

SCHOOL STANDARDS AND FRAMEWORK ACT 1998

Account, prepared pursuant to Schedule 1, para 7(1) of the School Standards and Framework Act 1998, of the Bristol Education Action Zone for the period ended 16 April 2005, together with the Comptroller and Auditor General's Certificate and Report thereon. (In continuation of House of Commons Paper No. 14 of 2005-2006)

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

Bristol Education Action Zone Account 1 April 2004 to 16 April 2005

ORDERED BY THE HOUSE OF COMMONS TO BE PRINTED 19 JULY 2005

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Contents

	Page
Legal and Administrative Information	2
Report of the Trustees	3
Statement on Internal Control	11
Statement of Trustees' responsibilities	13
The Certificate and Report of the Comptroller and Auditor General	14
Statement of Financial Activities	16
Income and Expenditure Account	17
Balance Sheet	18
Cash Flow Statement	19
Notes to the Financial Statements	20
Accounts Direction	31

Legal and Administrative Information

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Bev Knott
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Ron Ritchie
Peter Scholey
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Mukhtar Younis

Executive Committee

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Simon Bale
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Hester Cockroft
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Report of the Trustees

The Trustees present their report and the audited financial statements for the period ended 16 April 2005.

Constitution and principal activities

Forum

The Bristol Education Action Forum is a corporate body and exempt charity established on 17 April 2000 under the 1998 School Standards and Framework Act. The Forum does not have a share capital. This Act and its associated regulations are the primary governing documents of the Forum. The Statutory Instrument of the Forum has been changed over the course of the year. Trustees of the Forum are nominated under the following categories

- one or two Trustees from each Zone school (categories 4a, 5a, 5b);
- one or two Trustees appointed by the Secretary of State (4b);
- five Trustees nominated by partners – three from Bristol City Council, one from HSBC, one from the Arts Council of England (4c);
- up to six members to represent local businesses (5c);
- up to three members to represent local arts organisations (5d);
- one member nominated by the Education Joint Consultative Committee of Bristol City Council, or by any successor body (5e);
- up to six members to represent local community based groups (5f);
- up to six members to represent local regeneration groups (5g);
- two members to represent organisations supporting Black or Minority Ethnic Groups (5h);
- one member to represent higher education institutions (5i);
- one person nominated by Connexions (5j); and
- up to five members who appear to Forum to represent the interests of local ethnic minority groups who would otherwise be under represented on the Forum (5k).

Activities

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

In accordance with the Act the Forum has adopted an 'Action Plan' approved by the Secretary of State for Education and Skills. The Action Plan specifies the Zone vision, desired pupil outcomes and strategies to achieve those outcomes.

The Zone vision is to achieve improvement through developing inclusive and innovative approaches to the learning experience, working in partnership with local business and community groups.

The Zone aims to achieve pupil outcomes in three areas

- | | |
|----------------------|---|
| Achievement | ■ high attainment, with Minority Ethnic pupils attaining as well as White UK. |
| Learning Skills | ■ independent, collaborative, purposeful and reflective learners, aware of preferred learning styles. |
| Emotional Well Being | ■ confident and secure pupils with pride in themselves and their identity and awareness and respect for others. |

There are three strategy areas through which we address the key aims of the Zone

Leadership	Develop confident, empowered leaders with the skills, vision and knowledge to inspire and effectively support staff and run high achieving schools.
Teaching and Learning	Support school staff in developing and implementing a more appropriate curriculum and new skills and strategies that engage pupils more effectively in their own learning and personal development.
Partnerships	Develop partnerships with parents and the wider community to develop understanding and commitment to work with schools and each other to boost children's learning and attainment.

Within the three strategy areas, there are 11 themes and 23 programmes, covering support for senior management in schools, the learning ethos of the school, teaching methodology, use of new technologies, a creative and integrated approach to the curriculum, development work with parents, employee volunteering schemes run with local businesses and exciting cross Zone challenges.

Strategy	Theme	Programme	
Leadership	Leadership Skills	1 Positive Change Management	
		2 Individual coaching	
	Best Practice	3 Strategic planning	
		4 Learning Sets	
		5 Data use and evaluation	
	Anti Racist Ethos	6 Raising ME Attainment	
Teaching & Learning	Personal and Learning Skills	7 Thinking Skills and Building Learning Power	
		8 Emotional Literacy	
		9 Mediation and aspiration	
		10 Inclusion Workers	
		11 KS4 Mentors	
		12 Behaviour and Learning	
	Curriculum	13 Integrated Curriculum	
		14 Transition	
		15 Out of School Hours Activities	
	Literacy	16 Reading Interventions	
		17 Reading Buddies	
	ICT	18 ICT across curriculum	
	Partnerships	Parents	19 Engagement and Learning
		Arts	20 Residencies and Celebrations
		Community	21 Capacity building
			22 Supplementary Schools
		Business	23 Widening Horizons

Future prospects

Under the School Standards and Framework Act the Education Action Zone was given a statutory life of no more than five years. As this period was completed on 16 April 2005 the Secretary of State for Education has passed an order closing the Zone with effect from this date.

Going concern

In view of the cessation of the Zone's activities on 16 April 2005 the Trustees no longer consider the preparation of the financial statements on a going concern basis to be appropriate. Upon closure the Zone's assets and liabilities have been transferred to Zone schools at net book value. No adjustments have been necessary to the net book value of assets held immediately prior to closure.

Organisation and objectives

The sole activity of the Forum is the operation of the Bristol Education Action Zone. The Forum is supported in the implementation of the Action Plan by an Executive Committee, and by a Finance Committee. Both these committees report to the Forum at each full Forum meeting. Forum members may also join one of four Focus Groups: Teaching and Learning, Engagement and Inclusion, Arts and Raising Minority Ethnic Attainment.

The operational management structure of the EAZ consists of a Project Director, the Teaching and Learning Team Leader and the Engagement and Inclusion Team Leader. These three posts constitute the EAZ Leadership Team, which reports to the Forum. Their aim is to provide leadership and direction, support staff, involve Schools, Community and Business Partners and encourage involvement in decision making at all levels.

The present Trustees of the EAZ are set out on page 2. All the Trustees served throughout the period with the following exceptions

Resignations

H Emery	30 April 2004
S Danvers, N McAllister, J Timlin	11 May 2004
J Fennell	16 July 2004
K Judge	30 September 2004
L Rodriguez	7 February 2005

Appointments

J Palmer, P Scholey	29 April 2004
M Younis	19 May 2004
N Clough	5 October 2005

The present Executive Committee is set out on page 2. All the Executive Committee members served throughout the period with the following exceptions

Appointments

P Scholey	29 April 2004
M Younis	19 May 2004

Developments, activities and achievements

The Forum is in its final period of operation. It is pleasing to note that there has been an impact on attainment for pupils in Zone schools, judging by progress made between results in 2000 (the baseline) and results in 2004 (the final year for which results are available).

- At Key Stage(KS) 2 Results have risen in English by 5%, in Maths by 3%, and in Science by 2%;
- at KS3 Results have risen in English by 20%, in Maths by 15 %, and in Science by 12%; and
- at KS4 the percentage of pupils attaining 5 A*-C grades at GCSE has risen by 11%.

Recent Ofsted and HMI reports, which give an expert external view of schools, have all been very positive, showing significant improvements since the last inspection. They report on a high proportion of good and very good teaching; improved attitudes to learning; a much more rigorous approach to data use and target setting; good behaviour, high expectations, a positive ethos, and very good pupil-teacher relationships; effective headteachers, providing clear direction and vision and good relationships with parents and the community.

During the past twelve months of operation the Forum has

- completed training programmes for a second cohort of Zone schools in the Building Learning Power programme and supported schools in implementing Building Learning Power strategies both within the classroom and on a whole school basis;
- worked with the University of the West of England to evaluate the impact of the Building Learning Power programme, with a final evaluation report in March 2005;
- provided training in coaching skills for teachers in schools involved in the Building Learning Power project in order to further support the development of appropriate teaching strategies in the classroom;
- provided information and training about Building Learning Power and other approaches to learning to parents in Zone schools, partner organisations and the Ethnic Minority Achievement Service of the Local Education Authority;
- provided training for Zone staff, Headteachers and specified teachers to be Building Learning Power trainers;
- disseminated learning about Building Learning Power beyond Bristol at conferences and workshops;
- worked with a training organisation, TLO, to develop an assessment tool for measuring pupils' progress in the acquisition of learning dispositions;
- provided individual coaching to support Headteachers in their management of the processes of change, both as individuals and as leaders of complex organisations;
- provided training in coaching skills for Headteachers so that they can use coaching to enhance the management and ethos of their schools;
- provided whole school training for staff in schools for whom the management of change was a priority;
- developed a web based resource sharing tool for teachers to share best practices, resources, lesson plans and ideas in relation to work with pupils from Black or Minority Ethnic backgrounds, the Integrated Curriculum and Building Learning Power;
- provided training for teachers and ICT co-ordinators in the use of ICT resources and software;
- provided support for Headteachers and staff in the process of tracking the progress of individual pupils and the setting of appropriate challenging targets for attainment;
- provided honoraria and training for School Race Equality Co-ordinators and support for them in implementing Race Equality Policies and Action Plans;
- set up three Education Advisory Groups with the Somali, South Asian and Afrikan Caribbean communities and established a process by which these groups can continue to be supported after the end of the statutory Zone;
- organised a major community conference on issues relating to the attainment of Black and Minority Ethnic Children in partnership with Barnardo's;
- partnered the LEA Inclusion team in the organisation of a conference for the parents of Black and Minority children in order to improve their engagement in education;
- organised a series of arts projects in individual schools for Black History Month in October 2004 and raised additional external funding to enable them to take place;
- maintained and built on partnerships with arts organisations in the city and developed the way in which arts projects in schools have become interwoven with other curriculum and development areas to be more holistic and have more impact;
- developed the 'Imagination at Play' project in four schools with particular needs, training lunch time and support staff and developing their skills so that they become more confident and knowledgeable in the interactions they have with pupils and pupils have a more enriching experience when they are out of class;
- worked with GE Capita to secure further funding for the 'Imagination at Play' project in order to link it more closely with pupils' progress in learning and to create a template for rolling the project out beyond the EAZ after March 2005;

- increased young people's interest and engagement in Maths through the highly successful Maths Challenge, delivered in partnership with Clerical Medical Investment Group, ST Microelectronics, @t Bristol, the Bristol Evening Post and local City Learning Centres;
- provided support and supervision for Zone teachers to complete their Best Practice Scholarship Research;
- further developed our successful Peer Mediation and Emotional Literacy schemes, with training for pupils and school staff;
- maintained and developed employee volunteering schemes, in particular Reading Buddies in primary schools, Number Partners in both primary and secondary schools and Mentors for Key Stage 4 pupils;
- initiated a new scheme for supporting the development of ICT in nursery schools, working with volunteers from GE Capital;
- continued to work with regeneration agencies as appropriate, including Neighbourhood Renewal groups in Central Bristol and with Community at Heart in the New Deal area;
- worked with the University of the West of England to develop a training scheme to build the professional skills of Somali people working as volunteer teachers and classroom helpers at the Amana Supplementary school in order to further support their children through the educational process and to build the chances of their being able to continue this in a sustainable way after the end of the Zone;
- continued our partnership work with approximately forty businesses in the city, with our successful Business Support Group at which we seek to highlight educational issues and engage business partners in activities to benefit young people;
- secured a method of continuing funding for business education activities after the end of the Zone, from the end of March 2005;
- worked with parent groups in schools throughout the Action Zone area to build parental understanding of the educational process, enrich the dialogue between parents and schools and support parental engagement with schools;
- commissioned a full evaluation of the work of the parent co-ordinators in the Community at Heart area and enacted recommendations of the report in order to make our work more effective;
- commissioned a further evaluation of work of parent co-ordinators in the other areas of the Zone in order to learn from our experience and create a legacy of information which can be used by others working in this area;
- produced a welcome pack for parents of children entering schools in the area;
- worked with schools to support their fund raising for work with parents and the community;
- organised and/or supported a range of out of school activities for pupils and parents to enrich their learning opportunities;
- organised and/or supported a range of celebratory events to reflect on the key learning over the life of the Zone;
- raised funding to carry on the work of parent co-ordinators in schools in the Community at Heart area and in the schools furthest from the floor targets in the Ashley, Lawrence Hill and Easton Neighbourhood Renewal areas;
- continued to provide support for pupils at risk of exclusion in both the secondary schools in the Zone and ensured the continuation of this work in one of the secondary schools after the end of the Zone;
- organised and ran a transition summer school for new entrants to the City Academy during the course of the 2004 summer holidays; and
- provided funding for Reading Interventions at primary schools and worked in collaboration with the University of Bristol on an innovative programme to pilot and research a way of working with parents of reception class pupils with very low literacy skills.

Operating and financial review

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

The EAZ core income is obtained from the Department for Education and Skills in the form of recurrent grants the use of which is restricted to particular purposes. The grants received during 2004-2005 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During 2004-2005 the EAZ benefited once again from generous support from its business partners. Amongst them, the EAZ is particularly grateful to the GE Foundation for their most generous support of 'Imagination at Play'; to Clerical Medical Investment Group, who supported the Maths Challenge (through the HBOS Community Foundation), to ST MicroElectronics (who also supported the Maths Challenge) and to HSBC Bank plc, and Solomon Hare LLP for their continuing management support and expertise. Zone schools also receive invaluable support from the hundreds of individual employees who give so generously of their time and energy to the mentoring, reading buddy and number partner programmes. A substantial grant from the Esmee Fairbairn Foundation has part funded the Building Learning Power programme. All business and private donations have been given to the EAZ to assist it to achieve its Action Plan and have been fully expended, with the exception of the grant from the HBOS Community Foundation, which is funding programmes which will continue in 2005-2006.

During 2004-2005 the EAZ also received other restricted grants from the DfES and other Government Departments and public bodies, the details of which are in notes 3, 4 and 5. These donations have been given to the EAZ to assist it to achieve its Action Plan and have been fully expended.

Expenditure for the period was covered by grants from the DfES and other income and the excess of resources expended over resources incoming for the 12 months was £154,279.49.

At 16 April 2005 the net book value of fixed assets was nil and movements in tangible fixed assets are shown in note 13 to the financial statements.

Fund review

When the Zone ceased to operate on 16 April 2005 its fund balances were nil. Fund balances prior to this date were utilised in fulfilment of the Zone's objectives. Immediately prior to cessation £1,780 was transferred to Bristol City Council LEA, which has been nominated as successor body committed to overseeing any outstanding matters.

Connected organisations

The EAZ is working closely with its partnership schools and with the six nursery schools within the EAZ to achieve the Forum's objectives. Headteachers have regular meetings. During 2004-2005 Headteachers met six times to review progress against the Action Plan, to plan the programme for the next year, and to plan the transformation of the Zone into the EiC Action Zone. Headteachers from three schools which will be part of the EiC Action Zone have been invited to these meetings in order to increase the cohesiveness of this future cluster and the long term sustainability of current Zone programmes for pupils in the area we serve.

The schools named in the statutory instrument are

Secondary Schools	Post Code	DfES No.
City Academy, Bristol	BS5 9JG	8014104
Fairfield High School	BS6 5JW	8014101
Special School		
Bristol Gateway Special School	BS2 9UR	8017001
Primary Schools		
Barton Hill Infant and Nursery School	BS5 9TX	8012342
Barton Hill Primary School	BS2 9TX	8012145
Cabot Primary School	BS2 9JE	8012139
Bannerman Road Primary School	BS5 0HR	8012009
Easton CE Primary School	BS5 0HR	8013301
Hannah More Primary School	BS2 0LT	8012299
Millpond Primary School	BS5 OYR	8012336
Sefton Park Junior School	BS7 9BJ	8012074
Sefton Park Infants School	BS7 9BJ	8012073
St Barnabas CE Primary School	BS6 5LQ	8013010
St Werburgh's Primary School	BS2 9UH	8012019
St Nicholas of Tolentine RC Primary School	BS2 0TJ	8013408
Whitehall Primary School	BS5 9AT	8012328
St Michael-On-The-Mount CE Primary School	BS2 8BE	8013018

The Nursery Schools working in partnership with the EAZ are

- Cashmore Nursery;
- Rosemary Nursery;
- Springwoods Nursery;
- St James & St Agnes Nursery;
- St Werburgh's Park Nursery; and
- The Limes Nursery.

The schools which will be part of the EiCAZ, who have worked in partnership with this Zone during 2004-2005 are

- Glenfrome Primary School;
- May Park Primary School; and
- Whitefield Fishponds Community School.

The Forum has contracted with Bristol City Council to provide payroll and personnel services for a number of years. In September 2004, the Payroll Services were moved to Solomon Hare LLP in consideration of the need for accuracy and speed of response in the final period of the EAZ.

Disabled persons

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

Post balance sheet events

The Zone ceased all activities at the end of its statutory life on 16 April 2005. At this date it transformed into the Bristol Excellence in Cities Action Zone. Expenditure for the period ended 16 April 2005 included redundancy costs of £35,256 relating to six members of staff, and early retirement benefit costs of £61,047 due to redundancy, relating to two members of staff.

Reserves policy

The Forum cannot build up restricted reserves of DfES grant as the Department requires that this grant should be applied in the year in which it is received. Where the Forum has earned unrestricted income (e.g. bank interest) it is the Forum's policy to apply these reserves to its management and administration programme. The EAZ has used the DfES grant and other restricted balances carried forward at 31 March 2004 to implement the 2004-2005 Action Plan.

Transformation

Under the 1998 School Standards and Framework Act the Education Action Zone was given a statutory life of no more than five years. This period was completed on 16 April 2005, at which point the Zone will transform into an Excellence in Cities Action Zone. Trustees of the Zone and Headteachers have worked closely with Excellence in Cities and with Bristol Local Education Authority throughout 2003-2005 to draw up a Transformation Action Plan and operational plans to ensure a smooth transition to the new body. The Transformation Action Plan has been approved by the DfES. A Lead Headteacher has been seconded from an EAZ school to lead the new cluster.

Risk management

In the summer of 2004 the Trustees carried out a detailed review of the charity's activities and produced a comprehensive strategic plan setting out the major opportunities available to the charity and the risks to which it is exposed. This identified four key risks facing the charity in the final period. Two related primarily to strategic areas and two to Human Resources areas. A plan was produced to put in place actions to mitigate the risks. The Trustees have monitored the implementation of the plan, which has had a positive effect on the way in which the staff and Trustees have faced the winding up process.

Statement on Internal Control

a Maintenance of internal controls

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

The system of internal control established by the Forum is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system is based on an ongoing process designed to identify the principal risks to the achievement of Forum policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically.

The process has been in place for the period ended 16 April 2005 and up to the date of approval of the annual report and financial statements and accords with Treasury guidance.

As the Forum ceased on 16 April 2005 the system of internal control reflected the requirement to identify, evaluate and mitigate the principal risks associated with closure, including

- 1 partners do not own projects until too late to sustain work;
- 2 demand for services is not supported by donations or other income;
- 3 Trustees may leave the Zone during the final year; and
- 4 loss of staff and difficulty in recruitment.

b Review of controls

As Trustees, we also have responsibility for reviewing the effectiveness of the system of internal control. In 2004-2005 the Forum has established the following processes

- identification of the Forum's objectives and key risks;
- implementation of planned actions previously to mitigate identified risks including issuing new staff contracts in April 2004 ;
- a specific new risk assessment focusing on the risks associated with transformation (see above); and
- the establishment of systems and procedures to mitigate the risks identified above, and the implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

This has included

- in Service days for staff to further develop the strength of the team and the capacity to work to support each other in times of uncertainty and change;
- allocating a half day a month for staff professional development;
- supporting staff professional preparation for ongoing employment;
- agreeing and implementing a redeployment process with Bristol City Council;
- focusing on sustainability of projects in discussions with Headteachers;
- involving a range of partners and trustees in discussions about how to sustain the work of the Zone and leave a lasting legacy;

- establishing funding sources for aspects of our activities so that they can be maintained through different employing bodies after the end of the EAZ;
- establishing a web based resource sharing tool which can be used by teachers after the end of the EAZ;
- commissioning and carrying out evaluation of some aspects of our work so that lessons can be disseminated to help future work in these areas to have a greater impact and to be cost effective;
- completing a video to publicise the way that local businesses have worked with schools to benefit pupils;
- maintaining frequent contact with Trustees in which we explicitly value their contribution to the work of the EAZ;
- choosing Forum venues and agendas to seek to further engage Trustees in our work;
- obtaining the agreement of the DfES to appropriate bonus payments for employees staying with the Zone to the end of March 2005;
- using networks and employment agencies to ensure that we have the staff we need to deliver the objectives to the end of the life of the Zone;
- monitoring progress against the strategic objectives set out in the Risk Management Action Plan at Trustees' meetings; and
- the allocation of risk ownership to Zone staff and Trustees.

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

- the adoption of a Zone specific Health and Safety policy; and
- continued provision for professional development and training.

Our review of the effectiveness of the system of internal control is informed by comments made by the external auditors in their management letter and other reports.

Statement of Trustees' responsibilities for the Financial Statements

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

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

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

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

Auditors

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

Approval

The report of the Trustees was approved on 8 March 2005 and signed on its behalf by

Malcolm Broad
Chairman

14 July 2005

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

I certify that I have audited the financial statements on pages 16 to 30 under the School Standards and Framework Act 1998. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 20 to 21.

Respective responsibilities of the Trustees and Auditor

As described on page 13 the Trustees are responsible for the preparation of the financial statements and for ensuring the regularity of financial transactions. The Trustees are also responsible for the preparation of the Trustees' Annual Report. My responsibilities, as independent auditor, are established by statute and guided by the Auditing Practices Board and the auditing profession's ethical guidance.

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

I review whether the statement on pages 11 and 12 reflects the Forum's compliance with HM Treasury's guidance 'Corporate governance: statement on the system of internal control'. I report if it does not meet the requirements specified by the Treasury, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered whether the Forum's Statement on Internal Control covers all risks and controls. I am also not required to form an opinion on the effectiveness of the Zone's corporate governance procedures or its risk and control procedures.

Basis of audit opinion

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

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

Following the passing of the Bristol Education Action Zone (Dissolution) Order 2005, the Zone ceased to exist with effect from 16 April 2005. Accordingly, as explained in the Trustees' report and note 1 to the financial statements, the financial statements have been prepared on the basis that the Zone is no longer a going concern. My opinion is not qualified in this respect.

Opinion

In my opinion

- the financial statements give a true and fair view of the state of affairs of the Bristol EAZ at 16 April 2005 and of its incoming resources, application of resources and cash flows for the year then ended and have been properly prepared in accordance with the School Standards and Framework Act 1998 and directions made thereunder by the Secretary of State for Education and Skills; and
- in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.

John Bourn
Comptroller and Auditor General

15 July 2005

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Statement of Financial Activities for the period ended 16 April 2005

	Notes	Unrestricted funds £000	DfES £000	Restricted funds Other £000	Fixed assets £000	Total 2004-2005 £000	Total 2003-2004 £000
Incoming resources							
DfES grants receivable	2, 3	0	1,018	0	0	1,018	858
Other government grants	4	0	0	358	0	358	428
Private sector contributions	5	8	0	301	0	309	336
Public sector contributions	5	0	0	22	0	22	16
Other income	6	15	0	0	0	15	7
Total incoming resources		23	1,018	681	0	1,722	1,645
Resources expended							
Costs of generating funds	7	0	4	0	0	4	3
Net incoming resources for charitable application		23	1,014	681	0	1,718	1,642
Charitable expenditure							
<i>Costs in furtherance of charitable objectives</i>							
Provision of education	7	0	299	92	0	391	504
Education support costs	7	8	542	513	0	1,063	736
Grants payable	7	0	60	60	0	120	196
Management and administration	7	15	78	56	0	149	116
Total charitable expenditure		23	979	721	0	1,723	1,552
Unspent funds transferred to ABLAZE	7, 21	0	0	50	0	50	0
Costs of termination of operations	7, 9	0	99	0	0	99	0
Total resources expended		23	1,082	771	0	1,876	1,555
Net incoming/(outgoing) resources before transfers		0	(64)	(90)	0	(154)	90
Transfers between funds		0	0	0	0	0	0
Net movement in funds		0	(64)	(90)	0	(154)	90
Fund balances brought forward at 1 April 2004		0	64	90	0	154	64
Fund balances carried forward at 16 April 2005	17, 18	0	0	0	0	0	154

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

All items dealt with in arriving at the Net Movement in Funds for 2004-2005 relate to discontinued activities.

Further analysis of the income and expenditure for the period is shown on page 17 and the overall financial position at the period end is summarised in the balance sheet on page 18.

The notes on pages 20 to 30 form part of these financial statements.

Income and Expenditure Account for the period ended 16 April 2005

	Notes	2004-2005 £000	2003-2004 £000
Income			
DfES EAZ recurrent grant	2	997	840
Other DfES grants	3	21	18
Other government grants	4	358	428
Private sector contributions	5	309	336
Public sector contributions	5	22	16
Other income	6	15	7
Total income		1,722	1,645
Charitable expenditure			
DfES EAZ grant expenditure	7	997	816
Other DfES grant expenditure	7	21	18
Other government grant expenditure	7	358	417
Depreciation	7	0	1
Other expenditure	7	347	300
Total charitable expenditure		1,723	1,552
Costs of generating funds	7	4	3
Unspent funds transferred to ABLAZE	21	50	0
Costs of termination of operations	9	99	0
Total resources expended	7	1,876	1,555
Excess of income over expenditure		(154)	90
Net transfers to/from funds			
DfES EAZ fund	17	(64)	24
Other restricted funds	17	(90)	66
Unrestricted funds	18	0	0
Net movement in funds		(154)	90

The Income and Expenditure account is derived from the Statement of Financial Activities on page 16 which, together with the notes to the financial statements on pages 20 to 30 provide full information on the movements during the year on all the funds of the Forum.

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

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

The notes on pages 20 to 30 form part of these financial statements.

Balance Sheet as at 16 April 2005

	Notes	16 April 2005 £000	31 March 2004 £000
Fixed assets			
Tangible assets	13	<u>0</u>	<u>0</u>
		0	0
Current assets			
Debtors	14	<u>0</u>	100
Cash at bank and in hand		<u>0</u>	<u>195</u>
		0	295
Creditors: amounts falling due within one year	15	<u>0</u>	<u>141</u>
Net current assets		0	154
Net assets		0	154
Funds			
Restricted funds	17	<u>0</u>	154
Unrestricted funds	18	<u>0</u>	<u>0</u>
		<u>0</u>	<u>154</u>

The financial statements were approved by the Forum on 14 July 2005 and signed on its behalf by

Malcolm Broad
Chairman

The notes on pages 20 to 30 form part of these financial statements.

Cash Flow Statement for the period ended 16 April 2005

	Notes	2004-2005 £000	2003-2004 £000
Operating activities			
<i>Receipts</i>			
Recurrent EAZ grant received from DfES	2	904	840
Other grant from DfES	3	21	17
Other government grants	4	358	401
Private sector sponsorship	5	94	100
Public sector sponsorship	5	6	4
Other receipts	6	8	7
		<u>1,391</u>	<u>1,369</u>
<i>Payments</i>			
Staff costs		748	790
Other cash payments		845	626
Net cash inflow/(outflow) from operating activities	22	<u>(202)</u>	<u>(47)</u>
Returns on investments and servicing of finance			
Interest received	6	7	3
Interest paid		0	0
		<u>7</u>	<u>3</u>
Capital expenditure			
Purchase of tangible fixed assets		0	0
Receipts from sale of tangible fixed assets		0	0
Transfer of tangible fixed assets to schools		0	0
		<u>0</u>	<u>0</u>
Financing			
Deferred grant received		0	0
		<u>0</u>	<u>0</u>
Increase/(decrease) in cash in the year		<u>(195)</u>	<u>(44)</u>

The notes on pages 20 to 30 form part of these financial statements.

Notes to the Financial Statements

1 Accounting policies

Format of financial statements

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

Basis of accounting

The financial statements have been prepared under the historic cost convention.

The Forum came to the end of its statutory five year life on 16 April 2005. The Trustees therefore consider it inappropriate to prepare the financial statements on a going concern basis and have reflected this in drawing up the financial statements.

Recognition of income

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

Contributions in Kind

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

Grants receivable

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

Management and administration

Management and administration costs include expenditure on the administration of the charity and compliance with constitutional and statutory requirements.

Allocation of cost between direct provision of education and other expenditure

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

Cost category

Staff costs

Premises and other support costs

Basis of apportionment

Time spent

Number of staff working within strand expressed as full-time equivalents

Tangible fixed assets

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

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

Where assets are purchased for use by Zone schools, ownership of the asset will pass to the school on satisfactory evaluation of its use.

Depreciation

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

Computer equipment and software	25%
---------------------------------	-----

Leased assets

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

Resources expended

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

Funds structure

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

Taxation

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

Pensions

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

The Education Action Zone participates in the Avon Pension Fund and the Teachers' Pension Scheme. These are both final salary schemes providing former employees with defined benefits based on final pensionable pay and length of service. Full details of both schemes are provided in Note 16.

2 DfES EAZ grant

	2004-2005 £000	2003-2004 £000
DfES grant received in year	997	840
Carry over from previous year	64	40
<i>Less</i>		
Amounts due from DfES	0	0
Amount used to purchase fixed assets	0	0
Total grant available to spend	1,061	880
Spent in the year	1,061	816
Underspent grant	0	64
Excess grant to surrender	0	0

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

3 Other DfES grants

	2004-2005 £000	2003-2004 £000
Gifted and Talented Summer Schools	5	9
Literacy Easter School	0	2
Threshold Awards	12	6
Innovations Unit	4	1
	21	18

4 Other government grants

	2004-2005 £000	2003-2004 £000
Single Regeneration Budget	98	76
Community at Heart	94	74
New Opportunities Fund	60	99
European Regional Development Fund - Objective 2	60	48
Neighbourhood Renewal Fund - Ashley Ward	18	44
Neighbourhood Renewal Fund - Easton	16	55
Excellence in Cities	10	5
Behaviour and Learning Improvement Project	2	21
Sure Start	0	6
	358	428

5 Business contributions

	Cash	In Kind	Total	Total
	£000	£000	2004-2005	2003-2004
			£000	£000
Private sector contributions				
Clerical Medical Investment Group	50	6	56	5
The GE Foundation	26	27	53	49
Bristol Rotary Club	0	31	31	14
Reading Buddies	0	27	27	14
Bristol Evening Post	0	27	27	22
Mentors	0	20	20	34
HSBC Bank plc	0	15	15	14
Multi-A	0	14	14	11
Greater Bristol Foundation	8	0	8	0
Rolls Royce	0	8	8	9
Business Support Group	0	7	7	10
Number Partners	0	7	7	5
Hyder Consulting	0	7	7	14
ST Microelectronics	5	0	5	0
Atkins Highways and Transportation	0	5	5	4
St George's Bristol	0	4	4	0
Maths Challenge	0	3	3	0
The Esmee Fairbairn Foundation	3	0	3	27
East Bristol Enterprises	0	2	2	0
Ernest Cook Trust	1	0	1	0
The Morel Trust	1	0	1	0
Inland Revenue	0	1	1	0
HTV	0	1	1	0
Solomon Hare LLP	0	1	1	1
C Lindup	0	1	1	3
Institute of Physics Publishing	0	1	1	12
HBOS Community Foundation	0	0	0	20
Airbus UK	0	0	0	17
BBC	0	0	0	10
@ Bristol	0	0	0	8
University of Bristol	0	0	0	6
Asdan	0	0	0	5
Business in the Community	0	0	0	5
WH Smith	0	0	0	4
GWR FM	0	0	0	4
Unum Provident	0	0	0	2
Picador Design Consultant	0	0	0	1
The City Academy	0	0	0	1
Other private sector bodies	0	0	0	5
	<u>94</u>	<u>215</u>	<u>309</u>	<u>336</u>
Public sector contributions				
Mentors	0	15	15	8
Primary Aim Higher	5	0	5	0
Business Support Group	0	1	1	2
Bristol City Council	1	0	1	0
Arts Council of England	0	0	0	3
Avon and Somerset Police Community Trust	0	0	0	1
Connexions	0	0	0	1
Reading Buddies	0	0	0	1
	<u>100</u>	<u>231</u>	<u>331</u>	<u>352</u>

6 Other income

	2004-2005 £000	2003-2004 £000
Interest receivable	7	3
Tax reclaimed on bank interest	0	1
Sundry income	8	3
	15	7

7 Total resources expended

	Staff costs £000	Depreciation £000	Other costs £000	Total 2004-2005 £000	Total 2003-2004 £000
Direct provision of education	239	0	152	391	504
Education support costs	450	0	613	1,063	736
Grants payable*	0	0	120	120	196
Management and administration	78	0	71	149	116
Costs of generating funds	0	0	4	4	3
Costs of termination of operations	96	0	3	99	0
Transfer to charitable trust	0	0	50	50	0
	863	0	1,013	1,876	1,555
Of which					
DfES grant expenditure	558	0	439	997	816
Other DfES grant expenditure	0	0	21	21	18
Other government grant expenditure	209	0	149	358	417
Depreciation	0	0	0	0	1
Other expenditure	0	0	347	347	300
Costs of generating funds	0	0	4	4	3
Costs of termination of operations	96	0	3	99	0
Unspent funds transferred to ABLAZE	0	0	50	50	0
	863	0	1,013	1,876	1,555

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

	Programmes				Total £000
	Leadership £000	Teaching and learning £000	Partnerships £000	Out of hours activities £000	
Bannerman Road Primary School	2	6	0	9	17
Barton Hill Infant & Nursery School	2	1	0	1	4
Barton Hill Primary School	2	0	0	1	3
Bristol Gateway School	1	0	0	0	1
Cabot Primary School	2	14	0	3	19
Cashmore Nursery	1	0	0	0	1
Easton CE Primary School	2	4	0	0	6
Fairfield High School	2	1	0	3	6
Glenfrome	1	0	0	0	1
Hannah More Primary School	1	0	1	3	5
May Park Primary School	0	1	0	0	1
Millpond Primary School	2	0	0	4	6
Rosemary Nursery School	0	0	0	0	0
Sefton Park Infant School	2	2	0	0	4
Sefton Park Junior School	3	0	0	4	7
Springwoods Nursery School	2	0	0	0	2
St Barnabas CE VC Primary	1	1	0	3	5
St James & St Agnes Nursery	2	0	0	1	3
St Michael on the Mount Primary School	3	0	0	0	3
St Nicholas of Tolentine Primary School	2	1	1	1	5
St Werburgh's Park Nursery	1	1	1	0	3
St Werburgh's Primary School	2	0	2	1	5
The City Academy	2	0	0	5	7
The Limes Nursery	2	1	0	0	3
Whitehall Primary School	1	1	0	1	3
	<u>41</u>	<u>34</u>	<u>5</u>	<u>40</u>	<u>120</u>

8 General expenditure

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

	2004-2005 £000	2003-2004 £000
Educational supplies and services	885	772
Occupancy costs	9	19
Supplies and services	60	26
Operating lease rentals	0	1
Auditor's remuneration	6	6
Trustees' expenses	0	1
Cost of termination of operations	3	0
Unspent funds transferred to ABLAZE	50	0
	<u>1,013</u>	<u>825</u>

9 Costs of termination of operations

	2004-2005 £000	2003-2004 £000
Staff costs arising from Zone closure	96	0
Cost of post-Zone services provided by nominated successor body	3	0
	99	0

10 Staff costs

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

	2004-2005	2003-2004
Management	1	2
Administration	4	4
Teachers	5	6
Engagement and inclusion	10	10
Total employees	20	22

Staff costs for the above persons

	2004-2005 £000	2003-2004 £000
Wages and salaries	634	626
Seconded staff costs	36	0
Social security costs	51	48
Other pension costs (see note 16)	46	55
Redundancy costs	35	0
Defined benefit scheme - STRAIN on fund for early retirement	61	0
Total staff costs	863	729

One employee earned more than £60,000 during 2004-2005 (2003-2004: one). The total emoluments of this employee were in the following range

	2004-2005	2003-2004
£60,001 - £70,000	0	1
£70,001 - £80,000	1	0

Costs associated with Zone closure comprised redundancy costs of £35,000 and early retirement costs of £61,000.

11 Emoluments of Trustees

	2004-2005 £000	2003-2004 £000
Emoluments of Trustees	0	1

The Trustees of the Forum did not receive any payment from the Forum other than the reimbursement of travel and subsistence expenses incurred in the course of their duties, and the reimbursement of expenditure incurred on behalf of the Education Action Zone.

Travel and subsistence expenses reimbursed in the period to 16 April 2005 totalled nil.

Travel and subsistence expenses were paid to no Trustees during the period.

12 Trustees' and officers' insurance

In accordance with normal commercial practice the Forum has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Forum business. The insurance provides cover up to £1,000,000 on any one claim and the cost for 2004-2005 was £620 (2003-2004: £582).

13 Tangible fixed assets

	Furniture and equipment £000	Computer equipment and software £000	Total 2004-2005 £000	Total 2003-2004 £000
Cost				
Acquired since incorporation				
At 1 April 2004	0	2	2	2
Capital expenditure	0	0	0	0
Disposals	0	2	2	0
At 16 April 2005	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Depreciation				
At 1 April 2004	0	2	2	1
Charged in year	0	0	0	1
Disposals	0	2	2	0
At 16 April 2005	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Net book value				
At 16 April 2005	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

The net book value at 16 April 2005 represents fixed assets used for

	Furniture and equipment £000	Computer equipment and software £000	Total 2004-2005 £000	Total 2003-2004 £000
Other purposes				
Management and administration	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

14 Debtors

	16 April 2005 £000	31 March 2004 £000
Prepayments	0	5
Government grants receivable	0	93
Sundry debtors	0	2
	<u>0</u>	<u>100</u>

15 Creditors: Amounts falling due within one year

	16 April 2005 £000	31 March 2004 £000
Sundry creditors	0	26
Accruals	0	115
	<u>0</u>	<u>141</u>

16 Pensions and similar obligations

	2004-2005 £000	2003-2004 £000
Other pension costs comprise		
Defined benefit scheme - regular cost	46	55
Defined benefit scheme - STRAIN on fund for early retirement	61	0
Defined contribution scheme	0	0

The Zone's employees belong to the following pension schemes

Teachers' Superannuation Scheme for England and Wales

Nature of scheme	Defined benefit
Zone's contribution rate in 2004-2005	13.5%
Zone's contribution in 2004-2005	£9,000

The Teachers' Superannuation Scheme is an unfunded multi-employer scheme. Contributions are based on valuations made by the Government Actuary. The actuary's last report was in March 2003 using data primarily from the period April 1996 to March 2001.

Avon Pension Fund

Nature of scheme	Defined benefit
Zone's contribution rate in 2004-2005	9.5%
Zone's contribution in 2004-2005	£37,000

Contributions are actuarially valued. The date of the last full actuarial valuation was 31 March 2004 at which date the scheme was 80% funded. A final actuarial valuation will be prepared at 31 March 2005. Any liabilities arising from the presence of a pension fund capitalisation deficit, attributable to Zone staff will be met by the local education authority and not treated as a cost to the Zone.

The Avon Pension Fund is a multi-employer scheme. As such the Zone is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

17 Restricted funds

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

	Balance at 1 April 2004 £	Incoming resources £	Expenditure gains, losses and transfers £	Balance at 16 April 2005 £	Total 31 March 2004 £
DfEs recurrent grant	64	997	1,061	0	64
The GE Foundation	40	26	66	0	40
NRF Grant (Easton)	28	16	44	0	28
Clerical Medical Investment Group	15	50	65	0	15
University of Bristol	4	0	4	0	4
NRF Grant (Ashley)	3	18	21	0	3
Contributions in Kind	0	231	231	0	0
SRB6	0	98	98	0	0
Community at Heart	0	94	94	0	0
NoF Grant	0	60	60	0	0
ERDF Objective 2	0	60	60	0	0
Other Private Sector	0	13	13	0	0
DfES Other Grant	0	21	21	0	0
Excellence in Cities	0	10	10	0	0
The Esmee Fairbairn Foundation	0	3	3	0	0
Behaviour & Learning Project	0	2	2	0	0
	<u>154</u>	<u>1,699</u>	<u>1,853</u>	<u>0</u>	<u>154</u>

DfES EAZ recurrent grant must be used for the normal running costs of the EAZ including salaries and related costs, overheads, repairs and maintenance and insurance. Because of the Zone's closure on 16 April 2005 no funds were carried forward.

18 Unrestricted funds

	2004-2005 £000	2003-2004 £000
Brought forward at 1 April 2004	0	0
Excess of income over expenditure	23	0
Transfer to restricted funds	(23)	0
Carried forward at 16 April 2005	<u>0</u>	<u>0</u>

19 Analysis of net assets between funds

Fund balances at 16 April 2005 are represented by

	Unrestricted funds £000	Restricted funds £000	Total 2004-2005 £000	Total 2003-2004 £000
Tangible fixed assets	0	0	0	0
Current assets	0	0	0	295
Current liabilities	0	0	0	(141)
	<u>0</u>	<u>0</u>	<u>0</u>	<u>154</u>

20 Related party transactions

Martin Brown, a Trustee and Chairman of the Finance Committee and a member of the Executive Committee, is a partner of Solomon Hare LLP, a firm of Chartered Accountants. During the year the Zone seconded an employee of Solomon Hare LLP to the role of Finance Officer. The cost of this secondment was £12,177 for the period from September through to mid-December 2004.

Nigel Belletty, a Trustee and member of the Finance Committee, is a partner of Milsted Langdon, a firm of Chartered Accountants. During the period the Zone seconded an employee of Milsted Langdon to fill the role of Finance Officer. The cost of this secondment was £23,618 for the period from mid-December 2004 to the Zone's dissolution, which included the final winding up of all Zone activities and the completion of the final financial statements.

21 Transfer to charitable trust

During the year the EAZ received funds which were earmarked for ABLAZE (A Business Learning Action Zone for Education), a charitable trust set up to continue the Zone's work with local businesses, but which couldn't be paid direct because at the time ABLAZE did not have a bank account. With the fund provider's approval the following amount has been transferred to ABLAZE.

	2004-2005 £000	2003-2004 £000
Clerical Medical Investment Group	50	0
	<u>50</u>	<u>0</u>

22 Reconciliation of net incoming resources to net cash inflow/outflow from operating activities

	2004-2005 £000	2003-2004 £000
Net (outgoing)/incoming resources	(154)	90
Interest received	(7)	(3)
Depreciation	0	1
Decrease/(increase) in debtors	100	(25)
(Decrease) in creditors	(141)	(110)
Net cash inflow/(outflow) from operating activities	<u>(202)</u>	<u>(47)</u>

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

- 1 The Education Action Zone shall prepare accounts for the financial year ended 31 March 2000 and subsequent financial years comprising
 - a a Trustees' Report;
 - b a statement of financial activity and an income and expenditure account;
 - c a balance sheet;
 - d a cash flow statement; and
 - e a statement of total recognised gains and losses,including such notes as may be necessary for the purposes referred to in the following paragraphs.
- 2 The accounts shall give a true and fair view of the income and expenditure and cash flows for the financial year, and the state of affairs as at the end of the financial year.
- 3 Subject to this requirement, the accounts shall be prepared in accordance with
 - a generally accepted accounting practice in the United Kingdom (UK GAAP), including the provisions of the Statement of Recommended Practice, Accounting by Charities. Forums shall not adopt Financial Reporting Standard, Small Entities;
 - b the disclosure and accounting requirements contained in 'The Fees and Charges Guide' (in particular those relating to the need for appropriate segmental information for services or forms of service provided) and in other guidance which the Treasury may issue from time to time in respect of accounts which are required to give a true and fair view;insofar as these are appropriate to Bristol Education Action Zone and are in force for the financial year for which the statement of accounts is to be prepared.
- 4 The statement of financial activity, income and expenditure account and balance sheet shall be prepared under the historical cost convention. Assets and liabilities shall be included in the balance sheet at the following amounts
 - a fixed assets at cost (or valuation) less an appropriate provision for depreciation;
 - b fixed asset investments at market value;
 - c current assets (other than investments) at the lower of cost and net realisable value; and
 - d liabilities at their settlement value.
- 5 The value of contributions from business, both assets and services, should be brought into account at a reasonable estimate of their value to the Forum, i.e. they should be valued at what it would have cost the Forum to have purchased the required asset or service itself.
- 6 This direction shall be reproduced as an appendix to the accounts.

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

Barnaby Shaw
Head of Standards Division
Department for Education and Skills

26 February 2002

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