	Others	
£000	activities £000	£000		
Hirst High	31	6	29	66
Ashington High	0	6	28	34
Hirst Park Middle	1	4	0	5
Central First	0	3	0	3
Bothal Middle	0	4	0	4
Seaton Hirst	0	3	0	3
Wansbeck First	0	3	0	3
	<u>32</u>	<u>29</u>	<u>57</u>	<u>118</u>

8 General expenditure

Included in expenditure in the income and expenditure accounts and in other costs above are

	2004-2005 £000	2003-2004 £000
Educational supplies and services	538	992
Occupancy costs	18	17
Supplies and services	28	31
Operating lease rentals	0	1
Auditor's remuneration	6	6
Trustees' expenses	0	0
Ex-gratia payments	0	0
Miscellaneous	10	0
	<u>600</u>	<u>1,047</u>

9 Costs of termination of operations

	2004-2005 £000	2003-2004 £000
Staff costs arising from Zone closure	2	0
Cost of post-Zone services provided by nominated successor body	3	0
Amounts transferred to nominated successor body to meet residual Zone liabilities	0	0
	<u>5</u>	<u>0</u>

10 Staff costs

The average number of persons (including senior postholders) employed by the EAZ during the period expressed as full time equivalents was

	2004-2005	2003-2004
Management	1	1
Administration	6	9
Teachers	0	0
Total employees	7	10

	2004-2005	2003-2004
	£000	£000
Staff costs for the above persons		
Wages and salaries	200	275
Social security costs	14	23
Other pension costs (see note 17)	15	27
Costs of termination of operations	2	0
Total staff costs	231	325

Costs associated with Zone closure comprised redundancy costs of £2,111. There were no retention or early retirement costs.

No employees earned more than £50,000 during 2004-2005.

11 Emoluments of Trustees

	2004-2005	2003-2004
	£000	£000
Emoluments of Trustees	0	0

The Trustees of the Forum did not receive any payment from the Forum.

Interests in transactions

J Thompson is Chair of the Forum and a contributor in kind. He provided strategic advice to the management during the financial year to a value of £5,000. The DfES published guidelines were used as a basis for valuation of the contributions in kind.

D Nickalls is a director of Nickalls Accountants Ltd who provided accountancy services to the Forum to which the Forum paid £3,000 in respect of accountancy services. The services were provided to the Forum at arm's length value.

12 Trustees' and Officers' insurance

In accordance with normal commercial practice the Forum has purchased Public Liability insurance with a limit of indemnity of £5 million: Employers Liability Insurance with a limit of indemnity of £10 million; Libel and Slander Insurance with a limit of £100,000; Fidelity Guarantee covering all employees with sums guaranteed of £200,000; All Risks Property Insurance covering £8,000 of contents; Computer Insurances covering £30,000 of equipment Personal Accident Insurance and Trustees Indemnity Insurance with a limit of £250,000.

The cost for 2004-2005 was £2,862 (2003-2004 £3,029)

13 Tangible fixed assets

	Furniture and equipment £000	Computer equipment and software £000	Total 2004-2005 £000	Total 2003-2004 £000
Cost				
Acquired since incorporation				
At 1 April 2004	0	6	6	6
Capital expenditure	0	0	0	0
Disposals	0	0	0	0
At 9 January 2005	<u>0</u>	<u>6</u>	<u>6</u>	<u>6</u>
Depreciation				
At 1 April 2004	0	6	6	6
Charged in period	0	0	0	0
Disposals	0	0	0	0
At 9 January 2005	<u>0</u>	<u>6</u>	<u>6</u>	<u>6</u>
Net book value				
At 9 January 2005	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Fixed assets transferred to Zone schools and the Excellence Cluster at Zone cessation had a net book value of £ NIL.

14 Stocks

There are no stocks included in the accounts for the period.

15 Debtors

	9 January 2005 £000	31 March 2004 £000
Prepayments	0	4
Sundry debtors	0	3
Amounts due from DfES	0	0
	<u>0</u>	<u>7</u>

16 Creditors

	9 January 2005 £000	31 March 2004 £000
Amounts falling due within one year		
Taxation and Social Security	0	0
Sundry creditors	0	51
Amounts due to DfES	0	0
Accruals	0	14
	<u>0</u>	<u>65</u>

17 Pensions and similar obligations

	2004-2005	2003-2004
	£000	£000
<i>Other pension costs comprise</i>		
Defined benefit scheme – regular cost	15	27
Defined contribution scheme	0	0

The Zone's employees belong to the following pension schemes

Teachers' Pension Scheme (England and Wales)

Nature of scheme	Defined benefit
Zone's contribution rate in 2004-2005	14%
Zone's contribution in 2004-2005	£9,251

The Teachers' Pension Scheme is an unfunded multi-employer scheme. Contributions are based on valuations made by the Government Actuary.

Northumberland County Council Pension Scheme

Nature of scheme	Defined benefit
Zone's contribution rate in 2004-2005	7%
Zone's contribution in 2004-2005	£5,434

Contributions are actuarially valued. The date of the last full actuarial valuation was 31 March 2004 at which date the scheme was 63 per cent funded.

The Northumberland County Council Pension Scheme is a multi-employer scheme. As such the Zone is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. Any liabilities arising from the presence of a pension fund capitalisation deficit, attributable to Zone staff, will be met by the local education authority and not treated as a cost to the Zone.

18 Restricted funds

The incoming funds of the EAZ comprise the following balances of grants to be applied for specific purposes

	Balance at 1 April 2004 £000	Incoming resources £000	Expenditure gains, losses and transfers £000	Balance at 9 January 2005 £000	Total 31 March 2004 £000
DfES recurrent grant	22	593	(615)	0	22
DfES fixed asset grant	0	0	0	0	0
Amortisation transfer	0	0	0	0	0
Other	23	180	(203)	0	23
	<u>45</u>	<u>773</u>	<u>(818)</u>	<u>0</u>	<u>45</u>

DfES EAZ recurrent grant must be used for the normal running costs of the EAZ including salaries and related costs, overheads, repairs and maintenance and insurance. The EAZ is allowed to carry forward up to 10 per cent of the grant for programme expenditure and 2 per cent of grant for administrative expenditure.

19 Unrestricted funds

	2004-2005 £000	2003-2004 £000
Brought forward at 1 April 2004	13	9
Excess of Income over Expenditure	(13)	4
Carried forward at 9 January 2005	0	13

20 Analysis of net assets between funds

Fund balances at 9 January 2005 are represented by

	Unrestricted Funds £000	Restricted Funds £000	Balance at 9 January 2005 £000	Balance at 31 March 2004 £000
Tangible fixed assets	0	0	0	0
Current assets	0	0	0	123
Current liabilities	0	0	0	(65)
Deferred income	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>58</u>

21 Capital commitments

There are no capital commitments as at 9 January 2005 (Nil at 31 March 2004).

22 Lease commitments

There are no lease commitments as at 9 January 2005 (Nil at 31 March 2004).

23 Contingent liabilities

In the event, during the period of the Funding Agreement, of the sale or disposal by other means, of any asset for which a DfES grant was received, the Forum shall if it does not re-invest the proceeds, repay to the Secretary of State for Education and Skills the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Forum serving notice, the Forum may repay to the Secretary of State sums determined by reference to

- the value at that time of the EAZ's assets held for the purpose of the Forum; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

As at 9 January 2005 there were no contingent liabilities (nil at 31 March 2004).

24 Reconciliation of net Incoming/(outgoing) resources to net cash inflow from operating activities

	Total 2004-2005 £000	Total 2003-2004 £000
Net incoming/(outgoing) resources	(58)	(15)
Interest received	(3)	(3)
Depreciation	0	0
Profit/(loss) on disposal of fixed assets	0	0
(Increase)/decrease in stocks	0	0
(Increase)/decrease in debtors	7	(2)
Increase/(decrease) in creditors	(65)	26
Net cash inflow from operating activities	(119)	6

Accounts Direction given by the Secretary of State for Education and Skills with the approval of the Treasury in accordance with the School Standards and Framework Act

- 1 The Education Action Zone shall prepare accounts for the financial year ended 31 March 2000 and subsequent financial years comprising
 - a a Trustees' report;
 - b a statement of financial activity and 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), including the provisions of the Statement of Recommended Practice, Accounting by Charities. Forums shall not adopt Financial Reporting Standard, Small Entities; and
 - 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 Treasury may issue from time to time in respect of accounts which are required to give a true and fair view;insofar as these are appropriate to Ashington Education Action Zone and are in force for the financial year for which the statement of accounts is to be prepared.
- 4 The statement of financial activity, income and expenditure account and balance sheet shall be prepared under the historical cost convention. Assets and liabilities shall be included in the balance sheet at the following amounts
 - a fixed assets at cost (or valuation) less an appropriate provision for depreciation;
 - b fixed asset investments at market value;
 - c current assets (other than investments) at the lower of cost and net realisable value; and
 - d liabilities at their settlement value.
- 5 The value of contributions from business, both assets and services should be brought into account at a reasonable estimate of their value to the Forum, i.e. they should be valued at what it would have cost the Forum to have purchased the required asset or service itself.
- 6 This direction shall be reproduced as an appendix to the accounts.

Signed by the authority of the Secretary of State for Education and Skills.

Barnaby Shaw
Head of Standards Division
Department for Education and Skills

26 February 2002

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