



Rewarding Learning

# Annual Report and Accounts

Year ended 31st March 2009

Northern Ireland Council for the Curriculum,  
Examinations and Assessment

Annual Report and Accounts  
For the Year Ended 31 March 2009

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)

2nd July 2009

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# Introduction to CCEA

## History

The Northern Ireland Council for the Curriculum, Examinations and Assessment (CCEA) was established on 1 April 1994 and is a Non-Departmental Public Body (NDPB) reporting to the Department of Education in Northern Ireland (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 nurseries, 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 CCEA offers a diverse range of qualifications, such as GCSEs, GCE A and AS levels, Entry Level Qualifications, Graded Objectives in Modern Languages, and a range of vocational qualifications including Key Skills, Essential Skills, and Occupational Studies.

## 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 2008–09

CCEA's Council during the financial year consisted of a Chairperson and 14 other members appointed by the Department of Education (DE) and includes representatives from education, industry and commerce.

### Chairperson

**David McKee** – Former Principal of Duke of Westminster High School, Kesh and Ballinamallard

### 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 Cookstown Primary School

**Mrs Helen McClenaghan**

Former Chief Executive of the Southern Education and Library Board

**Mrs Carmel McKinney**

Principal of Vere Foster Primary School, Belfast

**Mrs Patricia O'Farrell**

Former Chair of the Irish National Teachers' Organisation (INTO)

**Professor Peter Roebuck**

Former Provost, University of Ulster, Coleraine

**Mr David Thompson**

Former Principal of Regent House School, Newtownards

**Miss Mae Watson**

Vice Principal (Registrar) Stranmillis University College, Belfast

**Mr John Wilkinson**

Principal of Dromore High School

### CCEA Officers

**Mr Neil Anderson**

Acting Chief Executive

**Miss Noleen Kennedy**

Manager, Council Secretariat

# Chair's Review of Activities 2008-09

Looking back on CCEA's work over the past year, and that of the education service more broadly, the themes of change and transition are clear.

Throughout the year, CCEA has continued to provide support for the revised curriculum, assessment and reporting arrangements. Revised GCE and GCSE specifications have been published and new qualifications continue to be developed.

CCEA fully supports plans for the establishment of a single Education and Skills Authority (ESA), which will focus on the needs and outcomes of children and young people.

Despite uncertainties that are inevitable with such an environment of change, CCEA has worked hard to continue to offer products and services of the highest standard. Details of this work can be seen in this report.

For some years as an organisation we have recognised the need for continuous improvement, and I was pleased that the work of all staff was recognised in 2008 when CCEA won the prestigious European Excellence Award.

It is impossible to review the year without noting that the last transfer test took place in 2008. As we move forward I hope that an agreement that gives primacy to the interests of children is achieved. All children and young people should have access to educational opportunities that recognise diversity, meet their needs and help them to realise their full potential as individuals and contributors to our society.

This is CCEA's last annual report as a discrete organisation. However curriculum, examinations and assessment will continue to be important core functions of ESA. I would like to take this opportunity to express thanks to my Council for its tireless dedication and to the officers for their continued hard work.

I would also like to extend my support and best wishes to those taking this work forward in ESA, ensuring all our children and young people have the opportunity to achieve their full potential.



David McKee  
Chairperson



# Chief Executive's Foreword

In 2008-09, as in every year since the organisation was created in 1994, CCEA has been driven by its mission, "To enable the full potential of all learners to be achieved and recognised".

Having drawn on the EFQM business excellence model for over a decade, CCEA has embedded continuous improvement in all of its activities. By demonstrating commitment to quality and excellence we have positioned ourselves as an organisation that can be viewed as a role model for others in both the public and private sectors. In 2008 CCEA became a winner of the prestigious EFQM European Excellence Award. This external validation gives us confidence that our approach to continuous improvement is effective, leading ultimately to improved services for our customers.

At a time of unprecedented change for education in Northern Ireland, CCEA's commitment to excellence will be vital in ensuring the successful transition of the organisation's activities to the new structures of the Education and Skills Authority (ESA). As January 2010 draws nearer we are confident that CCEA will continue to deliver on its objectives and that the seamless delivery of all services will continue to the highest standard throughout the period of harmonisation with ESA. We look forward to playing a major role within this important reform process and are confident of the positive contribution the reforms will make to the future of education in Northern Ireland.

As this is the final Annual Report to be produced by CCEA, I want to take this opportunity to express my deep gratitude to everyone who has helped CCEA to become the top class organisation it is today. The organisation's achievements speak volumes about the calibre of the people who make it work. Without the ongoing work and dedication of CCEA's Council, staff and thousands of associate education professionals; the level of success the organisation has enjoyed over the last fifteen years would not have been possible.



Neil Anderson  
Acting Chief Executive



# Financial Summary

## Background Information

The Northern Ireland Council for the Curriculum, Examinations and Assessment (CCEA) was established under the Educational and Libraries (Northern Ireland) Order 1993, as amended by the Education (Northern Ireland) Order 1998 on the amalgamation of the Northern Ireland Curriculum Council (NICC) and the Northern Ireland Schools Examinations and Assessment Council (NISEAC).

CCEA's principal products and services may best be described by reference to the Education (NI) Order 1998. CCEA's duties and functions are to:

- keep under review all aspects of the curriculum, examinations and assessment for grant aided schools and colleges of further education and to undertake statutory consultation on proposals relating to legislation;
- advise DE and Department of Employment and Learning (DEL) on matters concerned with the curriculum, assessment, examinations and external qualifications and accredit and approve qualifications;
- conduct and moderate examinations and assessments, ensuring that standards are recognised as equivalent to standards of examinations and assessments conducted by other bodies or authorities exercising similar functions in the United Kingdom;
- publish and disseminate information relating to the curriculum, assessment and examinations;
- develop and produce teaching support materials for use in schools;
- carry out research and development.

CCEA also has a remit for the development of educational technology and the production of multimedia resources and is considered a leader in this field.

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;
- 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 accounts to be produced on an accruals basis and to properly present the income, 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 2009 are summarised as follows:

	<b>2008-09</b>	<b>2007-08</b>
	<b>£000</b>	<b>as restated £000</b>
Income	9,133	8,564
Expenditure	(30,467)	(30,251)
Other finance (cost)/income	(101)	10
Notional cost of capital	97	114
Operating Costs	<u>(21,338)</u>	<u>(21,563)</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 2008-09. The total capital expenditure for the year amounted to £385k.

## Charitable donations

CCEA made no charitable donations from its own funds during 2008-09.

## Equal opportunity policy

It is CCEA's aim to make the best possible use of its resources, especially its staff. It is committed to the merit principle in its recruitment and promotion processes. CCEA aims to comply with all relevant legislation and guidance on fair employment and equal opportunities, and aims to meet the legislative and other requirements in respect of disabled employees. CCEA aims to offer equality of opportunity for people with disabilities to make full use of the skills and abilities that they

possess. Wherever possible, arrangements are made for the continued employment of persons who become disabled during service and for appropriate training, career development and promotion of disabled employees.

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

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

CCEA has a Joint Consultative and Negotiating Committee (JCNC) to regulate industrial relations and promote co-operation between management and staff within the organisation. CCEA organises regular organisation development sessions at which the Chief Executive and members of the Senior Management Team brief staff on major developments and obtain feedback. CCEA's intranet site and e-mail capabilities serve as information platforms for ensuring that staff 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 2008-09 was as follows :

	£
Audit Services	10,719
Further Assurance Services	3,385
Tax Services	-
Other Services	-
Total	<u>14,104</u>

The fee for audit services relates to the statutory audit of the financial statements. Further assurance services were also provided in line with the National Fraud Initiative. These fees are included within "Other Operating Charges" in the operating cost statement.

## 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". Until the end of November 2008 payment was due within 30 days of the receipt of goods or services, or presentation of a valid invoice or similar demand, whichever was later and the 95% target was successfully met. On 1 December 2008, CCEA adopted the guidance issued by DFP to aim for prompt payment within 10 days. From the beginning of December 2008 until 31 March 2009, CCEA achieved an average of 64% against the target of 10 days. CCEA continue to make efforts to improve towards meeting the standard required and 73% of invoices were verified, approved and paid within this standard for the month of March 2009.

## Key financial targets

A detailed report on CCEA's performance against all the measures contained within its costed Operational Plan for 2008-09 is available on the organisation's website.

## Employee sickness absences

CCEA's average annual sickness absence for the financial year ended 31 March 2009 was 7.41 days per employee (31 March 2008 - 7.98 days).

## Pension accounting policy

Pension liabilities are treated in the accounts in accordance with Accounting Policies Note 1.9 in the Notes to the Financial Statements at 31 March 2009. Details of the emoluments and pension entitlements of senior management are disclosed in the Remuneration Report.

## Going concern

The balance sheet at 31 March 2009 shows net liabilities of £4,088k. This reflects the inclusion of liabilities due in future years which, to the extent that they are not to be met from CCEA's other sources of income, may only be met by future grants or grants-in-aid from the Council's sponsoring department, the Department of Education. There is no reason to believe that the Department's future sponsorship will not be forthcoming. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of the financial statements. From 1 January 2010 CCEA will no longer exist as an individual body, but will form part of the Education and Skills Authority and its functions will continue.

## **Register of interests**

Council Members, members of the key management staff or other related parties have not undertaken any material transactions with CCEA during the year other than those disclosed in the emoluments and pension entitlements of senior management as part of the Remuneration Report and Related Party Transaction note 21.

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

## **Personal data related incidents**

There were no personal data related incidents in CCEA during the 2008-09 financial year.

## **Accounting Officer 2008-09**

Neil Anderson, Acting Chief Executive, held Accounting Officer responsibilities for CCEA during the 2008-09 financial year.

The Acting Chief Executive, as Accounting Officer, has taken steps to make himself aware of all relevant audit information and to establish that CCEA's auditors are aware of that information. Insofar as the Accounting Officer is aware, there is no relevant audit information of which the auditors are unaware.

# Management Commentary

## Overview 2008–09

In 2008–09 CCEA achieved an outstanding level of success. Not only did CCEA collect the EFQM European Excellence Award, the organisation was also presented with two special achievement awards for Customer Satisfaction and Innovation and for Learning and Continuous Improvement.

During this financial year the focus on quality and excellence has continued. The following quality standards have also been retained or achieved and are testament to the quality ethos within CCEA:

- ISO 9001 (2008)
- OHSAS 18001 Health & Safety Standard
- ISO 14001 Environmental Standard
- Customer Service Excellence Standard

CCEA continues to focus on the needs of the customer. The annual Customer Satisfaction Survey again shows high levels of satisfaction across the primary and post primary sectors. The overall satisfaction rating this year was 98.9%. Improvements continue to be made year on year based on the findings of this survey.

This year again saw the successful delivery of the winter and summer examinations series. The revision of specifications is now almost complete with 29 GCSE specifications ready for first teaching in September 2009 with innovative support and guidance materials and training for teachers. We continue to grow our portfolio of general and vocational qualifications to suit the diverse needs of a wide customer base.

CCEA continues to support the roll out of the revised curriculum which is now statutory in Years 1, 2, 5, 6, 8, and 9. An extensive training programme was also delivered in 2008–09 for primary teachers and principals in preparation for the revised assessment and reporting arrangements.

The innovative use of technology has allowed CCEA to work more efficiently in many ways. The quality of service provided has been increased through initiatives such as online assessment, online training and online applications for special

consideration within CCEA. E-support packages also continue to be developed in support of CCEA qualifications.

This commitment to quality, continuous improvement and technological innovation within CCEA will be carried forward through 2009.

## Business Unit Reports

### *Curriculum, Assessment and Reporting*

In 2008 following an organisational restructure, Curriculum, Assessment and Reporting came together as a Business Unit in the Education Strategy Directorate.

In 2008–09 the Curriculum, Assessment and Reporting Unit focused on helping schools prepare to meet the statutory requirements for assessment and reporting. The Unit also continues to roll out and support the implementation of the revised NI Curriculum.

## Curriculum Development and Resources

Achievements include:

- development of a range of resources for primary and post-primary schools supporting areas such as: Connected Learning; Thinking Skills and Personal Capabilities; the World Around Us; Personal Development/Learning for Life and Work; Irish Medium; and Financial Capability;
- development of tailored resources for Special Educational Needs (SEN);
- development of new micro sites to support Primary Languages, Financial Capability and Personal Development and Mutual Understanding and
- development and trialling of a pre-school transition process.

## Assessment and Reporting: InCAS and Annual Report

The phased implementation of InCAS and the Annual Report to Parents is in its second year. InCAS assessments were successfully completed by Years 5 and 6 pupils and the Annual Report for Years 1 and 5.

Achievements include:

- delivery of 50 training sessions to 1,548 Year 6 teachers and teaching Principals on InCAS and Annual Report. (Evaluation reports available at [www.nicurriculum.org.uk](http://www.nicurriculum.org.uk));
- operation of a helpline offering additional support and guidance to schools;
- delivery of information sessions for primary school Principals;
- delivery of awareness sessions for education partners; and
- development of InCAS assessments in reading and spelling in the Irish medium.

Additional support and information was provided through:

- on-line tutorials, training materials and animated pupil demo;
- case studies and exemplar reports;
- information folders for primary principals;
- posters for schools and
- parent leaflets.

## Assessment and Reporting: Cross-Curricular Skills

Two training programmes were provided to support the introduction of the Cross-Curricular Skills at Key Stage 3. Over 3,000 Key Stage 3 teachers received training in planning and preparing for assessment of the cross-curricular skills at 55 events. Over 1,500 Key Stage 3 teachers received training in planning effective assessment activities.

An online model for large scale teacher training was designed for primary school teachers. (The implementation of this programme has been postponed in response to a Department of Education (DE) Circular 2008/27.)

Work continues in relation to Cross-Curricular Skills.

This includes:

- the conduct of a comparability exercise on the Levels of Attainment and the Levels of Progression for Mathematics/Using Mathematics and English/Communication;
- production of an online exemplification database, including samples of pupil work;
- preparation for 48 online courses for cross curricular skills support at Key Stage 3 and
- production and trialling of teacher guidance and exemplar tasks.

## Assessment Operations

The on-going transitional assessment arrangements at Key Stages 1, 2 and 3 have again been successfully administered. This year also saw the successful delivery of the final Transfer Test.

## Progress File

The e-Progress File is being developed to closely reflect the Curriculum and will meet the needs of Key Stages 3 and 4 and Post 16 in school, further education and training. It will allow for remote access, storage of e-Portfolio and teacher/learner interaction through a web-based system.

In 2008-09 this included:

- delivery of e-Progress File information seminars;
- the testing of online material by 160 schools with 4 special schools testing an SEN version and
- provision of on-site and central support and guidance material for both teachers and pupils.

## Priorities for 2009-10

Preparation for the implementation of statutory assessment and reporting arrangements remains a priority. In 2009-10 academic year, primary schools are required to carry out InCAS assessments with pupils in Years 4-7 and to share the outcomes with parents.

Training during this year will focus on Years 4 and 7 teachers and will be also available online for the first time in September 2009. Schools are required to produce Annual Reports for parents of pupils in Years 1, 2, 5, 6, 8 and 9 before the end of the summer term 2009. Support will continue to be provided.

When policy decisions on assessment arrangements have been finalised, new timescales confirmed, and the training model updated as appropriate, In Service Training (INSET) and support will be offered to schools before they are required to use the new Levels of Progression for Cross-Curricular Skills.

## ***Examinations***

It has been a challenging but successful year for the Examinations Business Unit. Its core function is to develop question papers and successfully manage the delivery and awarding processes ensuring that candidates receive accurate results on time.

2008–09 saw a continued focus on harnessing technology to improve services and provide innovative support for teachers and students. Business development also remains a priority.

Highlights of main achievements this year are listed below.

### **Delivery of Examinations**

- 199,164 candidates received GCSE and GCE results after the main June 2008 series.
- 444 examination papers and mark schemes were developed and delivered on time.
- 350 standardising meetings and 112 awarding meetings were held on time and to appropriate quality standards.
- In January 2009 the revised AS examinations were delivered for the first time with 32 awards completed in March.

### **Specifications Development**

- 29 GCSE specifications were revised and are ready for first teaching from September 2009.
- The comprehensive GCE quality assurance process was extended to the GCSE revision programme.
- 59 specification launch events and 147 teacher training events were held.
- New qualifications in GCE Applied Business, ICT and Health and Social Care were accredited.
- A working group of Science Professionals was established to review controlled assessment in GCSE Science.

## **Innovative Support**

- A comprehensive e-support package was developed for teachers and students supporting revised GCSE specifications.
- Podcasts were written by Chief Examiners to support AS specifications and are available online.
- Podcasts were written by GCE students and will be available online by June 2009.

## **Business Development**

- 2 support events were held in Manchester and London targeting potential GCSE Business Studies, ICT and Technology and Design customers.
- 155 centres were visited to develop awareness and grow market share in qualifications with low entry figures.
- 99 centres were visited as part of the 'Winning Them Back' programme for GCSE specifications.
- The 'Deciding on CCEA' programme targeted all post-primary schools across Northern Ireland.

## **E-Developments**

### ***Examiner Training Website***

- The development of an examiner training website created efficient and effective communication, providing comprehensive information on procedures, regulation and legislation.

### ***E-Candidate Record Sheets, E-moderation and Electronic Question Paper Development***

- Coursework from 7 centres was submitted, moderated and feedback given online.
- The E-Candidate Record Sheet pilot was extended in May 2008. 57 Centres will take part in June 2009. The aim of this project is to reduce the administrative burden on centres.
- A pilot has been established to assess the viability of online question paper development and revision.

## The Year Ahead

In the year ahead the Examinations Business Unit will focus on:

- Maintaining and improving customer support as CCEA faces the transition into ESA.
- Ensuring uninterrupted access to qualifications and examinations-related services.
- Business development and support, ensuring that we meet the needs of our customers as they deliver the revised specifications.
- Establishing an examiners' forum to identify and address issues of concern for CCEA examiners.
- Providing additional support for schools regarding controlled assessment.
- Reviewing GCSE standards and the accessibility of language within CCEA GCSE papers.
- Completing the revision process for GCSE English, English Literature, Mathematics, ICT and Gaelige specifications.

## Examinations and Assessment Administration (EAA)

The purpose of the Examinations and Assessment Administration Business Unit is to provide an integrated administrative and processing support structure for all CCEA examinations and assessments, to administer the needs of all CCEA examiners, markers and accredited centres, to provide an inspection service in Northern Ireland on behalf of the Joint Council for Qualifications (JCQ), and to administer and clerically mark the Northern Ireland Transfer Test.

2008–09 has been another successful year for the EAA Business Unit having met all operational targets.

The volume of activity associated with script management and processing increased again in comparison with 2007–08. In January 2009 the first set of examinations for the new GCE specifications were processed in parallel with the legacy GCE examinations.

Online services for customers continue to be developed and deployed in house. CCEA also continues to work with other JCQ awarding bodies on the Reduction of Administrative Burden (RAB)

programme which aims to harmonise examinations administration for schools. A major feature of this programme in 2008–09 was the introduction of an online system for processing of applications for Access Arrangements.

The focus in 2009–10 will be on the further development of on-line service provision for customers, including a facility for candidates to access their results online, and the successful administration of the new GCE specifications.

## Centre and Examiner Support Team

### *Special Requirements Section*

- The section worked closely with the National Assessment Agency (NAA) to ensure the successful deployment of Access Arrangements Online.
- Requests for Special Consideration continue to increase year-on-year.

### *Centre Support Section*

- All internal and JCQ dispatches were completed accurately and on time.
- CCEA officers continued to operate the joint inspection scheme on behalf of the JCQ.

### *Appointments Section*

- Approximately 5,000 examiners, moderators and invigilators were recruited.

## Examinations Processing

### *Meetings Support*

- Approximately 1,000 GCE and GCSE examinations meetings were arranged, notifications issued and materials provided for meetings.

### *Moderation Section*

- Over 200 moderation meetings were arranged and supported.
- Over 100 Agreement Trials organised and attended by approximately 2,500 teachers.

### *Script Processing*

- Approximately 560,000 scripts processed.

### *Post Results Services*

- In excess of 5,000 Enquiries about Results requests processed.
- Over 3,000 Access to Scripts requests processed.

### *Transfer Test Processing*

- Approximately 30,000 test papers checked in and marked according to procedure and within timescales.
- Approximately 15,000 results issued accurately and on time.

## Entries Results and Certification Team

### *Entries Section*

- All entries processed to schedule.

### *Results and Certification*

- 100% of results graded and issued on due date.

## Assessment Administration

- Administration and processing of all ACETS (Awards and Certificates in Education Training and Skills) qualifications was carried out accurately and to schedule.
- Entry Level Qualifications were processed and results issued to schedule.
- Key Skills qualifications were processed and results issued to schedule.

- Essential Skills certificates were dispatched on demand each month.
- All Key Stage 3 Tests processing was successfully completed to schedule.
- Key Stage 1 and Key Stage 2 teacher assessments were completed from all primary schools.
- Key Stage 2 and Key Stage 3 IT Accreditation schemes were completed successfully.

## ***Awards and Certificates in Education, Training and Skills (ACETS)***

The ACETS Business Unit provides skills-based, vocationally-related, life-long learning qualifications and endorsed programmes for a range of customers.

In 2008–09 the business unit met or exceeded all its operational objectives. All assessments were conducted efficiently with results issued on schedule. Entries in skills-based qualifications and GOML remained steady, while vocationally-related and life-long learning qualifications recorded significant increases. In particular, entries in Occupational Studies, Employment Skills and Performance Skills continued to grow and the registrations for BTEC Firsts and Nationals increased significantly in Northern Ireland as a result of CCEA's partnership agreement with EDEXCEL.

## Qualifications and Credit Framework

Preparations for the introduction of the Qualifications and Credit Framework (QCF) have continued. Having bid successfully for two projects to be included in the test and trial phase of the QCF, CCEA now has five operational qualifications listed on the National Database of Accredited Qualifications (NDAQ). These are Modern Languages at Entry 2, Entry 3, Level 1 and 2 and Construction Level 2.

As part of the submission process for the QCF, CCEA achieved 5-day Accreditation status for qualifications offered under the ACETS banner and has been recognised as a QCF Awarding Organisation. A team, focused on developing CCEA's capacity to meet future QCF requirements, has been established and an implementation programme has commenced.

## Online Assessment Scheme

Preparations for the introduction of online testing as part of the eGoml project have continued. A timetable has been established for the phased introduction of on-screen assessments in five modern languages, beginning with German and Italian in summer 2009. Trials, pilots, and an initial training programme for teachers were successfully delivered and the first batch of on-screen tests have been finalised.

## Partnership Working

Collaborative work with sector-skills bodies and partner awarding organisations continues to ensure that CCEA offers 'fit for purpose' ACETS qualifications. In particular, sector skills bodies have worked closely with CCEA in developing the content of new units in Occupational Studies and in developing customised, action-based activities for Essential Skills trainees in a number of sectors.

## Customer Focus

A number of developments have improved the quality and level of service provided to centres.

For example:

- in Essential and Key Skills customised training and portfolio clinics are available on demand;
- a new system of electronic re-accreditation has been introduced, speeding up the process for centres wishing to retain their accredited status;
- assessment materials can now be ordered during specific windows throughout the year;
- a Key Skills micro site, housing an electronic portfolio management system, was also introduced receiving positive feedback from teachers and learners;
- in Occupational Studies a new online registration was successfully piloted and has now been rolled out for all centres;
- a new centre accreditation project has begun to modernise all services in relation to ACETS qualifications from September 2010; and
- work is underway to establish new user groups for the Further Education and Special Educational Needs sectors.

## Operations Support

This was a challenging year for the Operations Support Business Unit with the additional workload due to the first examinations of the revised GCE AS specifications. The Unit embraced this challenge and met all its operational targets and deadlines.

## Qualifications Support

Qualifications Support co-ordinated the revision of 21 GCE specifications for first teaching in September 2009 across a number of internal teams. A similar programme of events was completed for the revision of 29 GCSE specifications.

## Research and Statistics

The Research and Statistics Unit provides an invaluable independent service within CCEA and beyond. In 2008-09 the team conducted a comprehensive evaluation of Annual Report and InCAS which involved 32,000 stakeholders in consultations. The final report was delivered to DE in September 2008 and has been used to influence DE policy.

The revised Curriculum, Assessment and Reporting evaluations started in October 2008 with 19 projects ongoing. This research focuses on identifying and monitoring arrangements for pupils with Special Educational Needs, English as an Additional Language and Irish Medium. To date all milestones and targets have been met within agreed timescales and within budget.

Increasingly the CCEA website has been used to consult with external stakeholders through the use of e-questionnaires.

Statistics for the award of the spring 2008, summer 2008 and January 2009 examinations were provided. Collaborative work was undertaken to ensure that standards for the new GCE AS and A2 qualifications are statistically robust.

## Education Services Administration Team (ESAT)

ESAT provided valuable support for:

- curriculum, recording and reporting progress;
- examinations;

- ACETS;
- Regulation;
- GCE and GCSE Revision of Specifications Programmes and
- malpractice and maladministration cases and appeals.

Other activities included organising meetings and events such as Celebrating Achievement, preparing materials for a range of meetings, training, and educational visits.

## Question Paper Production (QPP)

This year the number of examination papers and mark schemes produced to high quality and on schedule by the QPP Unit increased considerably. The Unit also produced approximately 450 modified versions and 200 Irish medium translations of papers.

With the first AS examinations for the new GCE specifications held in January 2009 alongside the legacy GCE AS examinations, the unit ensured that the papers were different colours and clearly labelled so schools could clearly distinguish between them.

The QPP Unit collaborated with internal teams to develop systems for the electronic production of question papers and with external confidential printers to enable the online proofing of papers. Past papers and mark schemes have been uploaded to the CCEA website so they can now be accessed by customers without charge.

## Distribution Team

- All general monthly dispatches and special dispatches were issued on schedule.
- Examination question papers, pre-release materials, exams stationery, invigilator diaries, invigilator exams materials and candidates' results and certificates were issued on schedule for all examinations.
- Candidate Record Sheets and Progress File materials were issued to agreed dates.
- All customer requests and orders were processed and dispatched within 14 days of receipt.
- A full annual stock take was completed on schedule and all audit requirements were satisfied.
- A full re-organisation of the warehouse was completed.

- An electronic tracking system was introduced to enhance the security of packages collected from schools in England in collaboration with Parcelforce and NAA.
- The tracking system will be trialled with schools in Northern Ireland during the next year.

## Qualifications and Skills Accreditation and Policy (QSAP)

CCEA is responsible for the regulation of all qualifications, other than National Vocational Qualifications (NVQs), in Northern Ireland. The work covers the development and accreditation of qualifications and post-monitoring of the operations of awarding organisations. CCEA undertakes its regulatory role in collaboration with regulatory colleagues in England and Wales; this reflects the common qualifications system that operates across the three countries.

A major element of the work over the past year has been to support the phased implementation of the Vocational Qualifications Reform (VQR) Programme, in particular the introduction of the Qualifications and Credit Framework (QCF). This is a UK-wide development which will have significant impact on the nature and scope of the vocational qualifications offer in Northern Ireland. The Qualifications and Credit Framework (QCF) will replace the National Qualifications Framework (NQF) for Vocational Qualifications from 2010.

CCEA has worked with its regulatory colleagues in England and Wales on a wide range of VQR activities, including:

- development of the regulatory arrangements for the QCF;
- establishment of the supporting IT infrastructure and
- arrangements for a Learner Record (LR) to record achievement at unit level.

The QCF is due to be implemented fully from 2010 and will impact on the whole arena of skills development, training, and professional development. CCEA has been working with the Sector Skills Councils, both locally and nationally, on the development of Sector Qualifications Strategies (SQSs) and associated Northern Ireland action plans.

Within 14–19 education revised GCSE specifications are being introduced from September 2009. A major change is the introduction of controlled assessment which replaces coursework. GCSE specifications in English, Mathematics and ICT were delayed by a year to ensure that functional elements, such as Communication and Application of Number, were embedded within the assessment arrangements.

Revised GCE specifications were introduced from September 2008. In 2010 a new A\* grade will be introduced to recognise exceptional achievement.

Further development work has been undertaken with Essential Skills; pilots were completed in a sample of schools to test the nature of the assessment used with essential skills with 14–16 year olds. In addition, ICT is now accredited as a third skill within the Essential Skills Portfolio.

## **Financial Services**

### ***Providing Best Practice in: Accountability – Planning – Control – Reporting – Analysis – Customer Service***

Main achievements during 2008–09:

- the Annual Accounts process was shortened to 3 months;
- 10 staff attained or are studying for professional exams;
- the average days absence per person has reduced to 3;
- all outstanding internal and external audit actions were completed;
- a large proportion of the ground work required to transfer CCEA's finances into ESA including confirmation of our new Chart of Accounts and Accounting Policies was completed.

In addition the Finance Team ensured that all its core responsibilities were met including:

- ensuring timely payment for 350 staff, 1,000 temps, 8,000 examiners, and £13m in purchases to nearly 2,000 suppliers;
- securing over £8m in income from over 1,800 customers;
- providing a suite of management information within 5 working days of month end; and
- producing control account reconciliations within 15 working days of month end.

During 2009–10 we will continue to ensure that CCEA's services are provided within budget and offer best value for money. We will also devote more of our resources to ensure that the organisation's transition into ESA is smooth and does not inhibit CCEA's continuity of service.

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

The momentum of change as we move towards the new Education and Skills Authority (ESA) has increased throughout the year 2008–09. During this time sustaining a high quality human resources service has become increasingly challenging for the PSE team, particularly with the restrictions we face as a result of the implementation of vacancy control.

In spite of the feeling of uncertainty as we move towards ESA, CCEA continues to recruit and develop a high quality workforce. Absenteeism levels remain low and overall staff morale and productivity are very high.

This year the PSE team introduced the New Horizons programme which was aimed at equipping staff with the skills required to feel confident and supported throughout the change process. This has been coupled with regular communication to staff on an individual and team basis.

Improvements continue to be made to the HR system and PSE strives to make processes more efficient. Processes to attract and engage education expertise to support the implementation of the new Curriculum and the revision of GCE and GCSE specifications continue to be maintained and improved.

CCEA has also successfully achieved re-accreditation to the Health and Safety standard OHSAS 18001.

The focus over the next 12 to 18 months is to manage the transition to ESA and ensure continuity of service across all areas of the business.

## ***ICT Services Unit***

The ICT Business Unit supports CCEA ICT-based business systems helping to drive forward business improvements and innovation.

### **Quality Assurance**

The ICT Unit conducts frequent independent assessments of all areas of work to drive continuous improvement. For example, ICT Services has been re-accredited under TickIT for software development, has achieved FAST Gold stage 1 standard for software compliance, and was accredited for the first time under ISO 20000 for IT Service Management. The ICT Strategy is reviewed annually and the up-to-date version lodged with DE.

High levels of satisfaction with the services provided were expressed in the ICT customer satisfaction survey. 91.7% of users agreed they had received a high quality service from the ICT development team, 94.4% of respondents stated there was a high level of expertise among the ICT help desk staff. The results of the survey will be used to drive further improvement.

All ICT staff are members of the British Computer Society (BCS) and adhere to its professional code of conduct.

### **Business Improvement Software Developments**

This year the team completed 88 software development projects.

These included additions to the range of online services available to our customers such as:

- online assessment system for modern languages;
- development of e-moderation tools for qualification;
- online examination authoring module;
- Customer Relationship Management (CRM) enhancements;
- enhanced authorise user access security programme;
- QCF/GOML integrated into Examination Process System; and
- Online results for GCE including candidate and centre access.

757 software helpdesk calls were completed successfully. All software development priorities are customer driven and agreed at the monthly and quarterly ICT Reviews with all stakeholders.

### **Infrastructure and Service Support**

- A new policy on the use of portable storage devices has been drawn up and will be implemented in the coming year in conjunction with more stringent controls on the electronic movement of information.
- Wireless meeting rooms have been introduced across our Clarendon site.
- Over one third of our staff received a computer upgrade in line with our computer refresh programme.
- The blade infrastructure was implemented to improve the robustness of our internal server provision, reducing maintenance costs, increasing flexibility, and improving our carbon footprint.
- Management and monitor software was implemented.

### ***Multimedia – Learning Resources***

The Multimedia – Learning Resources unit incorporates editorial, copyright, print production and multimedia services. Its purpose is to:

- turn ideas into resources that add value to the teaching and learning process;
- offer editorial services to deliver communications and resources in plain English;
- manage the CCEA website and associated web resources, complying with international standards;
- create software tools and resources that maximise the impact of educational technology;
- develop partnerships with organisations wishing to develop curriculum and examination based resources; and
- research developments in educational technology to deliver effective decision making and value for money.

The team offers a one-stop-shop service for internal and external clients. Project Managers are Prince2 Practitioners and members of the British Computer Society (BSC) and the British Interactive Multimedia Association (BIMA).

## Summary of highlights for 2008–09

### *Curriculum Support*

- Thinking Skills and Personal Capabilities Books Irish Version (5 Book Series).
- Collection of Reports and training manuals for Annual Report.
- FEST08 microsite and publication.
- Special Education Needs (SEN) educational resource packs, 2 Personal Development and Mutual Understanding (PDMU) resource packs and the Thematic Unit for years 3 and 4.
- Production of Year 6 and 7 Thematic Units, and an additional book 'Unsinkable' .
- Completion of World Religions website.
- Ideas for Connected Learning.
- Pre-School Transition pack (Guidance and CD Rom).
- Learning for Life and Work Case Studies Booklet.
- Delivery of InSync online site for Years 8, 9 and 10.
- Taxonomic Scheme and Vocabulary for Metadata for the curriculum.

### *Development of Curriculum microsities*

- 7 NI Curriculum websites available at [www.nicurriculum.org.uk](http://www.nicurriculum.org.uk)
- Virtual Learning – facilitating online Curriculum courses and discussion at [courses.nicurriculum.org.uk](http://courses.nicurriculum.org.uk)

### *Development of Examinations Support Material*

- Microsites, printed specifications, mark schemes, and schemes of work for 34 GCSE specifications.
- GCE Examiner and Student Podcasts.
- Qualification Development Strategy (QDS) Newsletter.
- Promotional and audio visual materials for CCEA's 5 main annual events.
- Production of Spec Changes – biannual newsletter.
- eGOML Online Assessment Authoring System – produced and published 1,991 assessment items and over 2,500 media items to the item bank.
- 120 GOML papers and mark schemes produced for the summer 2009 series for both paper-based and online delivery.

### *Corporate*

- Conversion of paper-based forms to electronic system.
- CCEA Annual Report.
- Promotional and support material for research and statistics purposes including online and print based surveys.
- All quality assurance documents e.g. European EFQM Submission.
- Business Process Mapping for CCEA Examination and Assessment processes as part of the Modernisation Project.
- Increased productivity and control at the Print Room, producing 800,000 pages monthly.
- Piloting of Freeflow, a digital print management system.
- Copyright clearance of 1,100 items for inclusion in examination papers.

### *Partnerships*

- Launch of Mount Sandel website (see [www.mountsandel.com](http://www.mountsandel.com))
- War on Want – CCEA multimedia volunteers developed the charity website (facilitating e-commerce donations) and Art-Aid auction website, helping to raise £32,000. <http://www.waronwantni.org/> and <http://www.art-aid.org.uk/>
- Launch of [www.ecoworld.org.uk](http://www.ecoworld.org.uk) web site and 3D game.
- Development of *Ecoworld* kiosk (online interactive discovery centre), at W5, Belfast.

## *Business Assurance*

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 were met or exceeded.

## *Internal audit and risk management*

The Audit and Risk Committee met four times. The outsourced internal audit provider carried out all work associated with the planned programme of audits. It provided advice to CCEA about issues that are critical to effective corporate governance so that best practice in this area is maintained.

In risk management seven stewardship reporting exercises were carried out across CCEA's three tiers of risks: strategic, business and operational. The disaster recovery/business continuity plan was revised and tested. A comprehensive review of all risks associated with data protection was undertaken and a remedial action plan implemented.

## Business improvement and quality

The Business Assurance Unit leads CCEA's continual improvement agenda.

This year CCEA was awarded the prestigious EFQM European Excellence Award with a score of 750 and two special achievement awards in Customer Satisfaction and Innovation, Learning and Continuous Improvement.

CCEA developed and implemented a corporate and social responsibility strategy which was deployed in partnership with War on Want (NI). In 2008–09 CCEA raised over £16,000 for education projects in Africa.

Success this year is illustrated in the list of achievements below.

- Re-accreditation to the process management system ISO 9001 (2000)
- Accreditation to the new ISO 9001 (2008) in March 2009 with no negative reports.
- Re-accreditation to the environmental management system ISO 14001 on two occasions meeting all requirements with no negative reports.
- Accreditation to the new OHSAS 18001 health and safety standard and successful re-accreditation following the first surveillance visit.
- Accreditation to the Customer Service Excellence standard achieving full compliance in 51 out of 57 elements and best practice recognition in another 5 elements.

## 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 met all legislative Freedom of Information and Data Protection requirements. Support was provided to individuals and teams across CCEA in order to help them to manage the

business effectively. This included training in 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. A fifth online survey for examinations centres was carried out in order to monitor the performance of all awarding bodies operating in Northern Ireland. Monitoring and scrutiny were carried out and follow-up action plans were developed, implemented and monitored.

## MarComms

MarComms plays a crucial role in the development and implementation of corporate policies, products and services. There is a team of 10 staff, 60% of whom have attained or are studying for professional qualifications. 3 are currently Chartered Marketers and 1 is Chartered Institute of Public Relations (CIPR) qualified.

### *Main achievements this year*

- The average days absence per year was reduced to 3
- 28 out of 30 operational plan targets were met

### *Revision of Specifications*

- Delivery of an extensive and innovative marketing and communications campaign ensuring timely delivery of messages and information to customers.
- Achievement of high brand awareness of specification changes through the targeted customer newsletter and microsite.
- Delivery of a permission-based email campaign with over 1,000 teachers subscribed.

### *Marketing*

- MarComms is a key influencer in CCEA's first Annual Marketing Programme establishing a baseline of marketing and communications support for the Qualifications portfolio.
- 995 teachers from the primary, post-primary and Further Education sectors responded to the annual customer satisfaction survey in 2007-08. 10 subsequent improvement actions were implemented in 2008 and 4 are ongoing.
- In 2008-09 98.9% of customers were satisfied with CCEA's customer care. The improvement action plan for 2009-10 is in development.

### ***Communications***

- Effective media management was coordinated over the high risk Issue of Results period leading to 100% positive coverage in relation to GCSE and Helpline news releases and 91% positive coverage relating to the GCE news release.
- 30 proactive news releases issued.
- Development of a comprehensive internal communications strategy with 83.2% of staff satisfied with internal communications.
- Introduction of a range of complementary internal communication initiatives to support CCEA's transition to ESA. These include the Open Communications Forum, all staff briefings, a dedicated information section on CCEA's intranet site, and top management attendance at team meetings.

### ***Events***

- Planning and implementation of 214 teacher support events.
- Delivery of CCEA's 5 main annual events.
- Over 8,000 visitors including teachers and young people attended the True Colours art exhibition.
- Full roll-out of CCEA's first online events booking system with almost 700 teachers booking via the website.

### ***Focus Customer Contact System***

- Completion of Customer Excellence Programme delivering CCEA's first customer contact management system.
- Focus will facilitate better understanding of customer contacts and communications to provide better service and grow market share.
- Delivery of face-to-face staff training programme supported by an online training tutorial in the use of Focus.
- Identifications of 20 internal champions to support the roll out and implementation of Focus across the organisation.

# CCEA Corporate Social Responsibility Policy and Sustainability Report

## CCEA's Corporate Social Responsibility (CSR) Strategy

To achieve our mission, to enable the full potential of all learners to be achieved and recognised, at CCEA we acknowledge that this requires more than the effective management and delivery of our core products and services. Feedback from stakeholder surveys since 1999 indicates there is an increasing importance placed on the way we strike a balance between delivering continually improving customer services whilst working closely in support of our communities and sustaining the environment in which we operate.

Our CSR strategy, which is developed as part of our annual policy and strategy review, is aligned and deployed across all our business activities. It ensures that we operate all our business activities in a socially responsible and environmentally sustainable way. We use a range of stakeholder feedback mechanisms to measure effectiveness. Our values, lived by all CCEA employees, enshrine the principles of CSR and commitment to the environment.

Continual reviews and improvements over a sustained 6 year period ensure that this strategy delivers a balance between CSR investment in local, charity, and education communities and the potential return this commitment will yield in the achievement of CCEA's mission and objectives. Examples of this return are reflected in the improved stakeholder relationships, business performance and customer satisfaction across the education field. Our business results confirm that this approach gains CCEA maximum benefit from our CSR endeavour and earns us respect as a corporate citizen.

One example of how we implement our CSR strategy is by providing opportunities for all our staff to engage with our indirect customers in ways that are supportive to the local community, for example through Business in the Community volunteering projects in socially deprived areas that are supportive to young people. Feedback indicates that this enhances our understanding of

the needs of a number of our indirect customers including young and adult learners, employers, and voluntary agencies who provide support for the most vulnerable in our society. Stakeholders inform us that this mutual understanding is conducive to creating the conditions where our products and services can fully meet the needs of our society and may also be favourably received by that society.

Deployment of our CSR strategy also includes facilitation of community and stakeholder events such as True Colours, Score and Celebrating Achievement. We are also committed to being open and transparent and this is demonstrated by the amount of information available on our website and our management of all requests for information met within statutory deadlines. CCEA also fully meets the needs of all Equality legislation.

CCEA ensures that all staff are aware of the ethical behaviour expected of them. It has developed and disseminated its Corporate Values and Code of Ethics through our cultural induction programme and through the staff intranet.

We also recognise our responsibilities to minimise our footprint on the global environment. To that end we use a range of approaches designed to recycle materials, reduce waste and reduce the consumption of non-renewable resources. We provide opportunities for our staff to engage directly in programmes that safeguard the natural environment. This is assessed and reviewed across a number of areas e.g. through requirements of the ISO 14001 standard. We have fully engaged and deployed this approach since 2001 and we continue to review and improve it. We continually aim 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.

## Equality Statement

CCEA in carrying out its functions has a statutory responsibility, to have due regard to the need to promote equality of opportunity:-

- Between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
- Between men and women generally;
- Between persons with disability and persons without; and,
- Between persons with dependants and persons without.

In addition, without prejudice to the above obligation, CCEA should also in carrying out its functions, have regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group.

## CCEA's Partnership with War on Want NI

Following a review of CCEA's approaches to corporate social responsibility in 2008, CCEA entered into a partnership with War on Want NI aimed at raising £20,000 for education and sustainability projects in Africa. The partnership also encompassed the use of staff expertise in assisting War on Want NI to develop their own resources to increase the sustainability and profile of the charity. CCEA assisted in the development of the War on Want NI website and in the development of an on-line charity art auction site. Over the course of the partnership, CCEA undertook a range of fundraising activities involving a large number of staff and has raised over £16,000 to date.

## Sustainability

CCEA has been implementing environmental programmes since 2003 through our partnership with Bryson House. Through this scheme, we recycle card and paper; aluminum cans; plastic bottles; mobile phones; spectacles; toner and printer cartridges and computers. Following CCEA's deployment of the standard ISO 14001 in 2006, an environmental improvement programme was implemented. This programme has evolved over the last three years and has focused on our

paper and energy usage. Our paper recycling practices have led to a saving of over 4,880 trees in the last six years while in 2009, CCEA's headquarters received a B grading in the assessment of energy efficiency required for Display Energy Certificates. (Grading scale is A-G with A being the most energy efficient.)

# Remuneration Report

## Remuneration Policy

The Remuneration Committee is comprised of the Chairperson of the Council and at least one other non-executive Business Committee member. The Committee is authorised by the Council to obtain appropriate independent professional or legal advice as necessary.

The Chief Executive's remuneration is set by the Council's Remuneration Committee within a scale set by the Department of Education. The Committee agrees the Chief Executive's salary for the year ahead, reviews the Chief Executive's performance against targets set by the Chairperson at the start of each year and agrees 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 (TMT) is agreed by the Chief Executive in consultation with the Chairperson 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 Chairperson, a performance related payment up to a maximum of 15% of the director's salary. The Remuneration Committee will review and act as moderator for these payments.

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 Chairperson'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 and Equality Unit 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. Members of the senior management team participate in either the NILGOSC Superannuation Scheme or the Teachers 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 5% for the year to 31 March 2009 and also shows an adjustment for changes in market investment factors.

## Emoluments and Pension Entitlements of Senior Management (Audited)

	Salary	Performance Related Pay	Total Emoluments	Pensionable Earnings	Real increase in pension earned in the year to 31/03/09	Real increase in accrued lump sum in the year to 31/03/09	Total accrued pension at 31/03/09	Total accrued lump sum at 31/03/09	CETV at 31/03/08	CETV at 31/03/09
	£	£	£	£	£	£	£	£	£	£
Neil Anderson - Acting Chief Executive	85,322	10,268	95,590	89,954	1,448	4,343	9,177	27,531	106,110	137,077
Mark Fegan - Chief Financial Officer (Appointed 1 April 2008)	66,022	7,078	73,100	70,932	1,218	3,655	3,075	9,226	18,736	34,635
Anne-Marie Duffy - Director of Qualifications (Appointed 1 April 2008)	66,011	6,154	72,165	72,165	n/a*	n/a*	27,185	81,554	299,662	421,122
Martin Quinn - Director of Corporate Services (Appointed 1 April 2008)**	50,011	6,447	56,458	58,417	669	2,006	3,893	11,679	40,655	53,448
Richard Hanna - Director of Education Strategy (Appointed 1 April 2008)	66,135	5,835	71,970	71,970	n/a*	n/a*	n/a*	n/a*	240,040	362,103

\* Pension figures not available from the Teachers Pension Branch as employees had not reached 50 years of age at 1 April 2008.

\*\*Director took 3 months unpaid leave to fulfil military service obligation.

The factors used in calculating Cash Equivalent Transfer Values (CETVs) have been updated by the Government Actuary from 1 October 2008. The CETV amounts at 31 March 2008 have therefore been recalculated, upon instruction from the Department of Finance & Personnel, to give more meaningful comparisons with this year's figures. In the majority of cases the recalculated figures will be higher than those issued under previous tables.

## 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.

## Chairperson's Honorarium

During the year, the honorarium paid to the Chairperson was £16,680. In addition £1,470 was paid in respect of Employers' National Insurance (Note 6). No emoluments were paid to any other Council member.

Neil Anderson  Date 17 June 2009  
Acting Chief Executive

# Statements of the Responsibilities of the Council and Chief Executive

Under Schedule 3 of the Education (Northern Ireland) Order 1998, the Department of Education (DE), with the approval of the Department of Finance and Personnel (DFP), has directed the Northern Ireland Council for the Curriculum, Examinations and Assessment (CCEA) to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of CCEA and of its income and expenditure, recognised gains and losses, and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by DE, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on a going concern basis.

The Accounting Officer of DE has designated the Chief Executive of CCEA as Accounting Officer of CCEA. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records, and for safeguarding CCEA's assets, are set out in Managing Public Money Northern Ireland published by DFP.

# Statement on Internal Control

## 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 Managing Public Money Northern Ireland (MPMNI).

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:

- audit project work;
- maintenance of an effective internal control framework;
- consideration of the measures in place to manage corporate, business and operational risks and development of the risk management framework, including assurance/stewardship statements signed by management;
- business improvement systems and tools employed by CCEA;
- other sources of assurance (as defined within the assurance framework); and
- 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 Chairperson meet with 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.

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 to manage them efficiently, effectively and economically.

The system of internal control has been in place in CCEA for the year ended 31 March 2009 and up to the date of approval of the annual report and accounts, and accords with Treasury 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 communication of an ISO 9001 risk management procedure;
- the development and communication of a CCEA risk response plan;
- the development and communication of a CCEA risk management process manual;
- the development and maintenance of CCEA's Corporate, Business and Operational Risk Registers;
- the system for stewardship reporting; and
- the development of a disaster recovery /business continuity plan.

In the reporting period the Business Assurance Manager provided support for staff charged with managing risks and managed four risk management stewardship reporting exercises at corporate level, two at business level and one at operational level.

During the reporting period the Business Assurance Manager met on a one to one basis with TMT on four occasions and with all business managers and operational managers at least once. Her work included:

- supporting new managers as they came to understand the nature and scope of the risks they had inherited and for which they were responsible;
- helping managers of new business areas or activities to identify risks in their areas of responsibility and to suggest mitigation measures helpful to manage these risks;
- working with managers to identify risks to the management of information and to implement appropriate mitigation measures;
- working with managers to effect improvement where it was considered they had neither identified the risks to their business nor introduced effective mitigation measures. Specific work was also undertaken with managers to ensure risk ratings were reflective of the true degree of risk. This has resulted in a reduction in risk ratings across all units and at all levels of risk; and
- providing risk management training for project managers, team leaders and any staff at Education Manager level and above who remained untrained. This workshop-based training was comprehensive and was aimed at ensuring that risk owners understood clearly how to use risk management effectively and practically in their work.

## **The Risk and Control Framework** ***Corporate, Business and Operational Risk Registers***

The dynamic register of ranked corporate, business and operational risks, with risk ownership clearly assigned, is available to all staff through the CCEA intranet.

During the reporting period there was incremental improvement in all three risk registers as follows:

- reassignment of risks to staff in the context of organisational restructuring and the appointment of new managers;
- inclusion of new risks and removal of redundant risks;
- amendment of risk ratings and rankings in the light of the likelihood of the risk occurring and the effectiveness of the mitigation measures with significant progress made in reducing risk ratings across CCEA at all levels;
- amendment of risk descriptors with the aim of ensuring that risks were clearly understood by the owner and management; and
- additional work in developing operational risks for specific project/programmes and for new activities.

In addition to the work around each of CCEA's core risk registers, a specific register of the key risks around harmonisation with ESA was developed at corporate level. This register, which has evolved since its inception, has been approved by the Audit and Risk Committee and appropriate mitigation measures have been developed. This register will form the basis for all harmonisation risks identified at different levels with accountability being identified at appropriate levels for each risk.

## **Stewardship Reporting**

The stewardship reporting mechanism provides the bedrock for a comprehensive assurance on the control environment in CCEA. The stewardship reporting feature of the CCEA risk management system provides a further component in the organisation's corporate governance framework. Formal quarterly stewardship reporting exercises took place on four occasions for CCEA's corporate risks: June 2008; September 2008; December 2008; and March 2009. Two stewardship reporting exercises for CCEA's business risks took place following the decision to have these twice yearly in June 2008 and January 2009. One operational risk stewardship report took place in January 2009.

The stewardship reporting exercises required the owners of risks to report on how effectively they were managing their risks. The Business Assurance Unit also reviewed and provided advice and guidance on the effectiveness of mitigation measures and prompted action to address any perceived weaknesses in control. The Business Assurance Manager continued to exert a challenge function in relation to risk mitigation

implementation and effectiveness. This was supported by the provision of an evaluation report on the effectiveness of the risk management system in practice for each business unit and TMT that was presented to the Audit and Risk Committee. The effectiveness of this challenge function has been demonstrated by the implementation of all agreed additional measures by risk owners in the reporting period.

The mechanism required the input of TMT who effectively operated in a quality assurance role for all levels of risks and identified enhanced mitigation measures where weaknesses in the management of specific risks were identified. The continued commitment of senior management together with the necessary degree of rigour when reviewing mitigation measures and stewardship reports will leave the Accounting Officer well placed to sign the statement on internal control for the financial year ending 31 March 2009.

## Management of Information Risks

Effective and robust risk management arrangements related to the management of personal and business information were further developed over the period January 2008–March 2009. These arrangements were identified and managed through the development of an improvement action plan related to assessment of CCEA's performance against the requirements of the Data Protection Act. The actions were focused on eliminating potential weaknesses in the control system in the management of personal and business information and on achieving best practice in areas of strength. The plan was driven by the Business Assurance Unit and monitored at the highest levels through the monthly senior management team meetings, the twice-yearly ISO management review meetings and the Audit and Risk Committee.

Additional assurance has been obtained through four key internal audits over the last eighteen months. The first on High Level Security Review of the Internal IT Network at CCEA, the second on Storage and Movement of Personal Data, the third on legislative compliance and the fourth a review of the implementation of CCEA's data protection action plan. Improvement actions from these reviews have been implemented.

A risk assessment of CCEA's management of personal, sensitive and business information has been carried out and appropriate mitigation actions have also been implemented. As a follow-up to this risk assessment, a specific statement of

assurance on effective management of information risks has been incorporated into the risk management stewardship reports for each manager and this will be reviewed as part of the Annual Assurance Report.

## Risk Assessment on Compliance with Data Protection

Following CCEA's review of arrangements for the security and transfer of personal data in early 2008, an action plan was developed to ensure CCEA were working in line with best practice. The implementation of this plan was driven by Business Assurance and it was designed to not only comply with the minimum requirements of the Data Protection Act but to allow CCEA to operate as a role model organisation in this area.

One of the improvement actions identified by the Business Assurance Manager was a comprehensive assessment of the risks related to the integrity of personal information in each unit. As a result of this risk assessment, a remedial action plan was developed which has supported CCEA's assurance on the management of information risks in the annual statement on internal control.

## Disaster Recovery/Business Continuity Plans (DRP/BCP)

The corporate-wide DRP/BCP drives planning for emergency situations and ensures business processes are appropriately supported by IT systems in all circumstances. The BCP describes the rationale behind disaster recovery planning and identifies the potential disastrous risks to CCEA. It also defines the scope, objectives, responsibilities and minimum standards of service for business recovery arrangements within CCEA. Finally, it also ensures that disaster recovery is aligned to business needs.

Our internal audit provider has reviewed the finalised plan and provided advice on testing the plan. The recommendations made by Deloitte have been implemented and the result is a BCP which is in line with best practice. The plan has been synthesized with the Emergency Preparedness and Response Procedure, required for both ISO 14001 and OHSAS 18001, the Risk Response Plan and ICT's Disaster Recovery Plans for the AS400 and the Network. The plan is now tighter, more practical and significantly more user friendly. The individual service level agreements for each unit related to recovery of business and systems have

been collated into a more accessible and user-friendly format. Further benchmarking with SQA on the plan also took place during the reporting period.

## Review of Effectiveness

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

## Audit and Risk Committee

CCEA's Audit and Risk Committee is responsible for the oversight of the system of internal control on behalf of the Council. CCEA's Audit and Risk Committee met four times during 2008–09. A representative from Deloitte as internal auditors, the Northern Ireland Audit Office and CCEA's Business Assurance Unit 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 opportunity is also made available to the committee 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

Deloitte, in collaboration with CCEA staff, developed and implemented a planned programme of systems, process and operational audits that focused on key risks to CCEA's business. Deloitte also carried out follow up reviews on audits that had been undertaken by the previous provider, provided assurance on CCEA's risk management arrangements and undertook a Value for Money (VFM) review of CCEA's printing arrangements.

A total of seven reviews were undertaken and five follow-up reports completed. The reviews included Strategic Partnerships, Question Paper

Production, CCEA to ESA Transition Strategy, Data Protection Review, Business Continuity, Risk Management and Assurance, Audit and Risk Committee Training and Printing.

Of the seven reviews, five were risk-based assurance reviews, one was a value for money audit and one was advisory.

Of the five risk-based assurance reviews, three were satisfactory and two were limited. The limited assurance reviews related to strategic partnerships and the ESA transition strategy. The former review identified that all CCEA's commercial partnerships were managed through contracts rather than through the partnerships framework. Remedial action has passed the management of all partnerships to the Financial Services Unit. The limited assurance around the ESA transition strategy relates to the lack of documentation around CCEA's actions within the strategy rather than the measures themselves. Remedial action is focused on the development of a structured project plan which is being implemented at present.

Deloitte's overall opinion for CCEA's system of internal control and risk management for the year ended 2008–09 is one of satisfactory assurance except for the areas of strategic partnerships and in the area of CCEA's transition to ESA strategy where there was limited assurance. CCEA management have put in place a remedial action plan to address these areas which is being implemented.

## Key Organisational Control Mechanisms

### *Performance Management*

The performance management framework (including performance related pay) for staff at business manager level and above is in its sixth year of operation. This Performance Related Pay policy has been developed in the context of RPA and the transition to ESA taking into account interim management arrangements following restructuring at the top and second levels of management.

The mechanism is designed to ensure that staff at these levels are challenged in respect of their managerial behaviours and to provide confidence that business tools at their disposal are being deployed as required. The performance

management framework also provides confidence to the Accounting Officer that all necessary actions are in place to enable him to sign off with confidence the annual Statement on Internal Control.

### ***Customer Excellence Standard***

During the reporting period, CCEA applied and was accredited to the new Customer Excellence Standard which is designed to drive service transformation through customer insight. The standard measures the extent to which an organisation is meeting 57 criteria of customer service in five different areas. CCEA achieved a high performance in the standard. CCEA achieved a number of Best Practice (5), full compliance (46) and partial compliance criteria (6). CCEA is the first public sector body in Northern Ireland to be awarded this standard on a corporate wide basis.

This achievement demonstrates CCEA's commitment to its customers which in turn provides confidence in the internal control system.

### ***Customer Charter Feedback Report***

During the reporting period CCEA published its fifth Customer Charter Feedback Report. The Feedback Report details the extent to which CCEA has met the standards of service it has set itself. CCEA has 54 standards that have been set following consultation with customers to determine what standard of service they expect to receive. This year CCEA achieved the targets set for 52 of the 54 standards. This represents a similar performance to the previous year.

### ***Examinations Processing Operations Management***

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

The regulatory authorities conduct monitoring and scrutiny exercises in respect of CCEA as an examinations awarding body. The reports that emanate from these exercises point to areas for improvement in terms of adhering to the Code. Following receipt of reports, CCEA draws up action plans for improvement. During the reporting

period action plans have been monitored in order to ensure that recommended improvements have been appropriately actioned within specified timescales.

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 for 2007. CCEA subsequently discovered that it had made an error in the reporting of its Performance Indicators in respect of Enquiry about Results for this period. This error was immediately reported to Ofqual and an internal investigation carried out. A number of recommendations have now been made and an action plan for their implementation drawn up.

In the reporting period CCEA also carried out its fifth customer satisfaction survey of awarding bodies operating in Northern Ireland. CCEA performed well at both GCE A level and GCSE.

The reporting period also saw the fourth CCEA Examinations Assurance Report published providing an overall evaluation of examinations systems and processes. The Report concluded:

'On the basis of the evidence presented in this report there can be confidence of a managerial commitment and clear leadership from top management to a control environment in CCEA's role as an awarding body. This is supported by business managers and staff that report to them at operational level. CCEA compares well in its performance as an awarding body in relation to its competitors and generally meets well all regulatory and internally set requirements expected of it.'

In conclusion, monitoring and scrutiny reports, the implementation of the self assessment action plan, performance against OfQual performance indicators, the outcome of the Northern Ireland awarding bodies survey and the conclusion of the CCEA Examinations Assurance Report provide for further confidence that the internal control framework in examinations provision is robust and that operational objectives are being achieved.

### ***Planning, Monitoring and Reporting Management***

The Operational Plan was updated to reflect the work of each business unit. In addition to the quarterly review of the Operational Plan by the Business Assurance Manager, monthly Business

Unit meetings took place to ensure any risks or issues were identified at an early stage.

Reporting on CCEA performance to customers has continued through the performance microsite on the CCEA internet.

### ***Formal Complaints under Legislation and Internal Complaints***

The Freedom of Information Act came into effect from January 2005 from which point CCEA have recorded requests made under this and Data Protection Legislation. In the reporting period 298 requests for information under these pieces of legislation were made. All requests were completed within the required timescales. One complaint was made to the Information Commissioners office in respect of CCEA's handling of the request however the Information Commissioner found there was no case to answer and this was resolved informally.

No complaints were made to the Office of the Northern Ireland Ombudsman and internally, there have been 2 formal grievances one of which was upheld.

### ***Financial Management***

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

The Financial Services team 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 proactive support to the organisation through the use of a dedicated Finance website to promote policies, streamline processes, highlight performance and encourage consultation.

The team continues to deliver a multi-layered programme of awareness raising sessions around budget and financial management for staff at all levels.

### ***Asset Management***

CCEA manages the maintenance and security of its assets.

In respect of maintenance, contracts are in place for the maintenance of all ICT equipment, print and photocopying equipment. The facilities management provider is responsible for the planned and unplanned maintenance of plant items, for ground maintenance and a planned cleaning programme that ensures health and safety requirements are met. CCEA staff are also given on the job training to ensure that they use equipment to best advantage, for example, print and photocopying equipment.

In respect of security of assets, CCEA has in place a general register of all assets which is reviewed and updated every year. Assets are tagged and bar code cross referenced to the assets register.

The ICT Business Unit has a register of all computer equipment purchased. To protect from viruses, all individual computers have software installed which is reviewed and updated regularly. The network is similarly protected and with regular review to protect from hackers. These arrangements are externally validated through the ICT standards deployed within CCEA including ISO 27001 and Tick IT. In addition as part of CCEA's data protection improvement plan, CCEA has installed Device Wall to monitor and manage the use of USB devices which has increased the security levels of CCEA's information both personal and business which provides further assurance on the management of information risks in support of the statement on internal control.

CCEA's major capital investment during the financial year was around expansion of capacity and IT infrastructure rejuvenation.

## **Quality Management and Business Improvement**

CCEA has in place a range of national and internationally recognised quality standards and systems that help to provide confidence that CCEA's internal control arrangements are robust. As at the 31st March 2009 CCEA hold accreditation for:

### **ISO 9001:2008**

ensuring organisational processes are fit for purpose

### **ISO 14001**

environmental management

### **OHSAS 18001**

health and safety

### **Customer Excellence**

customer service

### **ISO 2700**

information security management

### **TickIT**

software development and application

### **ISO 20000**

IT service management

## **EFQM Excellence Model**

During the reporting period, as assessed by the British Quality Foundation and the Centre for Competitiveness in two separate processes, CCEA increased its score from 649 to in excess of 730 and was awarded both the UK Excellence Award and the NI Global Excellence Award for 2007. CCEA's score in both of these assessments was the highest score ever achieved in the history of either Award.

In the reporting period, CCEA were awarded the EFQM European Excellence Award with a score of 750. We were also awarded two additional special achievement awards at European level for Customer Satisfaction and Innovation, Learning and Continuous Improvement. This achievement has identified CCEA as a role model organisation.

The European Award assessors commented in their feedback report that CCEA "is a highly result orientated organisation. Starting from the DE strategy, CCEA triggers the required business results with strategic targets. All business approaches are steered with such targets. Further on CCEA is measuring the impact of its approaches on customers, employees and other

stakeholders. The results of these measurements are used to optimise the performance – always in alignment with the requirements of the DE strategy. A risk management system helps prioritisation and improvement teams are used to drive solutions. There are many examples of process improvements through the entire organisation, such as the EFQM, liP and ISO projects."

## **Developing staff behaviours**

The 2003–04 assurance report identified the need to take steps to ensure that all staff deploy behaviours that provide confidence that internal control procedures are being followed. Consequently, since 2004–05 a cultural induction programme for 'new starts' has been embedded as part of the induction process for new staff. During 2008–09 this programme was reviewed and developed further and now includes awareness sessions on CCEA values and ethics, risk management, internal audit, counter fraud policies and practices, marketing, ICT security, financial probity/accountability, FoI, ISO 14001, OHSAS 180001, acceptable use of e-mail, the internet and intranet, complaints management and absence management. Managers from across CCEA lead the cultural induction programme. Over 230 staff have attended to date. The cultural induction programme builds on and supports general arrangements for induction.

Neil Anderson .....



Acting Chief Executive

Date .....

17 June, 2009

# Certificate and Report of the Comptroller and Auditor General

## THE CERTIFICATE 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 2009 under Schedule 3 of the Education (Northern Ireland) Order 1998. These comprise the Operating Cost Statement, the Balance Sheet, the Cashflow Statement and Statement of 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 Northern Ireland Council for the Curriculum, Examinations and Assessment, 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 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 Council's and Chief Executive's Responsibilities.

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, the information, which comprises the Financial Summary and the Management Commentary, included in the Annual 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 the Assembly 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. This other information comprises the unaudited part of the Remuneration Report, the Introduction to CCEA, the Chair's Review of Activities and the Chief Executive's Foreword. 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 opinions

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 Chief Executive 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 the Assembly 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.

## Opinions

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 Council's affairs as at 31 March 2009 and of its net operating costs, recognised gains and losses and cash flows 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 which comprises the Financial Summary and the Management Commentary, included within the Annual Report, is consistent with the financial statements.

## Opinion on Regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by the Assembly and the financial transactions conform to the authorities which govern them.



**JM Dowdall CB**  
**Comptroller and Auditor General**  
**Northern Ireland Audit Office**  
**106 University Street**  
**Belfast**

24 June 2009

*The maintenance and integrity of the Northern Ireland Council for the Curriculum, Examinations and Assessment website is the responsibility of the Accounting Officer; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented to the website.*

# Operating Cost Statement

## Year ended 31 March 2009

		2009		2008 <i>as restated</i>	
	Notes	£	£	£	£
<b>INCOME</b>					
Income from activities	2		<u>9,133,398</u>		<u>8,564,598</u>
<b>EXPENDITURE</b>					
Staff costs	4	12,460,563		12,216,884	
Other operating charges	6	17,582,255		17,637,719	
Depreciation charge for year	7	367,038		336,558	
Amortisation charge for year	8	<u>57,047</u>		<u>60,242</u>	
Operating cost for the year			<u>30,466,903</u>		<u>30,251,403</u>
<b>NET OPERATING COSTS BEFORE FINANCING</b>					
			<u>21,333,505</u>		21,686,805
Other finance charge/(income)	9		<u>101,000</u>		<u>(10,000)</u>
Operating costs before notional costs	3		<u>21,434,505</u>		21,676,805
Notional cost of capital	10		<u>(96,813)</u>		<u>(113,695)</u>
Operating costs after notional costs			<u>21,337,692</u>		21,563,110
Reversing credit in respect of notional costs			<u>96,813</u>		<u>113,695</u>
<b>NET OPERATING COST</b>			<u><u>21,434,505</u></u>		<u><u>21,676,805</u></u>

# Statement of Recognised Gains and Losses

## Year ended 31 March 2009

		<b>2009</b>	2008 <i>as restated</i>
	Notes	<b>£</b>	£
Operating costs for the financial year		<b>21,337,692</b>	21,563,110
Actuarial loss/(gain) in NILGOSC Defined Benefit Scheme.	5b	<b>3,632,000</b>	(3,402,435)
Net loss on the indexation of fixed assets	18	<u><b>16,776</b></u>	<u>21,615</u>
Total recognised costs for the year		<u><b>24,986,468</b></u>	<u>18,182,290</u>

All activities are derived from continuing operations.

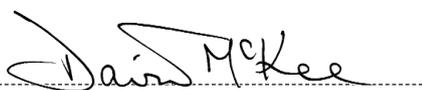
# Balance Sheet

## At 31 March 2009

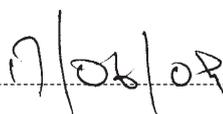
	Notes	2009		2008 <i>as restated</i>	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7	815,199		858,224	
Intangible assets	8	<u>100,093</u>	915,292	<u>113,224</u>	971,448
<b>CURRENT ASSETS</b>					
Stock and work in progress	11	47,591		195,344	
Debtors due within one year	12	2,185,268		2,759,643	
Cash at bank and in hand		<u>575,001</u>		<u>160,234</u>	
		<b>2,807,860</b>		<b>3,115,221</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	13	<u>(1,391,421)</u>		<u>(2,568,091)</u>	
Net current assets			<u>1,416,439</u>		<u>547,130</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>2,331,731</b>		<b>1,518,578</b>
Provision for liabilities and charges	14		<u>(748,241)</u>		<u>(785,013)</u>
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>			<u><b>1,583,490</b></u>		<u><b>733,565</b></u>
Defined benefit pension liability	5b		<u>(5,671,219)</u>		<u>(2,178,001)</u>
<b>NET ASSETS</b>			<u><b>(4,087,729)</b></u>		<u><b>(1,444,436)</b></u>
Financed by:					
<b>CAPITAL AND RESERVES</b>					
Capital Account DE	17	-		37,030	
Revaluation reserve	18	(139,483)		(122,707)	
General fund	19	<u>(3,948,246)</u>		<u>(1,358,759)</u>	
			<u><b>(4,087,729)</b></u>		<u><b>(1,444,436)</b></u>

David McKee

Chairperson



Date



Neil Anderson

Acting Chief Executive



Date



# Cash Flow Statement

## Year ended 31 March 2009

	Notes	2009		2008	
		£	£	£	£
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>	1		<b>(21,640,310)</b>		<b>(21,273,636)</b>
<b>RETURNS ON FINANCE AND SERVICING OF FINANCE</b>					
Interest paid					
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>					
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>					
Payments to acquire tangible fixed assets	7	<b>(337,329)</b>		(467,817)	
Payments to acquire intangible fixed assets	8	<b>(47,583)</b>		(26,693)	
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>			<b>(384,912)</b>		<b>(494,510)</b>
<b>NET CASH OUTFLOW BEFORE FINANCING</b>			<b>(22,025,222)</b>		<b>(21,768,146)</b>
<b>FINANCING</b>					
Recurrent grant-in-aid received	16	<b>22,055,000</b>		21,409,000	
Capital grant-in-aid received	16	<b>384,989</b>		494,947	
<b>NET CASH INFLOW FROM FINANCING</b>			<b>22,439,989</b>		<b>21,903,947</b>
<b>INCREASE IN NET CASH AND CASH EQUIVALENTS</b>	2		<b>414,767</b>		<b>135,801</b>

# Notes to the Cash Flow Statement

## Year ended 31 March 2009

<b>1</b>	<b>RECONCILIATION OF NET OPERATING COST TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Net operating cost	<b>(21,434,505)</b>	(21,676,805)
	Adjustment for non-cash transactions		
	Depreciation	<b>367,038</b>	336,558
	Amortisation	<b>57,047</b>	60,242
	Bad debts provision	<b>(10,796)</b>	25,832
	Bad debts written off	<b>3,414</b>	823
	Provision for liabilities & charges	<b>(10,772)</b>	(351,000)
	Movement in NILGOSC pension fund liability	<b>(164,575)</b>	209,177
	Adjustments for movements in working capital		
	Decrease in stock	<b>147,753</b>	143,033
	Decrease in debtors	<b>581,756</b>	76,252
	Decrease in creditors	<b>(1,176,670)</b>	(97,747)
	Net cash outflow from operating activities	<b><u>(21,640,310)</u></b>	<b><u>(21,273,636)</u></b>
<b>2</b>	<b>ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Opening balance	<b>160,234</b>	24,433
	Net cash inflow	<b><u>414,767</u></b>	<u>135,801</u>
	Closing balance	<b><u>575,001</u></b>	<u>160,234</u>
<b>3</b>	<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Cash at bank and in hand	<b><u>575,001</u></b>	<u>160,234</u>
		<b><u>575,001</u></b>	<u>160,234</u>
<b>4</b>	<b>ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR</b>	<b>Capital Account</b>	
		<b>£</b>	
	Balance at 1 April 2008 as previously stated	<b>37,030</b>	
	Transfer to general reserve	<b><u>(37,030)</u></b>	
	Balance at 31 March 2009	<b><u>-</u></b>	

# Notes to the Financial Statements

## Year ended 31 March 2009

### 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 (FReM) 2008–09.
- (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

The FReM 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, i.e. by crediting them to the general fund.

##### (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 operating cost statement account as incurred. Commitments under operating leases are shown in Note 15 to the financial statements.

#### 1.5 Depreciation

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

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

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

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

## **1.6 Amortisation**

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

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

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

## **1.7 Stocks**

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

## **1.8 Work in Progress**

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

## **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 operating cost statement 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 Unit – falls within the scope of VAT. With the exception of expenditure directly related to these activities, VAT is not reclaimable by CCEA and so, in these cases, expenditure in the accounts is inclusive of VAT.

## **1.11 Cost of Capital**

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

## **1.12 Early Departure Costs**

Although the Local Government (Compensation for Premature Retirement) Regulations (Northern Ireland) 1983 do not apply to CCEA, these regulations have been agreed with the recognised trade union as an acceptable basis to allow CCEA to have the discretion to 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 (if any) 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 operating cost statement, based on actuarial tables in accordance with Financial Reporting Standard (FRS)12.

## **1.13 Reserves**

The General Fund Reserve balance represents the total assets less total liabilities of CCEA to the extent that the total is not represented by other reserves.

The Revaluation Reserve reflects the unrealised element of the cumulative balance of indexation and revaluation adjustments.

**2 INCOME**

	2009	2008
<b>INCOME FROM ACTIVITIES</b>	<b>£</b>	<b>£</b>
Research and development	17,255	83,375
Examination fees	7,986,922	7,410,202
Other activities	1,129,221	1,071,021
Income from activities is shown net of Value Added Tax (VAT)	<u>9,133,398</u>	<u>8,564,598</u>

**3 RECONCILIATION OF MOVEMENTS IN GOVERNMENT FUNDS**

	2009	2008 <i>as restated</i>
	<b>£</b>	<b>£</b>
Operating costs for the year	<u>(21,434,505)</u>	<u>(21,676,805)</u>
Actuarial gain/(loss) as previously stated	(3,632,000)	3,482,986
Prior year adjustment – change in FRS 17 valuation	-	(80,551)
Actuarial gain/(loss) as restated	<u>(3,632,000)</u>	<u>(3,402,435)</u>
Movement in revaluation reserve	(16,776)	(21,615)
Revenue grant-in-aid received	22,055,000	21,409,000
Capital grant-in-aid received	384,989	494,947
Net (decrease)/increase in government funds	<u>(2,643,292)</u>	<u>3,607,962</u>
Government funds at 1 April 2008 as restated	(1,444,437)	(5,052,398)
Government funds at 31 March 2009	<u>(4,087,729)</u>	<u>(1,444,437)</u>

**4 STAFF COSTS**

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

	2009	2008
Senior management	5	3
Direct employees	265	279
Temporary staff	58	54
Contract staff	77	59
	<u>405</u>	<u>395</u>

The costs incurred in respect of employees were:

	2009	2008
	<b>£</b>	<b>£</b>
Gross salaries:		
Direct employees	7,979,305	7,968,419
Temporary staff	867,186	792,069
Contract staff	1,844,591	1,305,157
Social security costs	836,321	799,085
Pension costs	933,160	1,352,154
	<u>12,460,563</u>	<u>12,216,884</u>

## 5 PENSION COMMITMENTS

### a) Teachers' Superannuation Scheme

62 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 2008–09, the contribution rates were 13.6% employers and 6.4% employees.

Contributions for the year:	2009	2008
	£	£
Employers	<b>373,783</b>	356,225
Employees	<b>176,457</b>	169,940
Total	<b>550,240</b>	526,165

### 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 212 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 15% employers and 6% employees. The results of the most recent valuation, which was conducted at 31 March 2007, were as follows :

Main assumptions–	
Rate of return on investments per annum	6.10%
Rate of general increase in salaries per annum	4.70%
Rate of pension increases per annum	3.20%
Market value of scheme's assets	£3.163 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.	89.1%

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:

	<b>2009</b>	2008
	<b>£</b>	£
Employers	<b>793,183</b>	637,441
Employees	<b>321,392</b>	296,014
Total	<b><u>1,114,575</u></b>	<u>933,455</u>

The valuation used has been based on the most recent actuarial valuation at 31 March 2007 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 2008, 31 March 2007, 31 March 2006 and 31 March 2005. Scheme assets are stated at their market values at the respective balance sheet dates.

#### **Prior year adjustment for change in valuation of NILGOSC Pension Scheme**

The asset values as at 31 March 2009 are at bid value as required under FRS17. In previous accounting periods, the value of assets were reported at mid-market value by the actuary. The move to bid value has resulted in an actuarial loss in the revenue accounts. The actuaries were not provided with details of the difference between mid market and bid value of assets for the Fund as a whole by the Administering Authority. Accordingly, they estimated the bid value of assets by applying an adjustment of -0.4% to the Employer's mid market value asset share as at 31 March 2009. The asset values for 31 March 2008 were recalculated on the same basis and have resulted in a prior year adjustment as follows:

	£ 000's
Total pension liability as at 31 March 2008 as previously stated	(2,856)
Actuarial Loss on scheme assets recalculated at bid value	<u>(81)</u>
Total pension liability as at 31 March 2008 as restated	<u><u>(2,937)</u></u>

The amounts recognised in the balance sheet are as follows:

	<b>2009</b> <b>£(000's)</b>	<b>2008</b> <b>£(000's)</b>
<b>Present value of funded liabilities</b>	(20,720)	(21,201)
<b>Fair value of plan assets</b>	15,049	19,023
<b>Net (under)/overfunding in funded plans</b>	<u>(5,671)</u>	<u>(2,178)</u>
<b>Present value of unfunded obligations</b>	(733)	(759)
<b>Net liability</b>	<u><u>(6,404)</u></u>	<u><u>(2,937)</u></u>
<b>Amounts in the balance sheet</b>		
<b>Liabilities</b>	6,404	2,937
<b>Assets</b>	<u>-</u>	<u>-</u>
<b>Net liability</b>	<u><u>6,404</u></u>	<u><u>2,937</u></u>

The amounts recognised in profit or loss are as follows:

	<b>2009</b> <b>£(000's)</b>		<b>2008</b> <b>£(000's)</b>	
<b>Current service cost</b>	568	10.7%	883	17.8%
<b>Interest on obligation</b>	1,525	28.7%	1,393	28.1%
<b>Expected return on plan assets</b>	(1,424)	(26.8)%	(1,403)	(28.3)%
<b>Past service cost</b>	<u>-</u>	<u>-</u>	<u>13</u>	<u>0.3%</u>
<b>Total</b>	<u>669</u>	<u>12.6%</u>	<u>886</u>	<u>17.9%</u>
<b>Actual return on plan assets</b>	<u><u>(4,533)</u></u>		<u><u>(711)</u></u>	

Changes in the present value of the defined benefit obligation are as follows:

	<b>2009</b> <b>£(000's)</b>	<b>2008</b> <b>£(000's)</b>
<b>Opening defined benefit obligation</b>	21,960	25,555
<b>Current service cost</b>	568	883
<b>Interest cost</b>	1,525	1,393
<b>Contributions by members</b>	318	298
<b>Actuarial gains</b>	(2,310)	(5,495)
<b>Estimated unfunded benefits paid</b>	(47)	(44)
<b>Past service costs</b>	-	13
<b>Estimated benefits paid</b>	(561)	(643)
<b>Closing defined benefit obligation</b>	<u>21,453</u>	<u>21,960</u>

Changes in the fair value of plan assets are as follows:

	<b>2009</b> <b>£(000's)</b>	<b>2008</b> <b>£(000's)</b>
<b>Opening fair value of employer assets</b>	19,023	19,381
<b>Expected return on assets</b>	1,424	1,403
<b>Contributions by members</b>	318	298
<b>Contributions by employer</b>	793	642
<b>Contributions in respect of unfunded benefits</b>	41	44
<b>Actuarial losses</b>	(5,942)	(2,058)
<b>Unfunded benefits paid</b>	(47)	(44)
<b>Benefits paid</b>	(561)	(643)
	<u>15,049</u>	<u>19,023</u>

As a result of the full actuarial valuation at 31 March 2007, employer contributions of 17% are to be made in 2009–10 in order to reduce the deficiency of the scheme.

The major categories of plan assets as a percentage of total plan assets are as follows:

	<b>2009</b> <b>%</b>	<b>2008</b> <b>%</b>
<b>Equities</b>	73%	79%
<b>Bonds</b>	14%	12%
<b>Properties</b>	7%	8%
<b>Cash</b>	6%	2%

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	<b>2009</b> <b>%</b>	<b>2008</b> <b>%</b>
<b>Discount rate</b>	6.9%	6.9%
<b>Expected return on plan assets</b>	6.5%	7.3%
<b>Future salary increases</b>	4.6%	5.1%
<b>Future pension increases</b>	3.1%	3.6%

Amounts for the current and previous four periods are as follows:

	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fair value of employer assets</b>	15,049	19,023	19,381	18,100
<b>Present value of defined benefit obligation</b>	(21,453)	(21,960)	(25,555)	(19,600)
<b>Deficit</b>	(6,404)	(2,937)	(6,174)	(1,500)
<b>Experience adjustments on plan assets</b>	(5,942)	(2,058)	(218)	2,707
<b>Experience adjustments on plan liabilities</b>	(10)	964	(809)	(60)

**c) Early Departure Costs**

Lump sum payments during the year relating to early departures amounted to £nil (2008 £117,829).

Annual costs relating to early departures in previous years, which are met by CCEA, currently amount to £40,599. These annual costs will continue in line with pension payments and are index linked.

	<b>2009</b>	2008
	<b>£</b>	£
Provision for liabilities and charges	<b>733,000</b>	759,000

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.

<b>6 OTHER OPERATING CHARGES</b>	<b>2009</b>	2008
	<b>£</b>	<b>£</b>
Chairperson's honorarium	<b>16,680</b>	16,648
Council and main committee expenses	<b>2,797</b>	74
Examiners and other fees and expenses	<b>6,137,527</b>	5,988,461
Heat and light	<b>206,737</b>	116,357
Cleaning and other services	<b>158,120</b>	179,903
Rent and rates	<b>1,471,445</b>	1,538,717
Repairs and renewals—premises	<b>21,771</b>	13,641
Repairs and renewals—machinery and equipment	<b>225,340</b>	190,090
Rental, leasing and hire purchase of equipment	<b>167,647</b>	176,113
Audit fee	<b>25,186</b>	21,422
Professional charges	<b>1,623,894</b>	1,735,957
Hire of accommodation and equipment	<b>202,412</b>	182,295
Catering	<b>428,534</b>	437,621
Cost of saleable materials	<b>95,745</b>	126,318
Project costs	<b>58,427</b>	151,019
Transport and travel	<b>280,672</b>	307,590
Carriage	<b>447,732</b>	544,699
Advertising, printing and stationery	<b>2,615,246</b>	2,518,681
Telephone and postage	<b>383,088</b>	350,440
Insurance and risk management	<b>42,627</b>	41,903
Conferences and exhibitions	<b>157,078</b>	197,044
Training and health and safety	<b>283,806</b>	283,507
Inter-Board activities	<b>45,936</b>	45,936
Research and development	<b>4,864</b>	30,830
Substitute teachers	<b>2,385,186</b>	2,284,210
Minor fixed assets (under £1,500)	<b>4,993</b>	4,630
Bad debts provision	<b>(10,796)</b>	25,832
Bad debts written off	<b>3,414</b>	823
Profit or loss on disposal	<b>205</b>	(336)
Miscellaneous	<b>95,942</b>	127,294
	<b><u>17,582,255</u></b>	<b><u>17,637,719</u></b>

## 7 TANGIBLE ASSETS

	Computer Hardware	Computer Software	Office Furniture & Equipment	Plant & Machinery	TOTAL
	£	£	£	£	£
<b>VALUATION</b>					
At 1 April 2008	1,609,531	686,271	1,173,268	28,972	3,498,042
Indexation	(27,725)	(6,749)	44,143	(229)	9,440
Additions	207,562	4,208	125,099	460	337,329
Disposals	(13,115)				(13,115)
<b>At 31 March 2009</b>	<b>1,776,253</b>	<b>683,730</b>	<b>1,342,510</b>	<b>29,203</b>	<b>3,831,696</b>
<b>ACCUMULATED DEPRECIATION</b>					
At 1 April 2008	1,069,091	591,337	955,208	24,182	2,639,818
Indexation	(9,199)	(3,836)	35,703	(120)	22,548
Charge to income & expenditure	226,124	44,701	94,232	1,981	367,038
Depreciation eliminated on disposals	(12,908)				(12,908)
<b>At 31 March 2009</b>	<b>1,273,108</b>	<b>632,202</b>	<b>1,085,143</b>	<b>26,043</b>	<b>3,016,496</b>
<b>NET BOOK VALUE</b>					
At 31 March 2008	540,440	94,934	218,060	4,790	858,224
<b>At 31 March 2009</b>	<b>503,145</b>	<b>51,528</b>	<b>257,367</b>	<b>3,160</b>	<b>815,199</b>

Tangible fixed assets have been revalued at 31 March 2009 using the indices from the Office for National Statistics, and the overall deficit of £13,108 (2008: £26,293) after depreciation, was transferred to the revaluation reserve. All tangible assets were owned by CCEA at 31 March 2009.

<b>8 INTANGIBLE ASSETS</b>	<b>Software Licences £</b>
<b>VALUATION</b>	
At 1 April 2008	273,321
Additions	47,583
Indexation	(7,041)
<b>At 31 March 2009</b>	<b><u>313,863</u></b>
<b>ACCUMULATED AMORTISATION</b>	
At 1 April 2008	160,097
Indexation	(3,374)
Charge for year	57,047
<b>At 31 March 2009</b>	<b><u>213,770</u></b>
<b>NET BOOK VALUE</b>	
At 31 March 2008	<u>113,224</u>
<b>At 31 March 2009</b>	<b><u>100,093</u></b>

Intangible fixed assets have been revalued at 31 March 2009 using the indices from the Office for National Statistics and the overall deficit of £3,667 (2008 surplus of £4,678) after depreciation was transferred to the revaluation reserve. All intangible assets were owned by CCEA at 31 March 2009.

<b>9 OTHER FINANCE COSTS</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Expected loss/(return) on NILGOSC pension scheme assets	<u>101,000</u>	<u>(10,000)</u>
	<b><u>101,000</u></b>	<b><u>(10,000)</u></b>
<b>10 NOTIONAL COSTS</b>	<b>2009</b>	<b>2008</b>
		<i>as restated</i>
	<b>£</b>	<b>£</b>
Notional cost of capital	<u>(96,813)</u>	<u>(113,695)</u>
	<b><u>(96,813)</u></b>	<b><u>(113,695)</u></b>

<b>11 STOCK</b>	<b>2009</b>	2008
	<b>£</b>	£
Work in progress	-	1,331
Paper	<b>5,273</b>	11,446
Question papers	<b>42,318</b>	182,567
	<b>47,591</b>	195,344

The reduction in Question Paper stock relates to CCEA's decision to allow the public to download a wide range of past papers on-line without charge. This is in line with CCEA's strategic aim of delivering 95% of products and services electronically and ties in with the current transition to new GCE and GCSE specifications.

<b>12 DEBTORS DUE WITHIN ONE YEAR</b>	<b>2009</b>	2008
	<b>£</b>	£
Trade debtors	<b>726,197</b>	1,032,672
Other debtors	<b>4,382</b>	1,470
Prepayments and accrued income	<b>1,454,689</b>	1,725,501
	<b>2,185,268</b>	2,759,643

<b>13 CREDITORS FALLING DUE WITHIN ONE YEAR</b>	<b>2009</b>	2008
	<b>£</b>	£
Trade creditors	<b>2,604</b>	12,964
Taxes and social security	<b>159,640</b>	120,071
Other creditors	<b>25,519</b>	32,735
VAT	<b>6,337</b>	15,232
Accruals and deferred income	<b>1,197,321</b>	2,387,089
	<b>1,391,421</b>	2,568,091

<b>14 PROVISIONS FOR LIABILITIES AND CHARGES</b>	<b>2009</b>	2008
	<b>£</b>	<b>£</b>
<b>Pension provision</b>		
As at 1 April 2008	<b>759,000</b>	711,013
(Decrease)/increase in pension provision during year	<b>(26,000)</b>	47,987
Pension provision in respect of early departures at 31 March 2009	<b>733,000</b>	759,000
<b>Restructuring provision</b>		
As at 1 April 2008	<b>26,013</b>	300,000
Decrease in restructuring provision during year	<b>(10,772)</b>	(273,987)
Restructuring provision in respect of Education Services at 31 March 2009	<b>15,241</b>	26,013
<b>Pension provision for PRP</b>		
As at 1 April 2008	-	125,000
Decrease in provision during year	-	(125,000)
PRP Pension provision at 31 March 2009	-	-
<b>Total provisions for liabilities and charges</b>	<b>748,241</b>	785,013

**15 LEASE COMMITMENTS****OPERATING LEASES**

At 31 March 2009, annual commitments under non-cancellable operating leases were as follows:

	<b>2009</b>	2008
	<b>£</b>	<b>£</b>
Operating leases which expire:		
Within one year	<b>55,677</b>	108,841
Within two to five years	<b>19,925</b>	18,561
	<b>75,602</b>	127,402
	<b>2009</b>	2008
	<b>£</b>	<b>£</b>
Property leases which expire:		
Within one year	-	-
Within two to five years	<b>301,550</b>	287,640
More than five years	<b>660,218</b>	670,925
	<b>961,768</b>	958,565

<b>16 DEPARTMENT OF EDUCATION GRANT-IN-AID</b>	<b>2009</b>	2008
	<b>£</b>	£
Salaries grant-in-aid (DE Vote 1)	<b>12,324,000</b>	11,759,453
Recurrent grant-in-aid (DE Vote 1)	<b>7,857,975</b>	7,558,842
Substitute teachers grant-in-aid	<b>1,873,025</b>	2,090,705
	<b>22,055,000</b>	21,409,000
Capital grant-in-aid (DE Vote1)	<b>384,989</b>	494,947
	<b>22,439,989</b>	21,903,947

<b>17 CAPITAL ACCOUNT – DE</b>	<b>2009</b>	2008
	<b>£</b>	£
At 1 April 2008	<b>37,030</b>	36,593
Capital grant account (DENI Vote 1)	<b>384,989</b>	494,947
	<b>422,019</b>	531,540
Transfer to general fund reserve – DENI	<b>(422,019)</b>	(494,510)
<b>At 31 March 2009</b>	<b>-</b>	37,030

To assist in the process of incorporation of the education bodies into ESA, DENI recommended that the capital balance be transferred to the general fund in 2008–09.

<b>18 REVALUATION RESERVE</b>	<b>2009</b>	2008
	<b>£</b>	£
At 1 April 2008	<b>(122,707)</b>	(101,092)
Indexation	<b>(16,776)</b>	(21,615)
<b>At 31 March 2009</b>	<b>(139,483)</b>	(122,707)

<b>19 GENERAL FUND</b>	<b>2009</b>	2008 as restated
	<b>£</b>	£
At 1 April 2008 as previously stated	<b>(1,358,759)</b>	(4,987,899)
Prior year adjustment–change in FRS 17 valuation	<b>-</b>	(80,551)
At 1 April 2008	<b>(1,358,759)</b>	(5,068,450)
Operating cost for the year	<b>(21,434,505)</b>	(21,676,805)
Actuarial (loss)/gain	<b>(3,632,000)</b>	3,482,986
Movement in revenue grant-in-aid to general reserves	<b>22,055,000</b>	21,409,000
Movement in capital grant-in-aid to general reserves	<b>384,989</b>	494,510
Transfer of capital account balance to general reserves	<b>37,030</b>	-
Total movement in general reserve	<b>(2,589,486)</b>	3,709,691
<b>At 31 March 2009</b>	<b>(3,948,246)</b>	(1,358,759)

## 20 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 31 March 2009, amounts contracted for but not provided in the financial statements amounted to £20,720 (2008 - £12,877).

## 21 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.

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

## 22 SEGMENTAL INFORMATION

The Accounts Direction for the organisation requires CCEA to disclose appropriate segmental information on its services. For the year 2008-09, CCEA has calculated that, for its major services, the estimated full economic costs as offset by DE grants, income from examinations and income from other activities were as follows:

	<b>2009</b>
	£000's
Curriculum Services	7,094
Examination Services	19,633
Assessment Services	2,245
Regulatory Services	1,595
	<u>30,567</u>
Examinations income	7,987
Income from other activities	1,146
Other finance Income	-
	<u><u>21,434</u></u>

## 23 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.

## Appendix 1: Accounts Direction

### NORTHERN IRELAND COUNCIL FOR THE CURRICULUM, EXAMINATIONS AND ASSESSMENT

#### MANAGEMENT STATEMENT

#### 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 2009 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 2009 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; and
  - 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 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 16 June 2008.

#### Date of Submission

The accounts shall be submitted to the Department and the Comptroller and Auditor General by 15 May 2009.

Signed by authority of the Department of Education

.....  


Dated .....  ..... 2009

## **Appendix 2: Application of the Accounting and Disclosure Requirements**

### **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 financial summary.
- 3 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".
- 4 CCEA is not required to provide the additional information required by paragraph (33(3) of schedule 4 to the Companies (NI) Order).
- 5 The foreword and balance sheet shall be signed by the Accounting Officer and dated.

##### **Accounting Standards**

- 6 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 (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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