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2006-2007 ANNUAL REPORT AND ACCOUNTS

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

***Annual Report and Accounts
For the Year Ended 31 March 2007***

***Laid before the Northern Ireland Assembly by the Department of
Education in accordance with The Education (Northern Ireland)
Order 1998, Schedule 3, Article 73, Paragraph 13(c)***

15 November 2007

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History

The Northern Ireland Council for the Curriculum, Examinations and Assessment (CCEA) was established on 1 April 1994. We are a Non-Departmental Public Body (NDPB) reporting to the Department of Education (DE).

Our Mission

CCEA places learners and those who have a concern for their educational and personal development at the forefront of its thinking. CCEA's mission is:

'To enable the full potential of all learners to be achieved and recognised'.

Our role

Advising Government – on what should be taught in Northern Ireland's schools and colleges.

Monitoring Standards – ensuring that the qualifications and examinations offered by awarding bodies in Northern Ireland are of an appropriate quality and standard.

Awarding Qualifications – as Northern Ireland's leading awarding body we offer a diverse range of qualifications, such as GCSEs, including the new GCSE Double Award specifications in vocational subjects, GCE A and AS levels, Entry Level Qualifications, and Graded Objectives in Modern Languages.

Our Values

Integrity – CCEA will ensure staff are open and honest, tell the truth, play by the rules, do not knowingly do anything wrong and do not allow themselves to be influenced to do otherwise.

Quality And Excellence – CCEA will endeavour to ensure staff deliver the very best products and services to customers, partners and stakeholders and seek ways to continuously improve.

Social Responsibility – CCEA will go beyond its statutory remit in respect of investment in its own staff and the contribution it makes to the community.

Leadership – CCEA will demonstrate exemplary leadership including leading the community debate on educational policy and promoting, through example, the seven principles of public life as set out by the Nolan Committee.

People – CCEA will treat all of its people with respect; will recruit, reward and promote staff on the basis of merit; will provide good working conditions; and will help its staff to achieve a work/life balance.

Customers, Partners and Stakeholders – CCEA will meet the needs and expectations of its customers, keep its promises, secure full customer trust and will put things right when they go wrong.

CCEA Council Membership 2006–07

CCEA's Council consists of a Chairperson and 17 other members appointed by the Department of Education (DE) and includes representatives from education industry and commerce as well as having government assessors.

Chairman

Dr Alan Lennon – Business Consultant

Council Members

Mrs Dorothy Black – Lecturer in Initial Teacher Education at the University of Ulster, Coleraine

Mr Martin Bowen – Principal of St Peter's High School

Dr. Martin Brown – Educational Consultant and writer

Mr Jim Clarke – Deputy Chief Executive of the Council for Catholic Maintained Schools

Mr James Collins – Former General Manager with Ford Motor Company

Ms Michelle Crilly – Director of Education, School of Education, Queen's University, Belfast

Mr Neil Downing – Principal of Dungannon Primary School

Mr Michael Lowe – CEO Lowe Refrigeration Solutions Ltd.

Mrs Helen McClenaghan – Chief Executive of the Southern Education and Library Board

Mr David McKee – Formerly Principal of Duke of Westminster High School, Kesh

Mrs Carmel McKinney – Principal of Vere Foster Primary School, Belfast

Dr Ian McMorris – Director, Genesis Consulting NI

Mrs Patricia O'Farrell – Northern Ireland Teacher's Council

Professor Peter Roebuck – Former Provost, University of Ulster, Coleraine

Introduction to CCEA (continued)

Mr David Thompson – Formerly Principal of Regent House School, Newtownards

Miss Mae Watson – Vice Principal (Registrar) Stranmillis University College, Belfast

Mr John Wilkinson – Principal of Dromore High School

Government Assessors

Mr David Woods – Assistant Secretary (DE) Curriculum and Qualifications Division

Mrs Bernie O’Hare – Director of Further Education (DEL)

Ms Marian Cree – (DEL) Department for Employment and Learning

CCEA Officers

Mr Neil Anderson – Acting Chief Executive

Miss Noleen Kennedy – Manager, Council Secretariat

Chief Executive's Foreword

It has been another successful year for CCEA. You can read about this in more detail in the performance reports provided by CCEA business units, however I would like to highlight particular achievements during the year.

At a time when falling demographics in Northern Ireland have meant a drop off in the overall numbers taking exams, CCEA has both consolidated and in some cases expanded its market in GCSE and GCE courses, and a range of other qualifications. At the same time we have expanded our portfolio of qualifications to ensure we help meet the needs of all learners.

In our work in the area of curriculum and assessment we have seen a substantial shift in emphasis from consultation and advice - to implementing and supporting the roll out of the planned changes. This work, undertaken with the support of our educational partners, will continue well into the rest of the decade.

In October 2006 CCEA once again reached the finals of the United Kingdom Business Excellence Awards, this time going one better than last year in being awarded an accolade for 'Customer Service Excellence'. During the year CCEA also maintained its range of internationally recognised and externally accredited quality standards, adding a new standard in relation to our impact on the environment.

During 2006-07 the Review of Public Administration began to make a significant impact on the education sector and on CCEA more than most. In December 2006 our Chief Executive, Gavin Boyd, was appointed as Chief Executive Designate of the Education and Skills Authority, leaving CCEA at the end of January 2007. We wish him well in this important role. Upon the establishment of the Education and Skills Authority, CCEA will be amalgamated into its ranks.

With all this change afoot and the potential for a negative impact on staff morale, I was particularly pleased that in March 2007 CCEA was listed at number 69 in the Sunday Times list of the top 100 companies to work for in the UK. We are the first public sector body in Northern Ireland to achieve this accolade, and one of the few in the UK. In the specific area of learning and development of staff we made seventh place, rubbing shoulders with well known multinational organisations.

While the achievements in this business year are pleasing, we must ensure that, despite the great changes taking place in education administration, focus is maintained in delivering our products and services to the highest standards. I have every confidence that we will.



Neil Anderson,
Acting Chief Executive.

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, 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 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.

Summary results

CCEA's financial results for the year ended 31 March 2007 are summarised as follows :

	2006-07	2005-06
	£000	£000
		as restated
Income	8,689	8,439
Expenditure	(29,306)	(27,942)
Deficit	(20,617)	(19,503)
Other charges	163	(26)
	<u>(20,454)</u>	<u>(19,529)</u>

Changes in fixed assets

The financial statements have been prepared in accordance with the historical cost convention as modified by the indexation and revaluation of fixed assets in line with the Government Financial Reporting Manual 2006-07. The total capital expenditure for the year amounted to £527K.

Charitable donations

CCEA made no charitable donations from its own funds during 2006-07.

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

Financial Summary (continued)

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 are kept up-to-date with current and forthcoming activities and events.

Auditor

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

The cost of work performed during 2006-07 was as follows :

	£
Audit Services	10,539
Further Assurance Services	588
Tax Services	–
Other Services	–
	<u>11,127</u>

The fee for audit services relates to the statutory audit of the financial statements and is included within "Other Operating Charges" in the income and expenditure account.

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

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, 95% 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

A detailed report on CCEA's performance against all the measures contained within its costed Operational Plan for 2006-07 is available on the organisation's website.

Accounting Officer 2006-07

Gavin Boyd, Chief Executive, held Accounting Officer responsibilities for CCEA until 31 January 2007. From 1 February 2007 until the end of the financial year, CCEA's Accounting Officer responsibilities were held by Neil Anderson, Acting Chief Executive.

Overview 2006-07

Overall it has been a successful year for CCEA and this is reflected in a number of key performance indicators.

In the 2006-07 Customer Satisfaction Survey 06-07 we achieved an average 99% satisfaction rating across the sectors (Primary, Post primary and FE) for both 'customer care' and for 'support and helpfulness of staff'. In our annual Stakeholder Communication Survey we received an overall satisfaction rating of 96.4%, with many of our activities rated at 100% satisfaction.

Across the organisation there has been a long list of achievements.

We continue to test ourselves against a range of international business quality standards. During the year past CCEA was once again a finalist in the UK Business Excellence Awards, this time winning a special achievement award for customer satisfaction.

ISO9001 was re-accredited twice in the period, August 2006 and February 2007 with no non-compliances. Also in August 2006, the environmental standard ISO14001 was accredited for the first time and re-accredited in February 2007 again with no non-compliances which is normally unheard of at first assessments.

Charter Mark has also been re-accredited in January 2007 with a further 4 areas of best practice identified.

In the area of Examinations, CCEA's portfolio of qualifications grows more diverse and comprehensive than ever. At a time when the school age population in Northern Ireland is falling CCEA has been able to increase the number of entries for our exams locally and capture increasing amounts of market share at both GCSE and A Level. Last summer the organisation received more than 35,000 entries for CCEA exams in England, Wales and beyond.

Taking in to account all of the various examinations and assessments we undertake (including Key Stage 3 and Transfer Test), in 2006-07 we had entries totalling more than half a million.

Major reviews have also been carried out in the year for the revision of both criteria and content for CCEA GCSE and GCE examinations.

In Curriculum and Assessment we have had a very busy year as support and guidance for the revised Northern Ireland Curriculum is rolled out to schools.

In February 2007 we launched a new Northern Ireland Curriculum website, branded and designed in such a way that it will outlive CCEA. The site includes much of the excellent guidance materials CCEA has produced to support teachers.

In the area of pupil assessment, in January 2007, over four weeks we met with close to 1,500 school leaders at 47 venues across Northern Ireland.

Considerable work has been done in trialling and reviewing the Pupil Profile to ensure that when it goes live in September 2007 it will be fit for purpose.

At the first time of trying, CCEA has been listed in the prestigious Times Top 100 Best Companies to Work For in the UK. CCEA are the first public sector body in Northern Ireland to have been 'Top 100' listed, and are one of only 3 Northern Ireland companies to make the listing this year.

Business Unit Reports

Curriculum and Assessment Unit

The Curriculum and Assessment Business Unit continues to assist schools with implementation of the revised Northern Ireland Curriculum. Section A outlines achievements within Curriculum development and support and Section B deals with assessment development and support.

The Northern Ireland Curriculum website, www.nicurriculum.org.uk, was launched alongside the dispatch of curriculum implementation and support boxes to every school in February 2007. The website is an on-going source of information and resources and includes:

- Statutory Curriculum Orders with link to DE site;
- CCEA supplementary Curriculum Guidance;
- On-line versions of the curriculum implementation and support boxes;
- Information on assessment and reporting arrangements including pupil profile;
- Pilot case studies and evaluations;
- Information on Inclusion and Special Educational Needs (SEN).

Additional resources dispatched to schools include:

- Personal Development and Mutual Understanding (PDMU);
- Learning for Life and Work;
- Connected learning units;
- Lines of Development for Mathematics and Numeracy;
- Fundamental Movement Skills;
- Financial Capability;
- Irish Medium reading resources.

Development work and trialling took place in:

- Interactive, media-rich resources;
- Assessment for Learning;
- Languages in primary schools.

Priorities for 2007-08 include:

- Literacy Guidance for Foundation Stage;
- Continuing PDMU resources;
- The Arts;
- SEN;
- Thinking Skills and Personal Capabilities Story Books;
- KS3 Science.

Pupil Profile

During 2006-07 considerable work was undertaken to finalise the design and content of the Annual Pupil Profile, along with trials of a computer adaptive assessment system (known as InCAS). This work, involving 100 schools, was evaluated by BDO Stoy Hayward. These evaluation reports are on the CCEA website.

47 Leading Learning - Assessment and Reporting conferences were held across Northern Ireland in January/February 2007 to provide information to school leaders. These were run in partnership with the Regional Training Unit (RTU) and Education and Library Boards (ELBs) with overall attendance of approximately 1400. Information sessions have also been held for Curriculum Advisory and Support Service (CASS) officers, Council for Catholic Maintained Schools (CCMS) officers, Education and Training Inspectors, Lecturers and students in Initial Teacher Training Colleges.

KS3 Pupil Profile work is still at a developmental stage and computer assessments along with exemplar formats are being trialled by 30 post-primary schools.

Levels of Progression

Officers from the Curriculum and Assessment unit have been working with officials from the Department of Education and the Education and Training Inspectorate (ETI) to finalise and agree Levels of Progression for:

- Communication:
- Using Maths;
- Using ICT.

Consultations are planned with teachers on the Levels of Progression and exemplar assessment tasks, which schools may choose to use to gather evidence for making summative professional judgements of pupils.

Priorities for 2007-08:

- Training for teachers on statutory assessment;
- Finalising Levels of Progression;
- Agreeing KS3 Annual Pupil Profile;
- Development of Assessment tasks.

Primary Pupil Profile Implementation

CCEA is responsible for the implementation of the Primary Pupil Profile in the 2007-08 school year as part of new assessment and reporting arrangements. CCEA has carried out three trials during 2006-07 on:

- The Primary Pupil Profile;
- The computer-based assessment tool;
- INCAS Mathematics.

Each of these trials has been independently evaluated by BDO Stoy Hayward and the outcomes have informed the development of advice about the Pupil Profile to the Department of Education.

During the academic year 2007-08, Primary schools will be required to carry out computer based diagnostic assessments with Year 5 pupils, and share outcomes in reading and mathematics with parents in writing at a parent/teachers meeting before the end of the autumn term.

In addition, schools are required to provide annual Pupil Profile reports for parents of Year 1 and 5 pupils before the end of the 2007-08 school year.

The implementation programme involves raising awareness for a range of stakeholders, including parents and school Principals, as well as training teachers in the use of assessment and reporting tools.

There are a number of key aspects to this programme:

- Raising awareness through a range of media;
- Training in the use of assessment tools;
- Training in interpretation of assessment information and possible interventions;
- Training in the use of report writing software;
- Ongoing help and support.

A dedicated team has been established to plan, manage and support this programme. Almost 2000 Year 5 teachers will be trained in the use of assessment tools, and Year 1 teachers will be included in training on the use of tools to help with producing Pupil Profile reports for parents.

At the time of writing, an area of the Northern Ireland Curriculum website dedicated to the Primary Pupil Profile has been launched (http://www.nicurriculum.org.uk/pupil_profile/index.asp) and training has begun for Year 5 teachers. This will take place at 48 events during May. The website includes information about assessment and reporting arrangements, as well as useful resources.

Hard copy guidance has been produced for teachers to support face-to-face training. Further support is available in multimedia presentations and tutorials published on the Pupil Profile website.

Qualifications and Skills Accreditation and Policy Unit

The Business Unit is responsible for 14 - 19 education, and the development and regulation of qualifications, including those covering the acquisition of skills. The qualifications system in Northern Ireland is shared with England and Wales - over 100 awarding bodies are accredited to provide around 5000 qualifications. In order that these qualifications have credibility with learners and users, particularly employers, the Regulatory Authorities - Qualifications and Curriculum Authority (QCA) in England, Department for Education Lifelong Learning and Skills (DELLS) in Wales and CCEA in Northern Ireland - work collaboratively on the development of accreditation criteria and the monitoring of the delivery of qualifications by awarding bodies.

A major area of work during 2006-07 has been the review of vocational qualifications. This is a UK-wide initiative which supports the Council's aim of ensuring that qualifications provision in Northern Ireland meets the needs of learners and users. Critical to the reform programmes is the development of unit and credit based qualifications that will be accredited to a new Qualifications and Credit Framework (QCF). The QCF will support greater flexibility and access to qualifications, it is central to the implementation of the Northern Ireland Skills Strategy.

Work on the reform programme has been taken forward across a number of strands:

- sector qualifications reform;
- framework developments;
- planning, funding and delivery of qualifications provision; and
- rationalisation of existing qualifications provision.

Major evaluation reports on progress are due to be completed in the summers of 2007 and 2008. These will enable Government to make decisions on the detail of implementation of revised qualifications - due to be phased in from 2009.

The current essential skills portfolio includes qualifications at Entry level in Literacy and Numeracy, and at Levels 1 and 2 in Communication and Application of Number. Over the past year, pilots have been undertaken in colleges and training organisations with a view to adding ICT as a third essential skill - this is in line with proposals within the Northern Ireland Skills Strategy. The Council has advised the Department of Education (DE) and Department of Employment and Learning (DEL) that essential skills should be introduced in schools which would mean a common skills qualifications framework in Northern Ireland.

Within 14 - 19 education, the main development work has been on GCE qualifications; revised subject criteria have been completed in order that awarding bodies can have new specifications in place for 2008 (first teaching).

The following areas of work will be taken forward in 2007-08:

- Revision of GCSE subject criteria to support new specifications being introduced in 2009 (first teaching);
- The integration of the Progress File and Pupil Profile reporting arrangements at Key Stage 4;
- Development of the Learner Achievement Record (LAR) and unit/qualifications development to support the new Qualifications and Credit Framework;
- Pilot work in schools to support the development of Essential skills as the main skills qualification in Northern Ireland.

Examinations Unit

Continuous Improvement and New Challenges within the Examinations Business Unit 2006-07.

The main work/effort within the Examinations Business Unit during 2006-07 was concentrated on two main objectives - continuous improvement within the technical areas (question paper development; marking; moderation; awarding) and the revision of GCE Specifications. These developments were aided by the appointment of four Specification Support Officers and one Project Officer, Technical; the promotion of two officers to Programme Manager level and the temporary appointment of four Specification Development Officers.

Continuous Improvement

Computer Aided Awarding software was used across all awards at both GCE and GCSE. Phase 2 of this project - electronic Accountable Officer reports was introduced during the January awards with 88% of awards using the software. The latter enhanced both the accuracy of arithmetical calculations and the overall presentation of the awards. This improvement will also remove the need to secure storage facilities for archiving purposes. The focus in 2007-08 will be on the use of electronic reports across all GCSE awards and the movement to Phase 3 of Computer Aided Awarding - the use of electronic grading sheets.

A new software system enabling the electronic grading of examiners was introduced during the January 2007 series. This system assesses examiner performance across a wider range of criteria and has created a greater coherency and consistency of approach in grading examiners across teams. It will also facilitate a more detailed feedback report to each examiner.

The Chief Examiners and Chair of Examiners Bonus Scheme pilot ended in March 2007 and will become fully operational during 2007-08. This scheme has introduced a set of performance criteria for Chief and Chair of Examiners. The criteria for 2007-08 have been enhanced. This initiative has had spin-off effects into improvements into both the Question Paper Production unit and Examinations Technical Support.

Pilots in 'on screen marking' and e-moderation have continued throughout 2006-07 with approximately 11,000 examination scripts marked online and the coursework of 6 centres' work moderated online in June 2006. 'On screen marking' is to become fully operational during 2007-08 across a number of subjects. The volume of coursework moderated electronically is to increase. The e-moderation project will inform the nature of coursework; the moderation procedures and the administrative support systems for the forthcoming revision of GCSE Specifications.

A CCEA Technical Issues Group was established in February 2007, chaired by the Examinations Manager. This is to improve the coordination of technical activity across business units and to improve decision making and policy development input into a range of bodies at the national level.

Revision of GCE Specifications

Throughout 2006-07 subject officers have been involved in a range of activities surrounding the revision of 21 GCE Specifications, for example - representing the regulatory authority in setting the criteria against which Specifications were to be developed; establishing writing teams and quality assuring their work; ensuring that all issues raised from customer, stakeholder and internal approval groups were followed through. All specifications met the agreed submission dates for QCA accreditation. GCE Specifications are to arrive in centres in

September 2007, one year in advance of teaching. Work in 2007-08 will focus on materials and events to support the GCE Specifications and development work on the GCSE Specifications which are to be delivered to schools in September 2008, for first teaching from September 2009.

ACETS and Operations Business Unit

During Autumn 2006, the Operations Support Business Unit expanded its remit to include responsibility for the vocational qualifications previously undertaken by the Assessment Operations Business Unit. Responsibility for the Examinations Technical Support Team was passed to the Examinations Business Unit. The title of the Business Unit was amended to reflect these changes.

2006-07 was a very busy year for the ACETS and Operations Business Unit. The following points are noteworthy in relation to the work of the Teams.

Distribution Team

The workload of this Team increased by a third this year and an additional SEO was appointed to manage the distribution and warehousing aspects of this work. Internal restructuring resulted in three sections within the team and efforts are underway to complete the permanent appointments.

All general monthly dispatches and special dispatches were issued on schedule. Many of these dispatches included KS1, KS2 and KS3 curriculum materials and information related to the GCE revision of specifications. Question papers, pre-release materials, exams stationery, invigilator diaries and candidates' results were issued on schedule for all series of examinations. Members of the Team worked with the confidential printers to improve their dispatch procedures and quality checks. Further enhancement of the electronic stock control system has commenced to enable efficiencies. Approximately 40,000 packages are dealt with annually by CCEA and, in collaboration with the courier, an electronic tracking system was piloted to facilitate the collection of scripts.

All customer requests and orders were processed and dispatched within 14 days of receipt.

Examinations Support and Administration Team

Approximately 925 meetings, residentials and support events were organised and supported by documentation and other materials. In addition, on behalf of the Examinations Business Unit, 4 major training events were arranged for approximately 200 members of Examining and Revising Teams. More than 100 briefings, advisory panel and approval meetings were arranged and facilitated in relation to the GCE specification revision programme.

Specifications, support and exemplification materials, chief examiner reports and curriculum resources were produced to high quality and on schedule.

The administration for Records of Achievement and for 121 malpractice and maladministration cases was completed on schedule.

Qualifications Support

A major programme involving many teams across CCEA was successful in ensuring that 21 GCE specifications were revised within a very tight schedule and forwarded to the Regulatory Authorities during March 2007 for accreditation. These revised GCE specifications will be available in centres from September 2007 for first teaching from September 2008. Planning is already underway to develop new GCSE specifications which will follow one year later for first teaching in September 2009.

All events and support materials identified in the Annual Support Programme on CCEA's website occurred as planned.

Two issues of the QDS Newsletter were published on schedule. An online version was launched earlier this year, and future issues will also be available online. All issues have been approved by the Plain English Campaign.

Question Paper Production Team

The title of this team was changed from the 'Test Unit' and the appointment of additional staff approved. Internal restructuring has resulted in four sections within this team.

During the year HEO, SEO and EO appointments have been completed and the full quota of staff will soon be in place. All staff have participated in a bespoke training programme.

A total of 187 GCE and 235 GCSE examination papers and 153 mark schemes were produced on schedule. Many of these papers were translated into Irish. 275 papers and mark schemes were also produced on schedule for other examinations including Transfer, KS3, Entry Level, GOML, ACETS, Key Skills and Essential Skills. The requests for enlarged and modified papers have been increasing annually.

Further enhancement of the electronic production system has provided professional staff with 'real time' reports about the stage of paper production and has included management information relating to the bonus scheme for Chiefs and Chairs of Examiners.

Awards and Certificates in Education, Training and Skills (ACETS) Team

The ACETS Team had a very successful year which was demonstrated by a 20% increase in candidate entries. All examinations were conducted efficiently

and all results were accurate and issued on schedule. During the Autumn, an audit of the vocational qualifications was carried out by the Regulatory Authorities. Initial positive feedback has been received from the auditors.

The following points are noteworthy in relation to each qualification:

Graded Objectives in Modern Languages (GOML)

It is pleasing to note that while candidate entries for school-based GOML remain steady, there is an increase of approximately 300 candidates for the Continuing Education GOML. Entries for the Summer 2007 series are again showing an increase.

CCEA is testing and trialling a Qualifications Credit Framework (QCF) Pilot for QCA and is collaboratively working with Belfast Institute of Further and Higher Education (BIFHE), other Further Education (FE) Institutes and the Sector Skills Council CILT to write new GOML units within this new framework. An advantage to CCEA is that DEL funding has been sought. Since these new units will attract funding under the QCF, this should prove attractive to our customers.

Key Skills

CCEA offers four series of Key Skills examinations with candidate entry figures remaining stable. The process of accreditation has proved successful. Online re-accreditation is due to be available for all Key Skill centres in November 2008.

A successful ICT E-Portfolio pilot was undertaken during the Summer 2006 with approximately 11 centres. This E-Portfolio application has been further enhanced and will be available to all centres submitting ICT Portfolios at Levels 1 and 2 from November 2007. E-Moderation will then take place.

The Online Basic and Key Skills Pilot involving 14 training centres was discontinued during the Autumn 2006.

Essential Skills

CCEA continues to offer support and guidance to centres and to implement administrative improvements which are intended to assist our customers. In addition, action-based activities and other support materials are now published on CCEA's website.

During 2006-07, 1359 certificates were issued for Adult Literacy and Numeracy at Entry Level and 1230 certificates for Communication and Application of Number at Levels 1 and 2.

Occupational Studies

In April 2007, CCEA's Regulatory Authorities, in consultation with centres and the relevant Sector Skills Councils, have completed a review of all 13 occupational areas which comprise 63 units. The recommendations from this review will now be actioned and unit specifications revised as necessary.

Occupational Studies is an approved course listed in the DE Curriculum Entitlement Framework Circular and there is evidence of much good practice, with schools collaborating with FE Institutes and training organisations.

The number of centres offering Occupational Studies has increased and CCEA is continuing to offer substantial support and guidance. Two series of moderation are offered each year, and during 2006-07 the total number of cash-ins for the Single Award was 1227 and for the Double award, 1262.

Certificate in Personal Effectiveness

The CCEA Level 3 Certificate in Personal Effectiveness is attracting significant interest especially from grammar schools. The qualification attracts 70 UCAS points and is an approved qualification included in the DE Curriculum Entitlement Framework Circular. During 2006-07, 183 certificates were awarded.

Certificate in Business Enterprise

This qualification is offered in FE Institutes to provide students with the knowledge, skills and understanding to establish their own small business enterprise and thereby contribute to the Northern Ireland economy. Entries for this certificate are increasing each year. In Summer 2006, 240 certificates were awarded.

Life Long Learning Qualifications

Entries for these qualifications have also increased and CCEA continues to work with a range of training organisations and community groups. These qualifications are offered six times each year. A total of 750 candidates achieved certificates in 2006.

Examinations and Assessment Administration Unit

In 2006-07 the Examinations and Assessment Administration Business Unit met all of its operational targets and deadlines for the fourth successive year.

The volume activity associated with script management and processing increased again on the previous year, and the specification portfolio continued to expand, bringing online new requirements for service delivery.

Management Commentary (continued)

During the year continuous development and refinement of the AS400 database continued to be the focus of management activity in the business unit. The present system will be replaced by a new AS400 i-series platform in May 2007, giving greater processing capability and memory capacity. The increased capability will reduce processing times and associated risk.

In the past 6 months many of the solutions commonly agreed by the general qualification awarding bodies, to reduce the administrative burden of examinations in schools, have been successfully deployed. In addition, CCEA has also introduced a number of new online services for customers such as, secure enquiry about results tracking.

During summer 2006 another successful pilot of script scanning and online marking was successfully completed with a technology partner. Lessons learned from the pilot will be consolidated in 2007-08 to provide the basis for a transformation programme for CCEA examinations administration from 2009 onwards.

The focus in 2007-08 will be on the further development of online service provision for the customer base and the development of a business model for large scale electronic script management.

Centre and Examiner Support Team

Special Requirements Section

- Requests for Access Arrangements and Special Consideration continue to increase year on year. All requests during 2006-07 were completed accurately and on time.
- New regulations for examinations in relation to the Disability Discrimination Act continue to be developed in conjunction with the Joint Council for Qualifications (JCQ) awarding bodies.

Centre Support Section

- All internal and JCQ despatches completed accurately and on time.
- The Administration Handbook is now available only online.
- CCEA officers continued to operate the joint inspection scheme on behalf of the JCQ.

Appointments Section

- Approximately 4000 examiners, moderators and invigilators were recruited, appointed and trained in 2006.
- The introduction of a new vetting system for child protection in conjunction with the PSNI is now expected in 2007-08.

Examinations Processing

Meetings Support

- Approximately 1000 GCE and GCSE Examinations meetings arranged, notifications issued and materials provided for meetings.

Moderation Section

- Over 3500 pieces of coursework moderated.
- 130 briefing meetings and 100+ post-moderation meetings supported.
- 120 Agreement Trials organised and attended by over 2600 teachers.

Script Processing

- In excess of 530,000 scripts manually processed. 8000 electronically processed.

Post Results Services

- 5300+ Enquiries about Results requests processed accurately and on time.
- 3000+ Access to Scripts requests processed accurately and on time.

Transfer Test Processing

- 15000+ test papers checked in and marked within procedure and timescales.
- 15255 results issued accurately and on time.
- There were 3 grade changes after re-mark for the 2006-07 Transfer Test.

Entries, Results and Certification Team

Entries Section

- All entries processed within declared timescale.

Results and Certification

- 100% of results graded and issued on due date.
- All CCEA GCE and GCSE grade boundaries have been published on www.ccea.org.uk.

Assessment Administration

- Three team structure now embedded and working well.
- Entry Level Qualification completed successfully.

Management Commentary (continued)

- Essential Skills certificates dispatched on demand each month.
- Online ordering of Assessment Units now standard practice.
- All KS3 processing of Tests and Teacher Assessments was successful.
- KS1 and KS2 teacher assessments completed from all primary schools.
- GOML and CE GOML summer and winter processing successfully completed.
- Occupational Studies Winter and Summer series of Moderation processed within the deadlines.
- KS2 and KS3 IT Accreditation schemes completed successfully.

CCEA Multimedia Unit

Highlights from the past year include the launch of a new curriculum website (www.nicurriculum.org.uk) and the Revised Curriculum Primary and Post-Primary box sets of support materials, which included a DVD, a CD containing 18 training units, guidance booklets and posters.

Furthermore, our team developed a host of resources to support the NI Curriculum including:

- *Living Learning Together* and *InSync* (both focusing on Personal Development);
- Education for Employability (see www.ccea.org.uk/employability); and
- *The Marble Arch Caves European Geopark DVD* - a resource providing first-rate case-study material for GCSE Geography pupils investigating a limestone environment as part of their course.

In 2006-07 we continued our ongoing support for Examinations by constructing the first phase of subject-specific microsites: Art and Design, Applied Business, Modern Languages and Drama to name a few. We also worked with Marcomms to enhance their Revision of Specifications Communication Programme. To this end, we designed the programme identity (logo, look and feel), marketing materials and the Spec Changes print and electronic newsletters. These tools have been, and continue to be essential to the promotion of the ongoing revision process and the forthcoming launch of the new specifications and mark schemes in September 2007.

Internal CCEA projects this year included our ongoing maintenance of the intranet service, and we also helped design the Focus on the Customer Relationship Management Tool. In addition, much of our focus this year was dedicated to examining the usability and design aspects of our ICT systems including e-portfolio, e-assessment, and e-moderation. We also played a pivotal

role in delivering the Moving Image Arts online examination, which enters its fourth year this summer.

In late 2006 we introduced a project office to track and monitor our team projects and promote shared learning among staff. The insights led us to develop the Digital Media Literacy course, which we delivered to all Principal Officers (PO) during December 2006 and March 2007 as part of CCEA's Educational Managers Training Programme. Our course explained the range of digital technology available in today's marketplace and addressed how POs can make better use of these technologies to deliver and enhance their subjects and support materials.

During 2006-07, our editorial staff also developed and delivered Plain English training to 150 CCEA staff and received an 83.8% satisfaction rating from survey respondents. Editorial also made key contributions to both the revised curriculum support materials and the examinations microsites by condensing the quantity of materials, ensuring consistency of style and terminology, eliminating extensive duplication within portfolios of work, and ensuring the materials were accessible to the audiences.

Looking Ahead

For the 2007-08 financial year, we have a number of key educational projects planned. Those that were initiated in the last financial year and are now approaching completion include:

- the *Ecoworld* pilot, which we are creating in partnership with the Consumer Council. This is a web-based game and microsite about sustainable living. It illustrates to learners how the choices we make in everyday life can affect the world around us (see www.ecoworld.org.uk);
- the *Creative Learning in a Digital Age* microsite, which we are completing in partnership with the NIFTC and the Nerve Centre and supports our History and Moving Image Arts qualifications (see www.digitalfilmarchive.net); and
- the forthcoming *Money Talks DVD* and web game, which we are developing in partnership with the Citizens Advice Bureau.

This summer we will also produce the 21 newly revised GCE specifications and mark schemes as well as begin work on some of the support materials for these. In addition, this autumn we will finish Phase 2 of subject microsite development, with the launch of approximately 16 new subject microsites.

An important internal project this year is the revamp to www.ccea.org.uk. Our team are revising the website to introduce a full content management system,

improving navigation and access to materials and making the site more user-friendly.

In addition, by year's end our editorial section plans to:

- develop and deliver an internal Writing for the Web course to CCEA staff;
- develop and produce a CCEA Writer's Style/Reference Guide; and
- complete the Copyright Admin Tracking Tool and begin a pilot-phase of advanced copyright clearance for a small selection of subjects.

Finally, for two years our 'Copy Shop' section has continued its drive to operate more economically by printing in-house, where possible, at reduced cost. Looking forward, we are considering a centralised document management print solution that will allow staff in the organisation to print on demand.

Financial Services Unit

Providing Best Practice in: Accountability - Planning - Control - Reporting - Analysis - Customer Service

This team, formerly known as the Finance and Management Information Unit, completed its internal review during 2006-07, publishing its strategy and re-branding the team to reflect the shift in focus towards customer service and team cohesiveness.

Customer service has been enhanced through initiatives such as a restructuring of our payroll and sundry payments team and the launch and development of a dedicated Finance website. Our overall controls and procedures infrastructure has also seen significant improvement with all issues addressed by the 2005-06 management letter quickly resolved. There has been a strong focus on staff development with three staff holding a professional accountancy qualification and seven staff training for such a qualification.

The team are looking forward to implementing planned efficiency and reporting improvements focusing on improving the service provided to CCEA's front line teams.

ICT Business Unit

ICT operates in a customer centric continuous improvement environment, achieving best practice in areas, whilst aiming to deliver a world class service to all stakeholders. ICT is instrumental in delivering corporate themes such as, optimising the use of technology and, managing delivery, accountability and quality.

As well as generic business driven technology targets such as, service development, service delivery and service support levels, ICT also have specific operational quality targets to ensure that quality is integral to its products and services.

ICT Quality Assurance

In line with continual improvement, ICT use the EFQM business excellence model to continually drive improvement in product and service delivery, to exceed customer expectation and surpass corporate plan targets. Some outworking of this strategy has included the restructure of ICT Executive Management to address the challenges of RPA and the emerging ESA requirements. Individually all members of ICT staff are members of the British Computer Society (BCS) and adhere to the professional code of conduct required, including Continuing Professional Development (CPD). Additional quality initiatives and developments will be outlined below in the appropriate process and or service areas.

To ensure a robust approach is taken to improvement, the unit undergoes independent external assessments and accreditation in all areas of work. For example, ICT are accredited under TickIT for Software Development, and both BS7799 and FAST for Service Support.

Further, the development of the ICT strategy received full assurance from the internal auditors Deloitte.

Business Solutions (Software Development)

Over 85% of staff in ICT are deployed in Software Development. In this discipline the TickIT accreditation is a mark of excellence under the ISO9000 standard, and ICT has been re-accredited on 2 occasions this year.

ICT has successfully completed all priority 1 software requests in each of the 3 Software Releases this year, comprising over 100 major developments including Grading Algorithms Optimisation, Computer Assisted Awarding and Occupational Studies. In addition, in excess of 650 minor developments were completed, an increase of 10% from the previous year.

All software development priorities are customer driven and agreed at the monthly and quarterly ICT Reviews with all stakeholders.

Service Support

In Service Support, ICT have achieved FAST (Silver) and are on target to achieve GOLD accreditation. Bi-annual re-accreditation against the ISO27001:2005 (old BS7799) Information Security Management Systems have

Management Commentary (continued)

been achieved, and accreditation against the new ISO20000 (old ITIL) standard is planned for early next year.

All ICT Service Level Agreement (SLA) targets have been achieved, and new and more challenging targets for the next period agreed.

Statistics

The customer Care Desk satisfied in excess of 3000 calls a reduction of 4% from the previous year. However, this is expected to grow again this year as a result of restructuring, re-locations and more distributed staff.

In line with key elements of ISO 20000, regular capacity planning and review has led to the acceptance of business cases, accepting the need to replace the AS400 and some network servers.

Strategic business partnerships are being developed with other business units such as Examinations Operations and CCEA:Multimedia and it is planned to formalise these business partnerships in the next year.

People Services and Equality Unit (PSE)

This unit continues to provide first class support to the rest of the organisation. The human resources practices we implement have led to CCEA having the lowest levels of absenteeism in the public sector in Northern Ireland. We recruit a hugely talented workforce and continue to build on an excellent learning and development culture that enables CCEA to provide the best possible services to our customers. This year PSE helped the organisation to become the first public sector organisation to be listed in the prestigious Times Top 100 Best Companies to Work For in the UK. The PSE Unit also contracts hundreds of educationists to develop and write the papers for CCEA's GCE and GCSE Examinations, and this year we contracted an additional two hundred writers to work with our managers to revise the GCE and GCSE Specifications.

A major challenge for the PSE unit in the year ahead, along with the Chief Executive and the senior management team, will be to facilitate the change programme associated with the Review of Public Administration and ensure the smooth transition to the new Education Skills Authority. Whilst managing this transition, the unit will also achieve the Occupational Health and Safety Specification 18001 standard and re-accreditation to Investors in People.

Business Assurance Unit

The Business Assurance Unit provides confidence to the Chief Executive that the organisation's systems and processes are working effectively, improving over time and delivering high performance outputs. During the reporting period all targets for the Unit were met or exceeded. Highlights include the following:

Internal audit and risk management

The Audit and Risk Committee met three times during the reporting period. The newly appointed outsourced internal audit provider, Ernst & Young, carried out all work associated with the planned programme of audits. It also provided advice to CCEA about issues critical to effective corporate governance so that best practice in this area might be deployed. In respect of risk management, seven stewardship reporting exercises were carried out across CCEA's three tiers of risks: strategic; business; and operational. A new development was the rolling out of risk management training to contracted staff. The Disaster Recovery Plan was completed and the Risk Response Plan reviewed.

Business improvement and quality

The Business Assurance Unit took the lead in managing and driving CCEA's continual improvement and quality agenda.

CCEA was reaccredited to ISO 9001 (2000) on two occasions and met all requirements with no negative reports on any activity. Accreditation was achieved to ISO 14001, the environmental management standard. Work started on gaining accreditation to OHSAS 18001, the health and safety framework.

CCEA was reaccredited to Charter Mark standard for the second time, achieving full compliance with 62 out of 63 elements and best practice recognition in 10 elements.

In respect of the Business Excellence Model, CCEA made continuing progress and achieved a score of 600+ through independent assessment. CCEA won the UK Business Excellence Award for 'Customer Satisfaction' in October 2006.

CCEA's practice of submitting itself to independent evaluation, scrutiny and review through assessment against national and internationally recognised quality models has enabled it to receive objective external feedback about itself. Some examples for the reporting period are given below:

The Assessment Team observed comprehensive evidence of how CCEA has understood, exploited and utilised new technologies for the benefit of both its customers and internal operations... (UK Business Excellence Assessment Team: December 2006)

Your standards have risen regularly over the years...you consult people in a very professional and organised way... (Charter Mark Assessor: January 2007)

Good system application with the Executive determining opportunities for improvement of an already excellent (system)... (ISO 9001 (2000) Assessor: February 2007)

Performance management

Through the Business Assurance Unit, CCEA continued to extend and embed its performance management framework. Monitoring and reporting on corporate, business unit and individual manager performance against corporate and operational plan objectives took place. CCEA introduced the balanced scorecard for evaluating high level corporate performance. The rolling three year Corporate Plan was reviewed resulting in better clarity, accessibility and target setting. CCEA met all legislative Freedom of Information (Fol) and data protection requirements.

Support was provided to individuals and teams across CCEA in order to help them to manage the business more effectively. This included training in investigative interviewing, benchmarking, complaints management, review of processes and risk management.

Examinations assurance activity

The Business Assurance Unit played a critical role in providing confidence in CCEA's examinations operations. These continued to be independently monitored and scrutinised. Improvement action plans were developed and implemented, where necessary. CCEA completed its third examinations self assessment report against criteria set by the regulatory authorities. It began the process of taking forward improvement actions identified by the self assessment. An implementation plan was completed following a review of risks against Code of Practice requirements. A third online survey for examinations centres was carried out in order to monitor the performance of all awarding bodies operating in Northern Ireland. CCEA exceeded all timescales set by the regulatory authorities for the management of examinations appeals.

Marketing and Communications (MarComms) Unit

MarComms plays a central role in influencing and managing the development and delivery of CCEA's policies, products and services. During the reporting period, 38 out of 40 targets for the team were met or exceeded.

The team has strategic and operational responsibility for 3 main areas: marketing; events management; and communications. The Customer Excellence Programme is led by members of this team. Highlights include the following:

Marketing

The annual customer satisfaction research was conducted within timescales and budget. A new strategy was adopted with the aim of increasing the response rate. We achieved almost 200% more responses in 2006 than in 2005. Overall CCEA's customers expressed 99% satisfaction with customer care and the helpfulness of staff.

Within the Revision of Specifications Programme, a marketing campaign was developed and implemented over the 2006-07 period. A mixed media campaign with the brand of 'Spec Changes' was used involving an email campaign, personalised direct mail, a newsletter, exhibitions and a dedicated microsite.

An Account Support system was introduced in October 2006 which is improving customer care with five key internal customer groups and better informing the MarComms operational plan.

A Management Information Group was introduced with an aim to improve quality and accessibility of business development and important management information within CCEA. To date, the group has supported the development of an online business development tool.

Events Management

The Annual Events Programme was successfully delivered, managing over 100 events with almost 2000 customers attending. The customer satisfaction rating with events was 99%, maintaining the same positive customer care experience as the previous year.

Three annual events were managed:

- true colours, an art and design exhibition in Belfast and Omagh, attracting over 8000 visitors;
- *Score*, a music concert which was held in the Waterfront Hall with a capacity audience of 300;
- *Celebrating Excellence*, CCEA's GCSE and GCE ceremonies recognising top students, which for the third year running attracted several Principals, young people and parents from England.

Eight exhibitions were attended throughout Northern Ireland ranging from major FE conferences to Careers events and Special Needs forums. The exhibition programme is reviewed each year to ensure targeting and servicing of CCEA's diverse customer base.

Communications - External

87% of planned messages successfully communicated through the media. This exceeded the target of 75%.

CCEA communications have played a lead role in the implementation of the Revised Curriculum.

Management Commentary (continued)

Internal

A comprehensive internal communications strategy was adopted throughout the year, delivering 91% of staff satisfied with internal communications.

New branded internal communications were introduced with targeted email templates and dedicated project areas on iBrowse (CCEA's intranet).

Customer Excellence Programme

The Project plan for this year delivered all activities within timescales and on budget.

An all staff customer care training programme was delivered during February and March 2007, with 96% of staff attending. Staff formal evaluation of the training is extremely positive with more than 75% of staff indicating that they benefited from the training and feel more confident about delivering excellent customer care.

The project team has been short listed in the category of 'Customer Service Team of the Year' at the Customer Service Awards Ireland 2007.

1 in 5 staff have had direct input into the development of the customer ICT system.

Improvements have been made to the office environment such as restaurant, meetings rooms and reception, benefiting both internal and external customers.

Successful benchmarking opportunities were identified with Bank of Ireland and Northern Council for Further Education (NCFE).

CCEA Corporate and Social Responsibility (CSR) Policy

CCEA is a unique educational body in the UK, bringing together the three areas of curriculum, examinations and assessment. Its role includes advising government on the Northern Ireland curriculum, monitoring qualifications and examination standards in Northern Ireland, awarding qualifications, and administering the Transfer Test on behalf of the Department of Education.

CCEA operates from three sites: two within the Clarendon Dock complex in Belfast and one in the Greater Belfast area.

CCEA seeks to fulfill its legal responsibilities in the areas of CSR but will go beyond statutory compliance in the workplace, its community involvement and in safeguarding the environment in which it operates.

CCEA will ensure that its strategic decisions and actions are based on a bedrock of corporate values and business ethics. CCEA will embed CSR into its mainstream business processes.

The rationale for CCEA's approach to CSR starts with our mission: *to enable the full potential of all learners to be achieved and recognised*. At CCEA we recognise that the achievement of our mission requires more than effective management and delivery of our core products and services. It is also about creating a balance between developing customer focused services, working with our communities and sustaining the environment in which we operate.

CCEA's CSR approach ensures that we operate our business in a socially responsible and environmentally sustainable way. Our values, lived by all CCEA employees, enshrine the principles of CSR and commitment to the environment.

CCEA continually aims to do the right thing within our society by ensuring that we use our position of influence and accessibility in the business environment in which we operate and the communities in which we serve.

The Workplace

CCEA will adopt fair and equitable recruitment practices and adopt non-discriminatory practices in its people policies including: recruitment and selection; rewarding and promoting people on merit; helping employees to develop their professional skills and achieve a work/life balance; and treating people with equal respect.

CCEA will promote health and safety in its broadest context, with a particular emphasis on occupational health and employee welfare. CCEA will use the OHSAS 18001 framework to develop and implement an occupational health and safety management system.

CCEA will carry out organisational development in a socially responsible way, taking into consideration the interests and concerns of all of those who are affected by the changes and decisions. It will provide open information and consultation and will seek to reduce the need for redundancies.

The Community

CCEA will actively seek opportunities through its core business to ensure that activities enrich and add value to the society in which it operates. In addition, it will ensure that employees are provided with opportunities to make effective voluntary contributions to the society in which they live and to societal and environmental issues which matter to them.

CCEA will provide opportunities for all our staff to engage with CCEA's indirect customers in ways that are supportive to the local community. This will in turn enhance CCEA's understanding of the needs of those customers including young and adult learners, employers, businesses and voluntary agencies who provide support for the most vulnerable in our society. This mutual understanding will be conducive to creating the conditions where CCEA's products and services can meet fully the needs of our society.

CCEA will respect its neighbours and its communities. CCEA will develop positive relationships with the local community and contribute to community causes.

CCEA will manage its business activities to ensure that they provide value for money. CCEA will work closely with business partners in achieving this.

CCEA will contribute to the economy by providing employment opportunities and wages.

The Environment

CCEA will establish environmental objectives which are in harmony with its environmental policy.

CCEA will use the ISO 14001 framework to develop and implement an environmental management system. CCEA will minimise our footprint on the global environment using a range of approaches designed to recycle materials, reduce waste and reduce the consumption of non-renewable resources.

CCEA will provide opportunities for staff to engage directly in programmes that safeguard the natural environment.

CCEA will monitor and review performance against its environmental policy.

Performance Management

The Business Assurance team will monitor and report on the impact of CCEA's CSR Strategy on a yearly basis against measurable targets and will report on these.

Signed



Neil Anderson
Acting Chief Executive

Date 28th August 2007.

This policy will be communicated to staff through the CCEA Intranet site and through induction and cultural induction programmes. The policy will also be communicated to stakeholders through the Internet site. CCEA staff working in the area of facilities management will ensure that CCEA's outsourced facilities management partner and any subsequent contractors employed are made aware of the requirements of its environmental policy.

Remuneration Policy

The Chief Executive's remuneration is set by the Council's Remuneration Committee within a scale set by the Department of Education. The Chairman and all non-executive Business Committee members who are deemed not to have a conflict of interest are members of this committee.

They agree the Chief Executive's salary for the year ahead, review the Chief Executive's performance against targets set by the Chairman at the start of each year and agree a performance related payment up to a maximum of 15% of his salary.

The remuneration of the other directors on CCEA's top management team is agreed by the Chief Executive in consultation with the Chairman and is based upon the salary scale agreed for each job. The Chief Executive also reviews each director's performance against the targets he has set at the start of the year and agrees, in consultation with the Chairman, a performance related payment up to a maximum of 10% of the director's salary.

The performance related payments made by CCEA to its top management team are reviewed and approved by the Department of Education in line with Treasury guidelines.

The Chairman's honorarium has been set by the Department of Education at 20% of the mid-point of the Chief Executive's salary scale. This is administered by CCEA's People Services department in strict accordance with these rules.

Service Contracts

All members of CCEA's top management team have open-ended contracts with a normal retiring age of 65 and a notice period of three months. It is not CCEA's policy to offer any termination payments other than payment in lieu of notice and redundancy payments. The remuneration of all members of the top management team consists of salary, performance related pay and pension contributions. They do not receive any benefits in kind.

Emoluments and Pension Entitlements

The emoluments and pension entitlements of senior management have been disclosed overleaf. All members of the senior management team participate in the NILGOSC Superannuation Scheme as defined in Note 5.

Emoluments

Emoluments consist of gross salary and performance related pay. 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 3.6% for the year to 31 March 2007.

Emoluments and Pension Entitlements of Senior Management (Audited)

	Salary	Performance Related Pay	Total Emoluments	Real increase in pension earned in the year to 31/03/07	Real increase in accrued lump sum in the year to 31/03/07	Total accrued pension at 31/03/07	Total accrued lump sum at 31/03/07	CETV at 31/03/06	CETV at 31/03/07
	£	£	£	£	£	£	£	£	£
Gavin Boyd - Chief Executive <i>(Resigned 31 January 2007)</i>	75,078	10,730	85,808	945	2,834	7,680	23,040	76,392	100,314
David Mulholland - Director of Corporate Services <i>(Resigned 30 April 2006)</i>	5,407	5,400	10,807	N/A	N/A	3,676	11,028	34,569	35,401
Neil Anderson - Acting Chief Executive	63,241	4,314	67,555	1,151	3,452	4,871	14,613	41,214	58,607

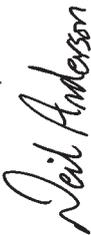
CETV

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.

Chairman's Honorarium

During the year, the honorarium paid to the Chairman was £16,074, in addition £1,463, was paid in respect of Employers' National Insurance (Note 6). No emoluments were paid to any other Council member.

Neil Anderson Date 28th August 2007

 Acting Chief Executive

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).

CCEA's system of internal control 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)

My view of the overall system of internal control is informed by work managed by CCEA's Business Assurance and Financial Services Units and includes in its scope:

- internal audit reports;
- an infrastructure of controls and procedures regularly reviewed;
- regular review of corporate, business and operational risk registers;
- business improvement systems and tools employed by CCEA;
- financial and management reporting processes;
- discussions with key staff and observations during the reporting period.

CCEA is accountable to the Department of Education. Continuous contact is maintained between all sections of CCEA and the Department's Curriculum Branch and CCEA's CEO and the Department's Permanent Secretary meet half yearly to conduct an accountability review.

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.

Statement of Internal Control (continued)

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; and manage them efficiently, effectively and economically.

The system of internal control has been in place in CCEA for the year ended 31 March 2007 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 management process manual;
- the development of a disaster recovery/business continuity plan;
- the development and maintenance of CCEA's corporate, business and operational risks registers; and
- the development of a stewardship reporting system.

During the reporting period, the Quality and Risk Executive met on a one to one basis with all CCEA business managers twice during the year and all operational managers once during the year. Her work included:

- supporting new managers and helping them to understand the nature and scope of the risks they had inherited;
- helping managers of new business areas to identify risks in their areas of responsibility and to suggest mitigation measures; and
- working with managers to effect improvement where it was considered additional risks had emerged or effective mitigation measures were not in place and ensuring that risk ratings were still reflective of the true degree of risk.

THE RISK AND CONTROL FRAMEWORK

Risk management arrangements were further developed including the planned, regular review of corporate, business and operational risk registers. Substantive development work included the full implementation of an action plan designed to address gaps identified in the comprehensive review of examinations risks against the Regulatory Authorities Code of Practice and the further development of CCEA's Disaster Recovery/Business Continuity Plan. In addition, the action plan related to the self assessment of the risk management system against HM Treasury Maturity Framework/EFQM framework was deployed. More detail about each of these is given below.

Risk Registers

The dynamic registers of ranked corporate, business and operational risks, with risk ownership clearly assigned, are available to all staff via CCEA's intranet site.

These registers are continually updated to:

- reassign risks to staff upon organisational restructuring and/or the appointment of new managers;
- add new risks and remove redundant risks;
- amend risk ratings and rankings to improve the appropriateness and effectiveness of the mitigation measures;
- amend risk descriptors to provide risk owners and managers better clarity;
- assign individual ownership where risks were shared; and
- revise mitigation documentation to clearly identify the status of measures as ongoing or established and to ensure that additional measures were considered at each review to improve the management of the risk.

Stewardship Reporting

Formal quarterly stewardship reporting exercises took place on three occasions for CCEA's corporate risks: June 2006; September 2006; and December 2006. Two stewardship reporting exercises for CCEA's business risks took place following the decision to have these twice yearly in June and December. One operational risk stewardship report took place during April 2006.

The stewardship reporting exercises required the owners of risks to report on how effectively they were managing their risks. The Business Assurance Unit reviewed the responses and provided challenge, advice and guidance on how the risks have been and should be mitigated. The result of this exercise was an evaluation report on the effectiveness of the risk management system in practice for each business unit and TMT.

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

Statement of Internal Control (continued)

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 and Risk Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The system of internal control at CCEA is maintained and reviewed by:

Audit & Risk Committee

CCEA's Audit and Risk Committee, meets three times a year. A representative from Ernst & Young as our internal auditors, the Northern Ireland Audit Office and CCEA's Business Assurance and Financial Services Units are also present at each meeting. This committee regularly scrutinises the organisation's performance on procurement policy, controls and procedures, risk management and corporate governance. The committee also make time each year to meet with both the internal and external auditors without CCEA's executive officers being present in line with best practice.

Internal Audit

Our internal audit function is outsourced to Ernst & Young who have just completed the second of their three year term. The planned programme of audits is developed in collaboration and consultation with CCEA management and is regularly reviewed over the three years to ensure its continued effectiveness and appropriateness.

During 2006-07, Ernst & Young completed a very full time-table of audits including the training of examiners and their teams; return on investment in learning and development, salaries and wages costs, management and financial information, corporate and business planning and ICT. They also followed up on five audits completed last year including corporate governance and risk management.

Ernst & Young's overall opinion for CCEA's system of internal control and risk management for the year ended 2006-07 is 'Fit for Purpose' which is the highest of their five levels of assurance ratings.

Quality Management and Business Improvement

CCEA continually opens itself up for external assessment and accreditation by recognised national and European quality and business improvement bodies.

As at the 31 March 2007, CCEA hold accreditation for:

ISO 9001:2000	- ensuring organisational processes are fit for purpose
ISO 14001	- environmental management
OHSAS 18001	- health and safety
Chartermark	- customer service
ISO 27001	- information security management
TickIT	- software development and application
ISO 20000	- IT service management

Statement of Internal Control (continued)

CCEA has been also been assessed by bodies who look at the organisation in its entirety:

Times 100 Best Companies

CCEA is listed at 69 with two star status and is the only public sector organisation in Northern Ireland to make the list.

EFQM Excellence Model

The British Quality Foundation has assessed CCEA against this European wide model with a score of 640 (increased from 600 in the previous year). This score was enough to place CCEA as one of the five finalists in the UK Business Excellence Award and won it the Special Achievement Award for Customer Satisfaction.

Financial Management

CCEA prepares a detailed, costed Operational Plan each year. This plan describes the organisation's objectives, delegates them to a Business Manager and assigns performance measures and a budget against each one. This Operational Plan is submitted to the Department of Education for approval and provides them with full disclosure of CCEA's intended use of public resources.

Budget management is an integral part of each Business Manager's job description and is incorporated into the framework for their performance related pay scheme. Business Managers are provided with on-line cost reports within five working days of each month end and this is supported by a suite of analytical efficiency and performance reports.

Regular reports on CCEA's financial performance are presented to the management team, the Department of Education and both the Council and the Business Committee for analysis, comment and the identification of actions.

Financial Services continues to develop and strengthen financial controls within CCEA. Control accounts and financial procedures are constantly reviewed and the staff are focused on providing more pro-active support to the organisation through the use of a dedicated Finance website to promote policies, streamline processes, highlight performance and encourage consultation.

Examinations Assurance

As an examinations awarding body, CCEA is required to follow a Code of Practice drawn up by the regulatory authorities and to conduct a self assessment of its examinations practices and processes. The regulatory authorities also regularly monitor and scrutinise bodies against this code and publish independent reports.

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 awarding bodies in examinations for the purposes of consistency and commonality.

Statement of Internal Control (continued)

During the reporting period the Qualifications and Curriculum Authority (QCA) published its annual report on the performance of awarding bodies operating in England, Wales and Northern Ireland. CCEA performed very well as benchmarked against its competitors being best in class or equal best in class for all performance indicators.

CCEA itself also carried out its third customer satisfaction survey of awarding bodies operating in Northern Ireland showing the organisation ahead or on par with its competitors and published an assurance report focusing exclusively on the examinations business.

Neil Anderson  Date 28th August 2007
Acting Chief Executive

NORTHERN IRELAND COUNCIL FOR THE CURRICULUM, EXAMINATIONS AND ASSESSMENT

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

I certify that I have audited the financial statements of the Northern Ireland Council for the Curriculum, Examinations and Assessment for the year ended 31 March 2007 under Schedule 3 of the Education (Northern Ireland) Order 1998. These comprise the Income and Expenditure Account, the Balance Sheet, the Cashflow Statement and Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having being audited.

Respective responsibilities of the Council, Chief Executive and auditor

The Council and Chief Executive as Accounting Officer are responsible for preparing the Annual Report, the Remuneration Report and the financial statements in accordance with Schedule 3 of the Education (Northern Ireland) Order 1998 and Department of Education directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of the Responsibilities of the Council and Chief Executive.

My responsibility is to audit the financial statements and the part of the remuneration report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with Schedule 3 of the Education (Northern Ireland) Order 1998 and Department of Education directions made thereunder. I report to you whether, in my opinion, certain information given in the Annual Report, which comprises the Chief Executive's Foreword, the Financial Summary, the Management Commentary and the Remuneration Report, is consistent with the financial statements. I also report 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.

In addition, I report to you if the Council has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by the Department of Finance and Personnel regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal control reflects the Council's compliance with the Department of Finance and Personnel's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or form an opinion on the effectiveness of the Council's corporate governance procedures or its risk and control procedures.

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 report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Council and Accounting Officer in the preparation of the financial statements, and of whether the accounting policies are most 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 and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, 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 also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Audit Opinion

In my opinion:

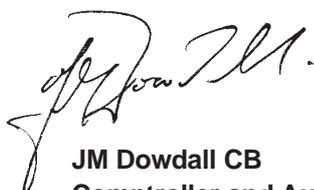
- the financial statements give a true and fair view, in accordance with Schedule 3 of the Education (Northern Ireland) Order 1998 and directions made thereunder by Department of Education, of the state of the Northern Ireland Council for the Curriculum, Examinations and Assessment affairs as at 31 March 2007 and of its deficit, the cash flows and total recognised gains and losses for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with Schedule 3 of the Education (Northern Ireland) Order 1998 and Department of Education directions made thereunder; and
- information given within the Annual Report, which comprises Chief Executive's Foreword, the Financial Summary, the Management Commentary and the Remuneration Report is consistent with the financial statements.

Audit Opinion on Regularity

In my opinion, 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.

Report

I have no observations to make on these financial statements.



JM Dowdall CB
Comptroller and Auditor General

20 September 2007

Northern Ireland Audit Office
106 University Street
Belfast

Income and Expenditure Account for the Year ended 31 March 2007

	Notes	2007		2006 <i>as restated</i>	
		£	£	£	£
INCOME					
Department of Education Grants	2		339,115		379,720
Income from activities	2		<u>8,349,429</u>		<u>8,059,626</u>
			8,688,544		8,439,346
EXPENDITURE					
Staff costs	4	11,861,240		10,224,209	
Other operating charges	6	17,097,198		17,331,346	
Depreciation charge for year	7	298,341		344,908	
Amortisation charge for year	8	49,665		41,673	
Loss on write-off of assets		-		-	
Operating cost for the year			<u>29,306,444</u>		<u>27,942,136</u>
OPERATING DEFICIT FOR THE FINANCIAL YEAR			(20,617,900)		(19,502,790)
Other finance income/(costs)	9	<u>59,000</u>		<u>(42,000)</u>	
			59,000		(42,000)
Deficit for the year before notional costs	3		(20,558,900)		(19,544,790)
Notional cost of capital	9		<u>104,134</u>		<u>15,717</u>
Deficit for the year after notional costs			(20,454,766)		(19,529,073)
Reversing credit in respect of notional costs			<u>(104,134)</u>		<u>(15,717)</u>
AMOUNT TRANSFERRED FROM RESERVES			<u>(20,558,900)</u>		<u>(19,544,790)</u>

Statement of Total Recognised Gains and Losses

	2007	2006 <i>as restated</i>
	£	£
Deficit for the financial year	(20,454,766)	(19,529,073)
Actuarial (loss)/gain in NILGOSC Defined Benefit Scheme (Note 5b).	(3,661,992)	313,003
Unrealised deficit on the indexation of fixed assets (Note 19)	<u>(38,299)</u>	<u>(38,287)</u>
Total losses relating to the year	<u>(24,155,057)</u>	<u>(19,254,357)</u>
Prior year adjustment	<u>-</u>	<u>(24,506)</u>
Total losses for the year	<u>(24,155,057)</u>	<u>(19,278,863)</u>

All activities are derived from continuing operations.

Balance Sheet as at 31 March 2007

		2007		2006 <i>as restated</i>	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	7	753,345		638,287	
Intangible assets	8	142,095	895,440	117,205	755,492
CURRENT ASSETS					
Stock and work in progress	10	338,382		189,496	
Debtors due within one year	11	2,862,550		2,708,654	
Cash at bank and in hand		24,433		3,700	
		3,225,365		2,901,850	
CREDITORS					
Amounts falling due within one year	12	(2,665,838)		(2,380,630)	
Net Current Assets			559,527		521,220
TOTAL ASSETS LESS CURRENT LIABILITIES			1,454,967		1,276,712
Provision for liabilities and charges	13		(1,136,013)		(674,826)
NET ASSETS EXCLUDING PENSION LIABILITY			318,954		601,886
Defined benefit pension liability	5b		(5,371,352)		(1,500,000)
NET ASSETS			(5,052,398)		(898,114)
Financed by:					
CAPITAL AND RESERVES					
Capital Account-DE	15	36,593		38,458	
Capital Account-DEL	16	-		-	
Government Grant Reserve-DE	17	982,253		794,503	
Government Grant Reserve-DEL	18	14,887		23,778	
Revaluation Reserve	19	(101,092)		(62,793)	
General Fund	20	(5,985,039)		(1,692,060)	
			(5,052,398)		(898,114)

David McKee
Chairman



Date 28th August 2007

Neil Anderson
Acting Chief Executive



Date 28th August 2007

Cash Flow Statement for the year ended 31 March 2007

	Notes	2007		2006 <i>as restated</i>	
		£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	1		49,909		35,632
RETURNS ON FINANCE AND SERVICING OF FINANCE					
Interest paid		-		-	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			-		-
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT					
Payments to acquire tangible fixed assets		(444,539)		(291,114)	
Payments to acquire intangible fixed assets		(82,326)		(24,478)	
NET CASH OUTFLOW FROM INVESTING ACTIVITIES			(526,865)		(315,592)
NET CASH OUTFLOW BEFORE FINANCING			(476,956)		(279,960)
FINANCING					
Capital grants received	4	525,000		620,447	
NET CASH INFLOW FROM FINANCING			525,000		620,447
INCREASE IN NET CASH AND CASH EQUIVALENTS	2		48,044		340,487

Notes to the Cash Flow Statement for the year ended 31 March 2007

1	RECONCILIATION OF OPERATING (DEFICIT)/SURPLUS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES	2007 £	2006 <i>as restated</i> £	
	Operating (Deficit)/Surplus	(20,558,900)	(19,544,790)	
	Adjustment for non-cash transactions			
	Grant-in-Aid	19,927,913	19,418,760	
	Depreciation	298,341	344,908	
	Amortisation	49,665	41,673	
	Deferred capital grant release	(348,006)	(386,581)	
	Bad debts provision	2,310	(13,383)	
	Bad debts written off	270	1,421	
	Provision for liabilities & charges	461,187	(83,455)	
	Movement in NILGOSC Pension Fund liability	209,351	313,003	
	Adjustments for movements in working capital			
	(Increase)/Decrease in Stock	(148,881)	(15,779)	
	Decrease/(Increase) in Debtors	(155,870)	278,859	
	(Decrease)/Increase in Creditors	312,529	(319,004)	
	Net Cash Inflow from Operating Activities	<u>49,909</u>	<u>35,632</u>	
2	ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS	2007 £	2006 £	
	Opening balance	(23,611)	(364,097)	
	Net cash INFLOW/(OUTFLOW)	<u>48,044</u>	<u>340,487</u>	
	Closing balance	<u>24,433</u>	<u>(23,610)</u>	
3	ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	2007 £	2006 £	Change in year £
	Cash at Bank and in Hand	<u>24,433</u>	<u>(23,611)</u>	<u>48,044</u>
		<u>24,433</u>	<u>(23,611)</u>	<u>48,044</u>
4	ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR	Deferred Capital Grant £	Capital Account £	
	Balances at 1 April 2006	818,281	38,458	
	Capital grants received	-	525,000	
	Reversal of opening accrued capital grant	-	-	
	Transfer in respect of depreciating assets purchased	526,865	(526,865)	
	Release to revenue in respect of grant amortisation	(348,006)	-	
	Balances at 31 March 2007	<u>997,140</u>	<u>36,593</u>	

Notes to the Financial Statements at 31 March 2007

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 as modified by the indexation and revaluation of fixed assets in line with the *Government Financial Reporting Manual 2006-07*.
- (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 in so far as those requirements are appropriate.

1.2 Income

(a) Government Grants

Government grants received are treated as follows:

- (i) A prior year adjustment has resulted from a change in the FReM for 2006-07 with regards to the recognition of grant in aid. The FReM now requires that all non-departmental public bodies should regard grants and grants in aid received for revenue purposes as contributions from controlling parties giving rise to a financial interest in the residual interest of the body, and hence should account for them as financing, ie by crediting them to the income and expenditure reserve.
- (ii) Grants received for capital expenditure are credited to the Government Grant Reserve and released to revenue over the estimated useful life of the relevant assets. The Northern Ireland Council for the Curriculum, Examinations and Assessment consider it appropriate to treat funding from the Department of Education for fixed assets as grant rather than grant in aid as defined in the *Government Financial Reporting Manual 2006-07*. Grant is only obtained after a fixed asset has been purchased and the Department of Education have been notified. In addition the organisation cannot purchase any fixed asset with a value of more than £5,000 without prior approval from the Department of Education.
- (iii) 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 the income and expenditure account as incurred. Commitments under operating leases are shown in Note 14 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

FRS 17 requires employing authorities participating in a defined benefit pension scheme to account for their share of assets and liabilities in the scheme.

Particularly where they are directly responsible for meeting a shortfall (additional contributions) or will gain from a profit (reduced contributions) for past service costs of their own employees or other members of the scheme.

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.

Notes to the Financial Statements at 31 March 2007 (continued)

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 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 account, based on actuarial tables in accordance with Financial Reporting Standard (FRS)12.

2 INCOME

(a) DEPARTMENT OF EDUCATION GRANTS

	2007 £	2006 £
Deferred capital grant release (Note 17)	<u>339,115</u>	<u>379,720</u>

In line with guidance contained in "Government Financial Reporting Manual 2006-07", grant in aid of a revenue nature is recognised on a cash received basis, whilst expenditure is accounted for on an accruals basis.

Prior year adjustment - grant in aid

A prior year adjustment has resulted from a change in the FReM 2006-07 with regards to the recognition of grant in aid. The FReM now requires that all non-departmental public bodies should regard grants and grants in aid received for revenue purposes as contributions from controlling parties giving rise to a financial interest in the residual interest of the body, and hence should account for them as financing, ie by crediting them to the income and expenditure reserve. This adjustment has resulted in a credit to the general reserve of £19,927,913 (2006 - £19,418,760). The grant in aid received in year is as follows:

	2007 £	2006 £
Salaries grant (DE Vote 1)	11,359,704	9,953,206
Recurrent grant (DE Vote 1)	8,544,022	7,395,128
Substitute teachers	2,231,806	2,070,426
Excess recurrent grant 2005-06	392,381	-
Surplus returned	<u>(2,600,000)</u>	<u>-</u>
	<u>19,927,913</u>	<u>19,418,760</u>

Notes to the Financial Statements at 31 March 2007 (continued)

(b) INCOME FROM ACTIVITIES

	2007	2006
	£	£
Research and development	113,009	81,229
Examination fees	7,129,411	6,997,663
Other activities	<u>1,107,009</u>	<u>980,734</u>
	<u><u>8,349,429</u></u>	<u><u>8,059,626</u></u>

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

3 RECONCILIATION OF MOVEMENTS IN GOVERNMENT FUNDS

	2007	2006
	£	£
(Deficit)/Surplus for year as previously stated	(20,558,900)	186,973
Prior year adjustment - NILGOSC pension scheme charges (Note 5b)	-	(313,003)
Prior year adjustment - Movement in grant in aid to reserves (Note 2a)	-	<u>(19,418,760)</u>
Deficit for year as restated	(20,558,900)	(19,544,790)
Capital grants received	525,000	315,592
Release of deferred capital grant	(348,006)	(386,581)
Actuarial (loss)/gain	(3,661,992)	313,003
Movement in revaluation reserve	(38,299)	(38,287)
Movement in grant in aid to reserves (Note 2a)	19,927,913	19,418,760
Prior year adjustment - NILGOSC Pension Scheme Liability (Note 5b)	-	<u>(1,500,000)</u>
Net decrease in Government Funds	<u>(4,154,284)</u>	<u>(1,422,303)</u>
Government funds at 1 April 2006 as restated	(898,114)	524,189
Government funds at 31 March 2007 as restated	<u><u>(5,052,398)</u></u>	<u><u>(898,114)</u></u>

4 STAFF COSTS

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

	2007	2006
Senior management	2	3
Direct employees	315	267
Temporary staff	55	58
Contract staff	<u>35</u>	<u>71</u>
	<u><u>407</u></u>	<u><u>399</u></u>

Notes to the Financial Statements at 31 March 2007 (continued)

The costs incurred in respect of employees were :

	2007	2006
	£	£
Gross salaries		
Direct employees	7,751,329	6,224,425
Temporary staff	794,870	872,899
Contract staff	930,740	1,459,337
Social security costs	782,529	680,877
Pension costs	1,601,772	986,671
	<u>11,861,240</u>	<u>10,224,209</u>

5 PENSION COMMITMENTS

a) Teachers' Superannuation Scheme

57 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 2006-07, the contribution rates were 14.15% employers and 6.0% employees.

Contributions for the year :

	2007	2006
	£	£
Employers	332,665	291,794
Employees	<u>141,532</u>	<u>124,867</u>
Total	<u>474,197</u>	<u>416,661</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 194 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 contribution rates were 11.0% employers and 6.0% employees. The results of the most recent valuation, which was conducted at 31 March 2004, were as follows :

Main assumptions -

Rate of return on investments per annum	6.30%
Rate of general increase in salaries per annum	4.40%
Rate of pension increases per annum	2.90%

Market value of scheme's assets £2.152 billion

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. 85%

Notes to the Financial Statements at 31 March 2007 (continued)

The surplus is being amortised over the average remaining service life of the current membership, a period of approximately 9 years.

Contributions for the year :

	2007	2006
	£	£
Employers	485,155	330,650
Employees	<u>264,872</u>	<u>233,313</u>
Total	<u><u>750,027</u></u>	<u><u>563,963</u></u>

Prior year adjustment - NILGOSC defined benefit pension disclosures

Previously, Employing Authorities have taken advantage of multi-employer provisions within FRS 17 and accounted for pension costs in line with the employer contributions paid. However, this was only permissible under the FRS whilst the net surplus/deficit could not be split between the individual Employing Authorities. This position changed in the 2005-06 financial year as NILGOSC were able to split the fund's assets/liabilities between Employing Authorities with the help of its actuary. However DFP, in agreement with NIAO, will allow the multi-employer provisions to remain for 2005-06. From 2006-07 onwards, each Employing Authority preparing accounts under FReM will have to meet the full reporting requirements under FRS 17 for a defined benefit scheme.

The valuation used has been based on the most recent actuarial valuation at 31 March 2004 and was updated by Hymans Robertson to take account of the requirements of FRS 17 in order to assess the liabilities of the scheme at 31 March 2007, 31 March 2006 and 31 March 2005. Scheme assets are stated at their market values at the respective balance sheet dates.

	2007	2006	2005
	%	%	%
Main financial assumptions:			
Rate of salary increases	4.7	4.6	4.4
Rate of increase in pensions in payment	3.2	3.1	2.9
Discount rate for liabilities	5.4	6.0	6.5
Inflation assumption	3.2	3.1	2.9

Notes to the Financial Statements at 31 March 2007 (continued)

The assets and liabilities of the schemes and the expected rates of return were:

	Long term rate of return expected at 31 March 2007	Value at 31 March 2007 £000's	Long term rate of return expected at 31 March 2006	Value at 31 March 2006 £000's	Long term rate of return expected at 31 March 2005	Value at 31 March 2005 £000's
Equities	7.80%	14,535	7.40%	14,400	7.70%	10,800
Bonds	4.90%	2,721	4.60%	2,100	4.80%	1,800
Property	5.80%	1,984	5.50%	1,300	5.70%	1,300
Cash	4.90%	<u>220</u>	4.60%	<u>300</u>	4.80%	<u>300</u>
Total market value of assets		19,460		18,100		14,200
Present value of scheme liabilities		(24,832)		(19,600)		(15,700)
Net pension liability		<u>(5,372)</u>		<u>(1,500)</u>		<u>(1,500)</u>
Unfunded liability		(711)		-		-
Total pension liability		<u><u>(6,083)</u></u>		<u><u>(1,500)</u></u>		<u><u>(1,500)</u></u>

Analysis of the defined benefit cost for the year:

	2007 £ 000's	2006 £ 000's
Current service cost	666	602
Past service cost	124	-
Curtailment and settlements	-	-
Decrease in irrecoverable surplus	-	-
Total operating charge	<u><u>790</u></u>	<u><u>602</u></u>
Expected return on employer assets	1,259	1,015
Interest on pension scheme liabilities	(1,200)	(1,057)
Total other finance charges	<u><u>59</u></u>	<u><u>(42)</u></u>
Actual return less expected return on pension scheme assets	(217)	2,707
Experience gains and losses arising on the scheme liabilities	(809)	(60)
Changes in the financial assumptions underlying the present value of the scheme liabilities	<u>(3,347)</u>	<u>(2,334)</u>
Actuarial gain/(loss) in pension plan	<u>(4,373)</u>	<u>313</u>
Unfunded liabilities	711	-
Actuarial (loss)/gain recognised in the statement of total recognised gains and losses	<u><u>(3,662)</u></u>	<u><u>313</u></u>

Notes to the Financial Statements at 31 March 2007 (continued)

Analysis of movements in deficit during the year

	2007 £ 000's	2006 £ 000's
At 1 April 2006	(1,500)	(1,500)
Current service cost	(666)	(602)
Employer contributions	485	331
Contributions in respect of unfunded benefits	36	-
Past service costs	(124)	-
Net return/(loss) on assets	59	(42)
Actuarial (losses)/gains	(4,373)	313
At 31 March 2007	<u>(6,083)</u>	<u>(1,500)</u>

As a result of the full actuarial valuation at 31 March 2004, employer contributions of 13% are being made in 2007-08 in order to reduce the deficiency in the scheme.

History of experience gains and losses

	2007	2006	2005
Difference between expected return and actual return on pension scheme assets			
amount £000's	(217)	2,707	377
% of scheme assets	1.10	14.90	2.70
Experience (losses)/gains arising on scheme liabilities			
amount £000's	(809)	(60)	60
% of scheme assets	3.20	(0.30)	0.40
Total actuarial (loss)/gain recognised in the statement of total recognised gains and losses			
amount £000's	(4,373)	313	437
% of scheme assets	17.0	1.60	2.80

c) Early Departure Costs

Lump sum payments during the year relating to early departures amounted to £144,436 (2006 - £nil).

Annual costs relating to early departures in previous years, which are met by CCEA, currently amount to £38,620. These annual costs will continue in line with pension payments and are index linked.

	2007 £	2006 £
Provision for liabilities and charges	711,013	560,826

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 2007 (continued)

6 OTHER OPERATING CHARGES	2007	2006
	£	£
Chairman's Honorarium	17,537	18,617
Council and Main Committee expenses	1,302	4,680
Examiners and other fees and expenses	5,757,950	5,100,572
Heat and light	121,343	112,474
Cleaning and other services	151,594	206,502
Rent and rates	1,308,176	1,367,902
Repairs and renewals - premises	226,512	267,738
Repairs and renewals - machinery and equipment	242,298	198,170
Rental, leasing and hire purchase of equipment	192,669	154,221
Audit fee	5,656	19,616
Professional charges	1,740,234	1,548,715
Hire of accommodation and equipment	161,379	130,070
Catering	372,918	324,093
Cost of saleable materials	97,697	87,092
Project costs	141,715	39,166
Transport and travel	338,919	325,445
Carriage	494,788	449,327
Advertising, printing and stationery	2,003,457	1,971,225
Telephone and postage	389,105	362,668
Insurance and risk management	61,187	82,973
Conferences and exhibitions	234,128	165,172
Training and health and safety	294,322	345,059
Inter-Board activities	44,938	44,583
Research and development	74,507	1,672,547
Substitute teachers	2,444,029	2,070,426
Minor fixed assets (under £1,500)	6,660	2,233
Bad debts provision	2,310	(13,383)
Bad debts written off	270	1,421
Restructuring provision	18,249	124,933
Miscellaneous	151,349	147,089
	<u>17,097,198</u>	<u>17,331,346</u>

7 TANGIBLE ASSETS	Computer Hardware £	Computer Software £	Office Furniture & Equipment £	Plant & Machinery £	TOTAL £
VALUATION					
At 1 April 2006	1,141,469	693,428	922,137	21,783	2,778,817
Indexation	(75,985)	(42,960)	7,375	330	(111,240)
Additions	278,082	36,911	124,250	5,296	444,539
Disposals	-	(608)	-	-	(608)
At 31 March 2007	1,343,566	686,771	1,053,762	27,409	3,111,508
ACCUMULATED DEPRECIATION					
At 1 April 2006	837,296	538,395	744,184	20,655	2,140,530
Indexation	(54,852)	(33,362)	7,223	283	(80,708)
Charge to income & expenditure	153,521	61,811	82,109	900	298,341
Depreciation eliminated on disposals	-	-	-	-	-
At 31 March 2007	935,965	566,844	833,516	21,838	2,358,163
NET BOOK VALUE					
At 31 March 2007	407,601	119,927	220,246	5,571	753,345
At 31 March 2006	304,173	155,033	177,953	1,128	638,287

Tangible fixed assets have been revalued at 31 March 2007 using the indices from the Office for National Statistics, and the overall deficit of £30,532 (2006: £30,543) after depreciation, was transferred to the revaluation reserve.

Notes to the Financial Statements at 31 March 2007 (continued)

8 INTANGIBLE ASSETS	Software Licences	TOTAL
	£	£
VALUATION		
At 1 April 2006	179,819	179,819
Indexation	(13,671)	(13,671)
Additions	<u>82,326</u>	<u>82,326</u>
At 31 March 2007	<u>248,474</u>	<u>248,474</u>
 ACCUMULATED AMORTISATION		
At 1 April 2006	62,614	62,614
Indexation	(5,900)	(5,900)
Charge for year	<u>49,665</u>	<u>49,665</u>
At 31 March 2007	<u>106,379</u>	<u>106,379</u>
 NET BOOK VALUE		
At 31 March 2007	<u>142,095</u>	<u>142,095</u>
 At 31 March 2006	 <u>117,205</u>	 <u>117,205</u>

Intangible fixed assets have been revalued at 31 March 2007 using the indices from the Office for National Statistics and the overall deficit of £7,771 (2006: £7,744) after depreciation was transferred to the revaluation reserve.

9 OTHER FINANCE COSTS	2007	2006
	£	£
Expected return/(loss) on NILGOSC pension scheme assets	59,000	(42,000)
Notional interest	<u>104,134</u>	<u>15,717</u>
	<u>163,134</u>	<u>(26,283)</u>
 10 STOCK		
	2007	2006
	£	£
Work in progress	17,056	15,170
Paper	13,419	8,445
Question papers	<u>307,907</u>	<u>165,881</u>
	<u>338,382</u>	<u>189,496</u>

Notes to the Financial Statements at 31 March 2007 (continued)

11 DEBTORS DUE WITHIN ONE YEAR	2007	2006
	£	£
Trade debtors	1,458,524	1,095,989
Other debtors	6,935	44,830
Prepayments and accrued income	<u>1,397,091</u>	<u>1,567,835</u>
	<u><u>2,862,550</u></u>	<u><u>2,708,654</u></u>
12 CREDITORS FALLING DUE WITHIN ONE YEAR	2007	2006
	£	£
Trade creditors	46,764	-
Bank overdraft	-	27,311
Taxes and social security	409,108	35,169
Other creditors	33,503	517,818
VAT	3,853	576
Accruals and deferred income	<u>2,172,610</u>	<u>1,799,756</u>
	<u><u>2,665,838</u></u>	<u><u>2,380,630</u></u>
13 PROVISIONS FOR LIABILITIES AND CHARGES	2007	2006
	£	£
Pension provision		
As at 1 April 2006	560,826	593,884
Increase/(Decrease) in pension provision during year	<u>150,187</u>	<u>(33,058)</u>
Pension provision in respect of Early Departures at 31 March 2007	<u><u>711,013</u></u>	<u><u>560,826</u></u>
Restructuring provision		
As at 1 April 2006	114,000	164,397
Increase/(Decrease) in restructuring provision during year	<u>186,000</u>	<u>(50,397)</u>
Restructuring provision in respect of Education Services at 31 March 2007	<u><u>300,000</u></u>	<u><u>114,000</u></u>
Pension provision for PRP		
As at 1 April 2006	-	-
Increase in provision during year	<u>125,000</u>	<u>-</u>
PRP Pension provision at 31 March 2007	<u><u>125,000</u></u>	<u><u>-</u></u>
Total provisions for liabilities and charges	<u><u>1,136,013</u></u>	<u><u>674,826</u></u>

Notes to the Financial Statements at 31 March 2007 (continued)

14 LEASE COMMITMENTS

OPERATING LEASES

At 31 March 2007, annual commitments under non-cancellable operating leases were as follows:

	2007	2006
	£	£
Operating leases which expire:		
Within one year	107,564	115,694
Within two to five years	156,518	256,914
	<u>264,082</u>	<u>372,608</u>

	2007	2006
	£	£
Property leases which expire:		
Within one year	-	91,650
Within two to five years	327,590	193,758
More than five years	535,800	535,800
	<u>863,390</u>	<u>821,208</u>

15 CAPITAL ACCOUNT - DE

	2007	2006
	£	£
At 1 April 2006	38,458	38,458
Capital Grant Account (DE Vote 1)	525,000	315,592
	563,458	354,050
Transfer to Government Grant Reserve	(526,865)	(315,592)
At 31 March 2007	<u>36,593</u>	<u>38,458</u>

16 CAPITAL ACCOUNT - DEL

	2007	2006
	£	£
At 1 April 2006	-	-
Capital Grant Account (DEL)	-	-
	-	-
Transfer to Government Grant Reserve (DEL)	-	-
At 31 March 2007	<u>-</u>	<u>-</u>

Notes to the Financial Statements at 31 March 2007 (continued)

17 GOVERNMENT GRANT RESERVE - DE	2007	2006
	£	£
GROSS VALUE OF DEFERRED GRANTS		
At 1 April 2006	4,190,203	3,874,611
Transfer from capital account in respect of depreciating assets	<u>526,865</u>	<u>315,592</u>
At 31 March 2007	<u><u>4,717,068</u></u>	<u><u>4,190,203</u></u>
 ACCUMULATED TRANSFERS TO REVENUE		
At 1 April 2006	(3,395,700)	(3,015,980)
Transfer to revenue in respect of grant amortisation for the year	<u>(339,115)</u>	<u>(379,720)</u>
At 31 March 2007	<u><u>(3,734,815)</u></u>	<u><u>(3,395,700)</u></u>
 NET VALUE AT 31 MARCH 2007	 <u><u>982,253</u></u>	 <u><u>794,503</u></u>
18 GOVERNMENT GRANT RESERVE - DEL	2007	2006
	£	£
GROSS VALUE OF DEFERRED GRANTS		
At 1 April 2006	38,718	38,718
Transfer from capital account in respect of depreciating assets	<u>-</u>	<u>-</u>
At 31 March 2007	<u><u>38,718</u></u>	<u><u>38,718</u></u>
 ACCUMULATED TRANSFERS TO REVENUE		
At 1 April 2006	(14,940)	(8,079)
Transfer to revenue in respect of grant amortisation for the year	<u>(8,891)</u>	<u>(6,861)</u>
At 31 March 2007	<u><u>(23,831)</u></u>	<u><u>(14,940)</u></u>
 NET VALUE AT 31 MARCH 2007	 <u><u>14,887</u></u>	 <u><u>23,778</u></u>

Notes to the Financial Statements at 31 March 2007 (continued)

19 REVALUATION RESERVE	2007	2006 as restated
	£	£
At 1 April 2006 as previously stated	(62,793)	-
Prior year adjustment	-	(24,506)
At 1 April 2006 as restated	<u>(62,793)</u>	<u>(24,506)</u>
Indexation	<u>(38,299)</u>	<u>(38,287)</u>
At 31 March 2007	<u>(101,092)</u>	<u>(62,793)</u>

20 GENERAL FUND	2007	2006
	£	£
At 1 April 2006 as previously stated	(1,692,060)	(379,033)
Prior year adjustment - defined benefit pension fund liability	-	(1,813,003)
At 1 April 2006 as restated	<u>(1,692,060)</u>	<u>(2,192,036)</u>
(Deficit)/surplus for the year as previously stated	(20,558,900)	186,973
Prior year adjustment - actuarial (loss)/gain (Note 5b)	(3,661,992)	313,003
Prior year adjustment - movement in grant in aid to general reserves (Note 2a)	-	(19,418,760)
Deficit for the year as restated	<u>(24,220,892)</u>	<u>(18,918,784)</u>
Movement in grant in aid to general reserve (Note 2a)	<u>19,927,913</u>	<u>19,418,760</u>
Total movement in general reserve	<u>(4,292,979)</u>	499,976
At 31 March 2007 as restated	<u>(5,985,039)</u>	<u>(1,692,060)</u>

21 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 31 March 2007, amounts contracted for but not provided in the financial statements amounted to £20,248 (2006 - £nil).

22 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.

23 SEGMENTAL INFORMATION

The Accounts Direction for the organisation requires CCEA to disclose appropriate segmental information on its services. For the year 2006-07, 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 :

	2007
	£000
Curriculum Services	(7,051)
Examination Services	(17,877)
Assessment Services	(2,488)
Regulatory Services	(1,890)
	<u>(29,306)</u>
Deferred Capital grant released	339
Examinations income	7,129
Income from other activities	1,220
Other finance Income	59
	<u><u>(20,559)</u></u>

24 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

MANAGEMENT STATEMENT

ACCOUNTS DIRECTION

ACCOUNTS DIRECTION GIVEN BY THE DEPARTMENT OF EDUCATION, WITH THE APPROVAL OF THE DEPARTMENT OF FINANCE AND PERSONNEL, IN ACCORDANCE WITH SCHEDULE 3 PARAGRAPH 13 OF THE EDUCATION (NI) ORDER 1998

1. This direction applies to the Council for the Curriculum, Examinations and Assessment.
2. The Council for the Curriculum, Examinations and Assessment shall prepare accounts for the financial year ended 31 March 2007 and subsequent financial years in compliance with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (“the FReM”) issued by the Department of Finance and Personnel (DFP) which is in force for the financial year for which the accounts are being prepared.
3. The accounts shall be prepared so as to:
 - a. give a true and fair view of the state of affairs at 31 March 2007 and subsequent financial year-ends, and of the income and expenditure, total recognised gains and losses and cash flows for the financial year then ended; and
 - b. provide disclosure of any material expenditure or income that has not been applied to the purposes intended by the Assembly/Parliament or material transactions that have not conformed to the authorities which govern them.
 - c. provide for any specific disclosures required by the Department.
4. Compliance with the requirements of FReM will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. If, in these exceptional circumstances, compliance with the requirements of the FReM is inconsistent with the requirement to give a true and fair view, the requirements of the FReM should be departed from only to the extent

Appendix 1 – Operational Plan Monitoring (continued)

necessary to give a true and fair view. In such cases, informed and unbiased judgement should be used to devise an appropriate alternative treatment which should be consistent with both the economic characteristics of the circumstances concerned and the spirit of the FReM. Any material departure from the FReM should be discussed with the Department, in conjunction with DFP.

5. This direction supersedes the direction dated 1 February 2006.

Date of Submission

The accounts shall be submitted to the Comptroller and Auditor General by 1 June immediately following the end of the financial year.

Signed by authority of the Department of Education

..... 

Dated *16 January*.....2007

SCHEDULE 1

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

COMPANIES (NORTHERN IRELAND) ORDER

- 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

ADDITIONAL DISCLOSURE REQUIREMENTS

- 1 The foreword shall, inter alia,
 - 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.
 - 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.



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