

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 Gloucester Education Action Zone for the period ended 9 January 2005, together with the Comptroller and Auditor General's Certificate and Report thereon. (In continuation of House of Commons Paper No. 127 of 2004-2005)

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

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

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Legal and Administrative Information

Trustees

Governor representatives	Peter Clarke - Chair Jan Buckland Beryl Skiven-Baker	Grange Junior School Kingsholm Primary School Linden Primary School (retired September 2004)
Pupil Referral Unit	Bob Duncan	The Hatherley Pupil Referral Unit
Secretary of State appointments	John Palmer Peter Swainson	DfES Advisor Government Office of the South West
Secondary Headteacher	Malcolm Bride	Beaufort Community School
Infant Headteacher	Sue Welbourn	Calton Infant School
Junior Headteacher	Richard Martin	Harewood Junior (Vice Chair)
Primary Headteachers	Martin Latham Barbara Harborne	Robinswood Primary School Finlay Primary School
Parent Governor (Secondary)	Carol Francis	Beaufort Secondary School
Parent Governor (Primary)	Derek Kingscote	Harewood Junior School
Council for Voluntary Services	Helen Hughes	Council for Voluntary Services
Teachers Reference Group	Julian Chapman	Teacher Reference Group
Non-Teaching Union	Jane Tribet	Unison
Gloscat	Isobelle White	Gloscat
Gloucester Locality Planning Team	Helen Hughes	Gloucester Locality Planning Team
Business Reference Group	Vicki O'Connell Sarah Lowey	Business Representative (C&G plc) Business Representative (The Vision Matrix) (resigned November 2004) Business Representative (British Energy)
Gloucester County Council	Jackie Longworth John Sweeney Alan Stubbersfield Mike Counsell	LEA Representative LEA Representative LEA Representative
Gloucester City Council	Sue Oppenheimer	Gloucester City Council
Glos Neighbourhood Projects Network	Penny Liddicott	Gloucester Neighbourhood Projects Network
The Link Group	Heather Lee	Education & Business in Partnership
Connexions	Eugene O'Kane	ConneXions (formerly Learning Partnership West)
Business in the Community	Trudi Cox	Business in the Community (replaced by Peaches Golding October 2004)
Diocese of Glos Education Committee	Brian Large	Diocese of Gloucester Education Committee
Gloucestershire Race Equality Council	James Oaten	Glos Race Equality Commission
Gloucestershire Health Authority	Vacancy	
Gloucester Afro-Caribbean Society	Pauline Reynolds	Gloucester Afro Caribbean Society
Learning City Gloucester	David Clegg	Gloucester City Council
Director of Education	Jo Davidson	LEA Representative
Director of the Gloucester EAZ	Kevin Jeffery	Zone Director
Three secondees	Sue Martin	Learning and Skills Council (replaced by John Joyce October 2004)
	Mary Evans	University of Gloucestershire

Trustees (continued)

Liaison Group	Peter Clarke	Chair of Action Forum
	Alan Stubbersfield	Gloucestershire County Council
	Richard Martin	Schools
	Steve Elway	Gloucester City Council
	Kevin Jeffery	Gloucester EAZ
Finance/Personnel	Kevin Jeffery	EAZ Director
	Marian Thomson	LEA Personnel Advisor to the Zone
	Shane Blackshaw	LEA Finance Advisor to the Zone
	Susan Starr	EAZ Business Manager
Secretary	Susan Starr	

EAZ Office

Gloucester Education Achievement Zone
2 Pullman Court
Great Western Road
Gloucester
GL1 3ND

Auditors

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

Bankers

HSBC
The Cross
Gloucester
GL1 2AP

Solicitors

Rowberry Morris
Morroway House
Station Road
Gloucester
GL1 1DW

Report of the Trustees

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

Constitution and principal activities

The Forum of the Gloucester Education Achievement Zone is a corporate body and exempt charity established on 10 January 2000 under the 1998 School Standards and Framework Act. The Forum does not have a share capital. This Act and its associated regulations are the primary governing documents of the Forum. Trustees of the Forum are nominated partner organisations, as established by Statutory Instrument.

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

In accordance with the Act the Forum adopted an Action Plan for the years 2000-2003. A further Action Plan for the period 2003-2005 was submitted and approved when the EAZ qualified for extension. The Action Plan specifies, amongst other things, that the Gloucester Education Achievement Zone will

- develop a Study Network across the Zone to provide support for learning in and out of school hours;
- develop a programme to support Family Learning, using a peripatetic team of Family Learning tutors;
- identify pupils most at risk of detachment, disaffection or exclusion and work to retain them in full-time education;
- ensure a comprehensive programme of training/support to recruit, develop and retain quality professionals for the Zone and to secure accreditation and recognition for excellence in schools; and
- provide in Zone schools a curriculum appropriate to the needs and aspirations of pupils, parents, staff and business.

These are the statements of intent for each Action Area within the Action Plan.

Future prospects

Under the 1998 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 9 January 2005, the Secretary of State for Education and Skills has passed an order closing the Zone with effect from this date.

Going concern

In view of the cessation of the Forum's activities on 9 January 2005, the Trustees no longer consider the preparation of the accounts on a going concern basis to be appropriate. Upon closure the Zone's assets and liabilities have been transferred to Zone schools and, with their approval, to the Gloucester Excellence Cluster, at net book value. No adjustments have been necessary to the net book values of assets held immediately prior to closure.

Organisation and objectives

The sole activity of the Forum is the operation of the Gloucester Education Achievement Zone.

At the start of the period covered by this report the central team within the Zone office consisted of a Project Director, a Business Manager and two other administrative staff. Also based in the Zone offices were a team supporting Action Area 2 – Family Learning – comprising a Team Leader and three family learning tutors.

Each Action Area is managed by an Action Area chair, drawn from partner organisations. Individual activities within Action Areas are co-ordinated by identified personnel, based in partner organisations and line managed by the Action Area chairs.

A programme manager co-ordinated 14-19 developments within the Zone, including the AimHigher programme. This post is funded, with the agreement of schools, from the AimHigher budget, and the postholder is based at the EAZ offices. The EAZ is also host organisation within the city for the School Sports Co-ordinator programme. This is managed by a Partnership Development Manager, with the support of a team of part-time co-ordinators, all based in local secondary schools.

Finally, two freelance consultants contribute their expertise to the work of the EAZ, each spending 15-25 days within the Zone: a Primary consultant supports the development of the 'City Curriculum', and a recently retired member of HMI provides regular evaluation reports to Action Forum. All staff are ultimately under the direction of the Project Director.

The Director has operational responsibility for the implementation of the Action Plan, and responsibility for advising the Action Forum on future priorities and the outcome of Zone activity. As a team, central office staff support the operation of all Zone committees, including the Action Forum, and support the work of the Director, Administrator and the individual programme managers.

Day to day oversight of the Education Achievement Zone, on behalf of the Forum, rests with the Liaison Group, comprising the Forum Chair, Project Director and senior members of key partner organisations: the county council, city council and head teachers. Personnel and financial advice and scrutiny are provided by senior county council officers, meeting at least termly with the Project Director and Business Manager. Each group reports regularly to the Forum. The composition of all groups, including the Forum, is representative of the range of partners involved in the Zone: schools, city and county councils, business and community groups. This ensures that the full range of partners is involved in decision-making at all levels.

The present Trustees of the EAZ are listed in the Legal and Administrative Information at the front of this Document.

In preparation for closure, the staffing model for the EAZ has been scaled down. At the point of closure, there will be three central staff – the Director, the Business Manager and an administrative assistant – directly employed by the Zone. The Aimhigher post has transferred to the Local Education Authority, as has responsibility for the School Sports Co-ordinator programme and its Partnership Development Manager.

In view of the need to prepare for transformation to an Excellence Cluster, the Gloucester EAZ established in May 2003 a Research and Development Group comprising four headteachers and three officers, two from the LEA and one from the EAZ. The group appointed a part-time Development Officer (a current EAZ headteacher) and reports jointly to the Action Forum and the Headteachers' Forum on proposals for transformation. The operation of the group was funded in 2003-2004 from a grant provided by the county council and, from January 2004, from an additional grant provided by the DfES, once the R&D group's outline plan for the Cluster had been approved. The County Council submitted its proposal for an Excellence Cluster to DfES for approval in July 2004, and approval was received in October. The R&D Group completes its work on 9 January 2005, at which point responsibility for the work of the Cluster transfers to a Partnership Board and the Cluster Co-ordinator.

Developments, activities and achievements

Since it was established in January 2000, the Gloucester EAZ has worked closely with schools and partner organisations to raise standards and to improve the quality of education available to young people within the city. In producing this final report on the work of the Zone, we can identify and celebrate significant achievement in relation to our original aims, while recognising that in some areas there remains work to be done.

It is always sad to mark the end of something as influential and as exciting as I believe the Gloucester Education Achievement Zone to have been. I am therefore delighted that it is also at the same time the beginning of something: the Gloucester Excellence Cluster, the successor body to the Achievement Zone, has received formal DfES approval, and will start work on 10 January 2005 under the guidance of Richard Martin, who has been appointed as Excellence Cluster Co-ordinator. We wish the Excellence Cluster every success in its work over the next three years.

The following commentary on the work of the EAZ draws on a range of evidence

- the reports and analysis of the EAZ's official evaluator, David Scott;
- data provided by the Gloucestershire Research and Monitoring Unit;
- questionnaire returns from schools and partner organisations;
- reports from programme managers; and
- the response of local people who have experienced and supported the work of the EAZ.

It is organised according to five categories, relating to the EAZ's Action Plan and the original aims which we set ourselves in January 2000

- 1 Establish effective working partnerships to support achievement.
- 2 Develop a positive and inclusive climate for learning.
- 3 Improve school leadership and effectiveness.
- 4 Improve the quality of teaching and learning.
- 5 Increase standards and achievement.

In each case I have identified

- our starting point and original purpose;
- our achievements, according to a range of evidence; and
- recommendations for future action, where appropriate.

In producing this document, I have drawn on a number of individual project reports from programme managers. I have also drawn on the reports of the EAZ's official evaluator, David Scott. These individual reports will be made available in a larger publication, to be released at the close of the Zone, although I have attached here David Scott's summative evaluation of EAZ achievement. Together they constitute our report to Trustees.

1 Establish effective working partnerships to support achievement

What was our starting point?

When schools in Gloucester made their original bid to become an Education Action Zone, they sited as one of their objectives the need to establish effective working partnerships within the city. At that stage, schools operated very much as individual units, competing against each other rather than collaborating. Over the five years of the EAZ, great emphasis has therefore been placed on developing programmes which build effective working partnerships between schools, and between schools and other agencies, in the interests of teachers and learners.

What have we achieved?

At the end of the EAZ's five-year term we can report that

- schools now collaborate with each other and with outside organisations, both formally and informally, when previously this was a rare occurrence in the city;
- our business consultancy with BitC (Business in the Community) provides opportunities for senior staff in schools to partner with senior figures in local business, and staff in 19 schools have taken advantage of this. It has also delivered over 150 trained volunteers to support reading and number work in schools. The parallel consultancy with EBP (Education and Business in Partnership) helps to enrich curricular experience at primary and secondary level through links with local companies. Both consultancies combined have helped us to achieve our target figure of £1.25m in matched funding over 5 years; and
- a number of collaboratives now exist to promote and support learning and achievement. These include
 - the School Sports Co-ordinator Initiative (SSCI), which was introduced to Gloucester and hosted by the Zone, links 40+ schools and several sporting organisations within the city, both EAZ and non-EAZ, to increase participation in sport. The Partnership has achieved national recognition thanks to the work of Cheryl Stennett, the Partnership Development Manager, and is due to expand in September 2005 to cater for all schools in Gloucester and District;
 - the LIG collaborative (Leadership Incentive Grant) involves five secondary schools (three within the Zone) working together with the LEA and the EAZ to improve the impact of school leadership on quality and achievement;
 - Aim Higher, which began life within the EAZ as Excellence Challenge in 2001, has now been extended from three schools to more than 25 schools and colleges across the county as a result of EAZ intervention. The partnership works to raise awareness among students of post-16 and post-18 opportunities;
 - User groups, managed by effective practitioners, support the work of individual initiatives and regularly bring together staff for training and to share good practice – e.g. in financial management, interactive whiteboard use, experiential learning;
 - the four schools which developed and piloted the Gloucester City Curriculum now operate as a Networked Learning Community affiliated to the National College for School Leadership, linking with schools within the EAZ and across the country;
 - 12 EAZ schools have established FLAG (the Family Learning Action Group), in collaboration with LEA, FE and voluntary sector partners, as a result of their involvement in a Basic Skills Agency 'Skills for Families' pilot; and
 - a study network, comprising schools and 5 community projects within the city, organises a range of out of hours and off-site provision to support learning for vulnerable young people.

What have we learnt?

- collaboratives provide opportunities for students, but they also provide opportunities for teachers and support staff. This has had a clear impact on recruitment and retention, and on the quality of leadership, in EAZ schools;
- collaboratives are important, but they require leadership and purpose in order to be successful. They also need investment and a structure of accountability;
- links with business and community have enriched the Zone, bringing resources into schools and helping schools to be more outward-looking; and
- part of the Zone's responsibility is to make available to a wider community the benefits derived from its work.

2 Develop a positive and inclusive climate for learning

What was our starting point?

One of the justifications for bringing an Action Zone to Gloucester was the need to tackle deep-seated barriers to education identified in the city: inconsistent attendance, weak relationships between school and parents/carers, lack of student confidence and challenging behaviour. We have tackled these issues in the following ways

What have we achieved?

- as part of our 'Raising Attendance' initiative, 18 schools have employed an in-school attendance officer: 10 hours p.w. at primary level, full-time at secondary level. The programme is managed by a dedicated member of the Education Welfare Service, who reports termly and annually on progress;
- as a result of the initiative, schools and the Education Welfare Service report improvements in overall attendance, in parental attitudes to attendance, and in school procedures relating to monitoring and response. Overall, there is a fuller understanding of the link between attendance and performance, and the strategies needed to encourage both. Actual attendance figures for EAZ schools have risen overall by 2%. Within that figure, some schools have achieved remarkable improvements: e.g. Beaufort Community School, which has improved from 85% to 92% and Grange Infant and Junior Schools, which have improved from 91% to 94%;
- a Family Learning programme has made a significant contribution in many schools to the school's relationship with parents, and parents' ability to support their children's learning. Building on three years initial work in Family Learning, 12 primary schools have taken part in a 'Skills for Families' pilot and a total of 15 schools have used the 'Share' programme to engage parents in learning with their children. A programme of day trips, residential visits and learning events has provided additional support and guidance for hundreds of families in how parents can learn with their children. Evidence from schools, parents and partner organisations indicates strongly that Family Learning has made a positive contribution to the Climate for Learning in participating schools; and
- the climate for learning in schools, and student confidence, has been boosted by three additional programmes
 - Literacy interventions which paired teachers and trained teaching assistants to work with small groups of pupils;
 - business volunteers, who undertook Reading Buddy and Number Partner work; and
 - mentoring, chiefly through the use of undergraduates from the University of Gloucestershire, to raise the self-esteem, confidence and study skills of students and thereby improve their GCSE performance.
- Climate for learning has also been boosted by the work of two significant EAZ programmes
 - the City Curriculum, which has provided a richer context for learning and increased pupils' interest and engagement; and
 - the School Sports Co-ordinator Initiative, which has demonstrated the motivational impact of sporting activity and success.
- in terms of behaviour management, we have
 - worked with the primary and secondary behaviour support teams to train teaching and support staff in behaviour management;
 - funded staff working in learning support units in secondary schools;
 - funded and encouraged peer mediation work at primary level; and
 - worked to improve approaches to teaching and learning, and lunchtime activity, to reduce disaffection among students, and inclination to misbehaviour.

Schools, LEA officers, Ofsted inspections and the EAZ evaluator David Scott report significant benefits from these measures. Exclusions have reduced at secondary level, and schools report improvements in overall climate – in lessons and around the school.

What have we learnt?

- that improving attendance is about carrot as well as stick – young people need incentives (including a stimulating curriculum) in order to attend school regularly;
- that partnerships with parents support pupils' learning and well-being, as well as encouraging adults back into learning for themselves;
- that investment in para-professionals in schools can make a substantial contribution to learning and school effectiveness; and
- that building a positive climate for learning will impact significantly on the health, effectiveness and achievement of the school community.

3 Improve school leadership and effectiveness

What was our starting point?

When the EAZ was established, 30% of member schools (up to seven at one time) were in either serious weaknesses or special measures. With few exceptions, schools did not have a strong reputation either with parents or within the local education authority. When schools asked for models of effective practice, in leadership or learning, they were directed away from the city, not to other city schools. We therefore resolved to work to improve staff and institutional confidence, and quality of leadership, and to improve the perception of city schools.

What have we achieved?

Over the five years of the EAZ, there has been a transformation in the perception and the judgement of EAZ schools

- no school within the Zone is currently in either special measures or serious weaknesses. Ofsted inspections have consistently praised EAZ schools for their leadership, their curriculum and the quality of teaching and learning;
- reports from DfES advisers and the EAZ's official evaluator have praised the impact which EAZ initiatives are having on standards, learning and professional development;
- through EAZ programmes, leadership opportunities have been extended across the full spectrum of EAZ membership
 - head teachers have been seconded to manage programmes across the Zone and have presented their work at national conferences;
 - leading teachers, from deputy heads to classroom practitioners, have led developments in their own schools and co-ordinated and presented work across the Zone.
 - self-evaluation projects have improved the capacity of schools to lead and manage their own improvement.
 - teaching assistants and other support staff have assumed additional responsibilities within their schools and led discussions on county courses; and
 - students from EAZ schools have taken responsibility for their own and others' learning, running coaching sessions in other schools as part of the Junior Sports Leader Award.
- many EAZ schools now welcome visitors from outside the Zone to observe their practice, and leading teachers are invited to speak at national and regional conferences about Family Learning, Behaviour Management and the Gloucester City Curriculum;
- 50% of EAZ schools have qualified for the Basic Skills Agency Quality Mark, and many schools have also received other awards: School Achievement Award, Artsmark, Sportsmark, and Investors in People; and

- the termly EAZ Newsletter 'News from the Zone', now in its 10th edition, has received widespread praise for its presentation of Zone activity.

This has had a profound effect on the confidence, self-belief and reputation of EAZ teachers and schools. Many schools within the Zone are now much more secure and outward-looking as a result.

What have we learnt?

- as a collective, and as individual schools, we have something to teach others, as well as something to learn;
- good leadership produces good learning and good schools. Where leadership in EAZ schools is strong, and it has strengthened in many schools, there has been demonstrable improvement;
- leadership is something which all members of the school community can exercise; and
- schools in challenging circumstances can never relax, and require additional capacity in order to sustain effective leadership and management.

4 Improve the quality of teaching and learning in order to impact on achievement

What was our starting point?

The most substantial task of the EAZ was to raise achievement in Zone schools. To do that, we took the view that we had to improve the quality of teaching and learning, and to encourage the development of the Kinds of teaching and learning which would capture the imagination of both students and teachers. We also needed to improve schools' capacity to manage key initiatives to the benefit of pupils.

What have we achieved?

The most important and influential initiatives taken by EAZ schools were as follows

- The Gloucester City Curriculum: this is probably the EAZ's single biggest legacy in terms of teaching and learning. The City Curriculum has encouraged schools to place greater emphasis on active learning and direct experience in the belief that this will make learning more meaningful for pupils. Focussing initially on improving writing, and re-organising much of the curriculum into thematic units, the City Curriculum has now blossomed to include a stronger emphasis on art, dance and music as well as the effective application of literacy and numeracy skills. The initiative has received considerable attention, and will occupy centre stage in the work of the Gloucester Excellence Cluster;
- three of the four lead schools in the initiative have been inspected in the past six months, and all three received strong praise from inspectors for their curricular innovation (and their leadership). The four schools have successfully transformed themselves into a Networked Learning Community, and undertake regular training of teachers from other schools through courses and open days. A second cohort of schools has now emerged, and this group is developing its own distinctive response to the principles of the City Curriculum, exemplified in an EAZ publication, 'Touching Gold';
- support for the National Strategies: The City Curriculum can be seen as the Gloucester EAZ response to proposals contained in 'Excellence and Enjoyment', the Government's introductory publication for the Primary National Strategy. It is also a response to the call to increase the emphasis on creativity within the curriculum;
- additional support for the national strategies at primary level came in the form of intervention programmes, predominantly in literacy. On behalf of the National Literacy Strategy, the EAZ piloted literacy interventions in Year 1 (ELS) and Year 5 (FLS), as well as developing its own booster programme for Years 5/6, to help raise standards in literacy at Key Stage (KS)1 and KS2. These programmes have now become embedded in the work of most EAZ primary schools, and have been a positive influence on the professional development of teaching assistants;

- at secondary level, EAZ funding has supported the introduction of strategy managers for KS3 to lead and evaluate the work of the KS3 strategy. Secondary schools within the EAZ were able to take advantage of early membership of the KS3 pilot, and this helped to establish the strategy within schools. The use of EAZ funding to appoint strategy managers in schools to lead developments has been pioneered by Beaufort Community School, where this has had a significant impact on the school's ability to manage change, improve teaching and learning and raise standards;
- across primary and secondary schools, the EAZ piloted the use of interactive whiteboards to support the effective use of ICT in teaching and learning. Initially piloted by 4 volunteer teachers, the success of the pilot led to the introduction of boards in 17 schools. Since then, a whiteboard user group has supported on-going development and the sharing of expertise, and schools have used additional sources of funding to extend the range of boards within their school;
- the Garage Project: this smaller scale project has nonetheless proved extremely effective, and offers a valuable model for future work. The EAZ agreed a joint appointment with Beaufort Community School for a Head of Drama, with an agreement to release the teacher, Andrew Golightly, to undertake outreach work in performing arts across the EAZ. This has resulted in
 - a significant improvement in results in drama at Beaufort School;
 - long-running and successful out of hours drama groups for primary and secondary pupils within the EAZ;
 - the emergence of the Garage Project, based on the membership of the secondary drama group, as a powerful Theatre in Education team;
 - successful events undertaken by the Garage Project, including a stunning performance of Macbeth for the Shakespeare Festival held at the Roses Theatre Tewkesbury and tours of local schools/community groups with issues-based drama productions;
 - an ambitious programme sponsored by SouthWest Arts involving over 150 young people from EAZ schools, culminating in a performance at the Gloucester Leisure Centre;
 - a valuable advice and support network for drama specialists within the city.
- the School Sports Co-ordinator Initiative: this project has proved of enormous benefit to the city, as well as to EAZ schools. The Gloucester partnership is widely respected for its work, and has been used nationally as a model of effective practice. Gloucester EAZ made the original successful bid to Sport England to bring the partnership to Gloucester, and has acted as host, line manager and co-funder for the partnership on behalf of the 40+ member schools within the city. Among the partnership's many achievements are
 - the establishment of an effective network of well trained and highly motivated co-ordinators and primary link teachers across the city;
 - strong links between schools, sports clubs and other agencies;
 - substantial improvements in the quality, range and consistency of sporting activity in schools;
 - a programme of well attended and well managed sporting events across the city, including annual swimming, cross country, athletics and rugby events;
 - the development of leadership programmes and progression routes in sport for young people through Junior Sport Leader and Community Sport Leader Award programmes; and
 - high quality publicity material to reflect the sporting achievements of young people, e.g. a powerful short video film on the work of the partnership.

The Gloucester partnership is due to expand in September 2005 to accommodate all schools in Gloucester and district. At some point, responsibility for the partnership will transfer formally to the County Council and to a specialist sports college. In the meantime the partnership will continue to be led by Cheryl Stennett, the Partnership Development Manager.

What have we learnt?

- achievement is necessarily wider than attainment;
- schools need to develop their own distinctive response to local and national strategies, with a clear focus on the needs of their own pupils; and
- the success of programmes depends on the willingness of schools to make them work, the clarity of focus and the quality of leadership.

5 Increase standards and achievement.

What was our starting point?

Research at the beginning of the EAZ showed that there was an achievement gap between Gloucester schools and schools elsewhere in the county. More surprisingly, a comparison between EAZ schools and schools serving similar catchment areas in Cheltenham revealed a surprising fact: that the Cheltenham schools were performing significantly better than their equivalent schools in Gloucester, despite marginally worse indicators of deprivation. The EAZ's intention was therefore to close or at least reduce the gap: not just between themselves and other schools, but with the comparator group of schools in Cheltenham.

What have we achieved?

The impact of EAZ programmes on achievement has been very positive.

Their impact on standards, however – as measured by end of key stage results – is more mixed. As the tables below demonstrate, a number of schools have made consistently good progress over the life of the EAZ. The fortunes of other individual schools have varied year on year. Had their good years coincided, we would be hailing the considerable success of the EAZ in raising standards. Because they did not, for differing reasons, we have to record that the impact of programmes on end of key stage results across the Zone as a whole has been limited.

Particular schools have led the way in raising standards, and their success should be celebrated.

- at KS1, Coney Hill Primary School and Harewood Infant School have improved considerably, and Hatherley Infant School has maintained a consistently high level of results over the life of the Zone;
- at KS2, Coney Hill again and also Calton Junior School, Grange Junior School, Kingsholm Primary, St Pauls Primary and Widden Primary have made substantial progress in end of key stage results;
- at KS3 and KS4, results have fluctuated at CTC and Oxstalls, but there has been a significant and sustained improvement over the life of the Zone at Beaufort Community School; and
- a number of other schools at each key stage have strengthened their position, although this is not necessarily reflected in a simple comparison between results in 2000-2001 and 2003-2004.

What have we learnt?

- EAZ schools as a group have the collective expertise and potential to improve on their present performance during the life of the Excellence Cluster, provided that
 - the Cluster invests in programmes that are likely to impact on attainment as well as wider achievement;
 - successful schools are able to maintain and build on their success; and
 - schools which have been less successful to date have the confidence and the capacity to improve and the opportunity to learn from schools in similar circumstances which have been more successful.
- it is important to look outwards as well as inwards. A number of schools outside the EAZ serving challenging catchment areas have continued to make the kind of progress which compares very well with that of some EAZ schools;

- collaboration between LEA school improvement services and the Excellence Cluster is vital if schools are to receive the mixture of challenge and support which will help them to move forward; and
- effective leadership at all levels is crucial to the performance of schools. The Cluster, in conjunction with the LEA, should work to ensure that schools have the depth and quality of leadership they need in order to make best use of the resources which the Cluster provides.

Comparative Results for EAZ schools at KS2 2000-2001 – 2003-2004

Level 4+

Name of school	2000-2001			2003-2004		
	En	Ma	Sc	En	Ma	Sc
Calton Junior School	81%	57%	81%	88%	71%	87%
	Mean VRQ		100	Mean VRQ		99
Coney Hill Primary School	39%	32%	76%	67%	69%	93%
	Mean VRQ		86	Mean VRQ		88
Finlay Primary School	39%	33%	66%	45%	25%	82%
	Mean VRQ		86	Mean VRQ		86
Grange Junior School	50%	47%	71%	69%	77%	94%
	Mean VRQ		94	Mean VRQ		97
Harewood Junior School	79%	87%	89%	72%	78%	83%
	Mean VRQ		96	Mean VRQ		97
Kingsholm Primary School	47%	56%	78%	71%	60%	80%
	Mean VRQ		96	Mean VRQ		92
Linden Primary School	54%	63%	80%	52%	46%	72%
	Mean VRQ		98	Mean VRQ		92
Moat Primary School	68%	44%	60%	45%	58%	88%
	Mean VRQ		99	Mean VRQ		91
Robinswood Primary School	83%	86%	96%	73%	57%	85%
	Mean VRQ		102	Mean VRQ		91
St James Junior School	62%	66%	80%	58%	47%	63%
	Mean VRQ		95	Mean VRQ		93
St Pauls Primary School	59%	40%	71%	71%	63%	79%
	Mean VRQ		90	Mean VRQ		98
Tredworth Junior School	56%	36%	54%	39%	46%	76%
	Mean VRQ		92	Mean VRQ		89
Tuffley Primary School	60%	60%	65%	48%	48%	73%
	Mean VRQ		99	Mean VRQ		91
Widden Primary School	59%	37%	55%	63%	50%	68%
	Mean VRQ		104	Mean VRQ		93

**Comparative Results for EAZ schools KS1 2000-2001 – 2003-2004
Level 2b+**

Name of school	2000-2001			2003-2004		
	Rdg	Wtg	Ma	Rdg	Wtg	Ma
Calton Infants	61%	55%	68%	76%	53%	61%
Coney Hill	51%	39%	92%	68%	59%	81%
Finlay	59%	51%	70%	38%	28%	61%
Grange Infants	71%	55%	79%	63%	51%	63%
Harewood Infants	63%	42%	69%	85%	76%	85%
Hatherley Infants	80%	76%	83%	76%	76%	88%
Kingsholm	54%	49%	62%	61%	48%	70%
Linden	50%	20%	73%	50%	40%	59%
Moat	61%	41%	66%	39%	50%	53%
Robinswood	65%	51%	85%	51%	34%	50%
St Pauls	52%	52%	56%	46%	42%	57%
Tredworth Infants	48%	34%	62%	46%	32%	44%
Tuffley	64%	57%	64%	68%	43%	81%
Widden	60%	60%	71%	66%	51%	66%

6 Conclusion

The EAZ has been a fantastic learning opportunity

- for young people;
- for professional staff; and
- for organisations operating within the city.

It has enabled us to bring a range of experiences to the city which would otherwise not have been possible, and both learners and teachers have benefited hugely.

There are stand-out programmes which represent an important legacy for the Zone. Chief among these are the Gloucester City Curriculum and the School Sports Co-ordinator initiative. Both are due to have a lasting impact on work within the city. There are a number of smaller programmes and one-off events which have resulted in lasting memories for those concerned: the Arena of Life summer school, dance and storytelling sessions, drama performances. There have also been programmes which have grown in stature and influence as they have progressed and which will continue to have an impact on learning within the community: Family Learning programmes, Aimhigher, attendance and behaviour work.

Inevitably, with an initiative charged with the task of leading innovation, some things have worked well, others less well. Our task is to learn from these experiences what change is most needed in schools, and how best to manage that change to maximise impact. These are the lessons which will need to be learnt, and passed on to our successor body, The Excellence Cluster.

We list below a number of key recommendations arising from our work. We hope these will prove useful in evaluating the work of the Zone, and building the work of the Excellence Cluster.

Our thanks to all those who have worked with us over the past five years. It has been a pleasure.

Kevin Jeffery
Director
Gloucester Education Achievement Zone

Summary of recommendations

These arise from an analysis of responses from schools, programme managers and partner organisations and in our view should form part of the work of the Excellence Cluster.

- 1 Maintain a clear focus on standards and achievement, and judge the value of initiatives by their ability to impact on these. Look particularly to develop greater consistency in achievement in English and Maths.
- 2 Reduce areas of focus to three
 - teaching and learning;
 - inclusion; and
 - leadership.
- 3 Identify the 'Gloucester City Curriculum' as the core vehicle for school improvement, providing the means by which schools develop
 - their own distinctive curriculum within a common framework;
 - approaches to teaching and learning which are suited to the needs of pupils;
 - a rich and supportive learning environment; and
 - higher standards, particularly in literacy and numeracy.
- 4 Employ BIP (the Behaviour Improvement Programme) as an integral part of the Inclusion programme, working closely with colleagues from the community and a range of different agencies.
- 5 Develop leadership at all levels through the implementation and evaluation of core programmes.
- 6 Identify centres of excellence within the Cluster which can guide and influence the development of core programmes.
- 7 Provide sufficient capacity at school level to lead, develop and learn from available expertise, and at Cluster level to manage identified programmes.
- 8 Maintain links with the business and voluntary sectors, to enable their resources to extend and enrich the resources of schools.
- 9 Develop links with other clusters to support exchange of ideas and good practice.
- 10 Develop evaluation techniques, including peer evaluation, which will help to measure impact, raise expectations and engage a wide range of participants.
- 11 Encourage statutory bodies, e.g. the county council, to work through and with the Cluster to meet shared objectives.
- 12 Encourage all member schools to remain active participants in the work of the Cluster.

The Impact of the Gloucester EAZ on Standards and Achievement

Summative Evaluation by David Scott, Programme Evaluator

Introduction

1 This section of the report draws upon the most recent 2004 performance data to determine the overall impact of the Zone upon pupil attainment at the end of each key stage. The analysis of this data, when considered alongside a detection of the trends evident since the start of the EAZ in 2000, is crucial to determining how successful the Zone has been in realising its key ambition of raising standards in the city of Gloucester. Effectiveness, defined as making a difference which can be measured objectively using data, will form only part of the total picture. As the title of the Zone suggests, the focus from the outset was achievement in its broadest sense. Clearly many of the programmes, for example, Developing Business Links, will have enhanced the quality of education through promoting business involvement without necessarily impacting discernibly upon pupils' attainment globally in the short term. Some programmes have contributed to schools becoming more inclusive communities in which pupils' attitudes and behaviour have improved. Others, such as the School Sports Co-ordinator Programme, have impacted positively in a number of very specific areas. All of these achievements are recognised and valued in the separate Action Area sections, most of which draw upon the Programme Evaluator's formative assessments of progress. The schools' self-evaluations of the impact of those initiatives they have participated in are also presented.

Standards overview

2 At KS1 in reading, 79% of pupils achieved Level 2+, the same as the previous two years, with 62% reaching Level 2B+, maintaining the steady progress since the start of the Zone. Writing improved over the last 12 months at a faster rate than in the LEA and nationally, with just over half of the pupils achieving Level 2B+. Given many schools' commitment to the EAZ's literacy intervention strategies, this is an encouraging statistic. Mathematical achievement, by contrast, fell for the third successive year to 83% at Level 2+ which is well below the LEA average of 92% although the proportions of pupils achieving the higher levels increased to 66%. The widening gulf between EAZ and LEA performance in mathematics is an issue that the new Gloucester Excellence Cluster will want to address. Another factor warranting further investigation is why the majority of the infant schools are considerably more successful than their primary counterparts in respect of pupil achievement at KS1 which is at least in line with LEA and national averages and sometimes higher. Even when mean Verbal Reasoning Quotients (VRQ) and free school meal (FSM) statistics are taken into account, there are clearly aspects of provision in the infant section contributing to their success which could be shared more widely.

3 At KS2, English results improved to 63.6% at Level 4+, continuing the upward trend since the Zone's formation and, at least in part, reflecting the various literacy initiatives subscribed to by the schools. In mathematics, 59% of pupils reached Level 4+, the same as last year and 4% higher than in 2001, with a slight improvement to 17% of pupils achieving Level 5. However, both the LEA and schools nationally are improving at a faster rate and so the gap continues to widen in mathematics which is a cause for concern. A significant issue for the Excellence Cluster is the low mathematical performance in six of the schools, ranging from 25% to 50% of the cohort achieving Level 4+. In several cases the pupils' scores were significantly lower in mathematics than in English and Science which is symptomatic of problems associated with teaching the subject.

4 A clear indication of the effectiveness of the Zone is the fact that the infant, primary and two junior schools which introduced the City Curriculum three years ago are the highest achieving and/or most improved schools in the EAZ. Recent Ofsted reports have confirmed this close correlation. This augurs well for the continuation of this project in the Excellence Cluster. It is also noted that an infant school and a primary school in special measures when the Zone started have also sustained dramatic improvements. The primary school has one of the lowest VRQ and highest FSM statistics and yet consistently outperforms its neighbours with similarly contextual profiles. Again, it would be helpful to analyse and to disseminate the success criteria in a way which could influence positively the small number of schools which continue to under-perform year after year, depressing the overall end of key stage results in the process. This also has implications for closer operational partnerships with the LEA's school improvement service when the new Cluster is established. The rich school and pupil level data available to link advisers and to the Cluster Co-ordinator provides the potential for robust, challenging target setting and reviews.

5 The percentage of pupils reaching Level 5+ at Key Stage 3 in English was 50% which, although lower than last year's 58%, represents an improvement overall from when the Zone started. In Mathematics, the baseline figure of 42% had risen to 57% this year for Level 5+, with 33% of pupils reaching Level 6. Science results were lower than the previous year, with 47% of pupils gaining Level 5+. This overview masks specific gains, however, with results in English in one school improving 67%. This school, which has the highest standards across the board, received funding from the EAZ to develop its KS3 Strategy and is a further example of the effectiveness of the Zone in raising standards through careful targeting of resources.

6 At KS4, 30.3% of pupils attending EAZ schools gained 5+ A*-C grades at GCSE compared to 29.5% last year, 32.4% in 2002 and 22% in 2001. Two of the schools improved to 39% and 28% from 35% and 20% respectively; the third fell from 28% to 22% despite a mean points score of 30.2. Worthy of wider dissemination in the new Cluster are the improvement strategies of the school which has doubled the proportion of pupils gaining five or more higher grade GCSEs between 2001 and 2004 and in which fewer than 2% of pupils leave with no passes. This will offer a contrast to the more erratic trends elsewhere, particularly the school where between 12% and 14% of pupils have left school without a GCSE qualification since 2002.

Conclusion

7 When judging the overall effectiveness of the Zone by the criterion of raising pupil attainment the overarching verdict is positive, specifically within a context characterised by increasingly challenging cohorts of pupils. Many schools have much higher cohorts than in 2000 of pupils in the bottom quartile of PIPS results for KS1 and with below average VRQ scores throughout the rest of the age range. Despite the difficulties associated with improving results each year in these circumstances, it is possible to quantify in global terms the impact of specific initiatives. Notably, these are the literacy-based interventions, curriculum enrichment programmes and KS3 Strategy support.

8 Considering the high financial investment from the outset on staffing Family Learning and ICT resources, this has led to the rest of the funding being spread quite thinly across a wide range of 25+ initiatives. This approach has clearly limited the impact of the EAZ on standards but, as mentioned earlier, this is not to denigrate the excellent achievements as measured by a whole range of success criteria including improved pupil attendance and punctuality, innovative management practices focused on self-evaluation and enhanced professional development opportunities. All of these characteristics, and more, will be celebrated through individual reports and case study materials. Some sharper focus of that agenda is to be welcomed, indeed essential, if the successes are to be sustained.

9 Given the ambitious vision for the Zone, it is a credit to all of the partners that its successes are many and varied. The EAZ has benefited from the host of volunteers as well as the staff who, collectively, have demonstrated considerable commitment to the realisation of the vision. Above all, the Zone has been energetically, creatively and exceptionally well led and managed by the Project Director, ably assisted by the Administrator who has similarly taken a genuine personal as well as professional interest in the work of the EAZ. Their loyalty to the end of the tenure has ensured stability and continuity lacking in many short-term funded projects.

David Scott
Programme Evaluator

December 2004

Operating and financial review

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

Most of the EAZ's income is obtained from the DfES in the form of recurrent grants the use of which is restricted to particular purposes. The grants received during the period ended 9 January 2005 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. The EAZ did not receive any other restricted grants from the DfES during this period.

During the period ended 9 January 2005, the EAZ received in-Kind donations from commercial sponsors including Cheltenham and Gloucester Plc, Plato Learning (UK) Limited, Healey Precision Engineering, British Waterways, the Bank of England, Ecclesiastical Insurance and the Mears Group. These donations have been given to the EAZ to assist it to achieve its Action Plan.

Expenditure for the period was covered by grants from the DfES and other income and the excess of resources expended over income over for the period ending 9 January 2005 was £72,767.80. This, together with a brought forward figure of £72,767.80 from the previous financial year, gives a fund balance of £nil.

Funding of £41,548 was received from the DfES for AimHigher (formerly Excellence Challenge) projects. This enabled the EAZ to fund the appointment of a programme manager, to build capacity within the three secondary and one tertiary institution involved in the programme, and to pay for a range of activities to promote wider understanding of Higher Education opportunities among 13-19 year olds in the Zone.

Following advice during a previous audit, the Forum's account policies laid down that assets would not be capitalised unless the purchase cost was in excess of £2,500. No assets have been purchased which cost more than £2,500 each and hence none were capitalised as fixed assets in line with the Forum's accounting policies laid out on page 29. All assets are used exclusively for providing education and associated support services to the pupils of the EAZ.

Fund review

When the EAZ ceased to operate on 9 January 2005, its fund balances were nil. Fund balances existing prior to this date were utilised in fulfilment of the Zone's objectives. Immediately prior to cessation £37,455 was transferred to Gloucestershire LEA, which has been nominated as successor body committed to overseeing any outstanding matters. To achieve its Action Plan objectives the EAZ remained dependent on the provision of grants from both the DfES and commercial sponsors.

Connected organisations

The EAZ is working closely with its partnership schools (list attached - Appendix I) to achieve the Forum's objectives. All schools have been circulated with details of Action Plan priorities for 2003-2005. The first part of each Summer term is spent in agreeing with schools those areas in which they will consolidate and extend their involvement with the Zone over the following academic year, related to School Improvement Plan priorities.

During the period to which this report and accounts relate, a cash donation of £100 was by Cheltenham and Gloucester plc which contributed towards the cost of a Business Breakfast at the Waterways Museum in July. Details of some of the companies donating in-Kind donations to the EAZ are included under the heading Operating and Financial Review earlier in this report and in Note 5 on page 32. These donations have been given to the EAZ to assist it to achieve its Action Plan.

During this financial year, the Forum agreed revised Service Level Agreements with Gloucestershire LEA to provide a range of services to the Zone. These include

- financial advice;
- personnel services;
- consultancy;
- quality assurance; and
- research and statistics.

Equal opportunities

The policy of the Forum is to support equality of opportunity in the workplace, both in recruitment and professional development.

Disabled persons

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

Post balance sheet events

The Zone ceased all activities at the end of its statutory life on 9 January 2005. At this date it transformed into the Gloucester Excellence Cluster. Expenditure for the period ended 9 January 2005 included redundancy costs of £50,447. The EAZ was not responsible for any costs associated with the early retirement of one member 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 support and extend existing programmes, e.g. to fund Family Learning trips for targeted families during school holidays.

Risk management

In 2001 the Trustees carried out a detailed review of the charity's activities and produced a comprehensive strategic plan setting out the major opportunities available to the charity and the risks to which it is exposed. The Trustees monitor progress against the strategic objectives set out in the plan at each quarterly meeting and a comprehensive review of the plan is carried out annually. As part of this process, the Trustees have implemented a risk management strategy which comprises

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

Statement on Internal Control

a Maintenance of internal controls

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

The system of internal control is designed to manage rather than eliminate the 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 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.

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

b Review of controls

As Trustees, we also have responsibility for reviewing the effectiveness of the system of internal control. This is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by members of the Action Forum,
- regular reviews by the Liaison Group and the Finance Committee of reports which indicate financial performance against forecasts,
- setting targets to measure financial and other performance; and
- clearly defined purchasing and procurement guidelines.

These procedures are incorporated within the Financial Procedures Manual for the Zone, which received formal approval by the Action Forum at the meeting on 15 November 2000.

Members of the Action Forum have appointed David Clegg as Responsible Officer (RO). David is a Chartered Accountant, Director of the Gloucester City Council and former member of the Finance and General Purposes Committee. The RO's role includes providing advice on financial matters and performing a range of checks on the Zone's financial systems. As part of the Service Level Agreement with Gloucestershire County Council, a senior finance officer with the LEA attends meetings of the Finance Committee and acts as Financial Adviser to the Zone.

These arrangements can only provide reasonable and not absolute assurance that the assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period. The Forum has taken the precaution of taking out insurance to cover itself against unforeseen eventualities.

As the Forum ceased on 9 January 2005, the system of internal control reflected the requirement to identify, evaluate and mitigate the principal risks associated with closure, including

- insufficient key staff in post at end of the EAZ;
- inability to appoint a Nominated Successor Body;
- inability of staff to be available on a consultancy basis after closure; and
- insufficient monitoring of EAZ income and expenditure towards closure.

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 and signed by

Peter Clarke
Chairman of the Forum

15 March 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 25 to 39 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 29 to 31.

Respective responsibilities of the Trustees and Auditor

As described on page 22 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 I have regard to the standards and guidance issued by the Auditing Practices Board and the ethical guidance applicable to the auditing profession.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with 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 20 and 21 reflects the Forum's compliance with HM Treasury's guidance 'Corporate Governance: statement on the system of internal control'. I report if it does not meet the requirements specified by the Treasury, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered, whether the Trustees' Statement on Internal Control covers all risks and controls. I am also not required to form an opinion on the effectiveness of the Zone's corporate governance procedures or its risk and control procedures.

Basis of audit opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 Gloucester Education Action Zone (Dissolution) Order 2005, the Zone ceased to exist with effect from 9 January 2005. Accordingly as explained in the Trustees' Report and Note 1 to the accounts, the financial statements have been prepared on the basis that the Zone is no longer a going concern. My opinion is not qualified in this respect.

Opinion

In my opinion

- the financial statements give a true and fair view of the state of affairs of the Gloucester EAZ at 9 January 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

23 March 2005

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

Statement of Financial Activities for the period ended 9 January 2005

		Unrestricted funds	Restricted funds		Fixed assets	Total Period ended 9 January 2005 £000	Total Year ended 31 March 2004 £000
	Notes	£000	DfES £000	Other £000	£000		
Incoming resources							
DfES grants receivable	2, 3	0	585	46	0	631	897
Other government grants receivable	4	0	0	12	0	12	83
Private sector contributions	5	125	0	0	0	125	260
Public sector contributions	5	15	0	0	0	15	15
Investment income (bank interest)	6	3	0	0	0	3	5
Other income	6	5	0	3	0	8	24
Total incoming resources		148	585	61	0	794	1,284
Resources expended							
Costs of generating funds	7	0	18	0	0	18	24
Net incoming resources for charitable application		148	567	61	0	776	1,260
Charitable expenditure							
<i>Costs in furtherance of charitable objectives</i>							
Provision of education	7	50	82	20	0	152	237
Education support costs	7	92	12	41	0	145	348
Grants payable	7	0	333	6	0	339	442
Management and administration	7	6	156	0	0	162	211
Total charitable expenditure		148	583	67	0	798	1,238
Costs of termination of operations	9	0	51	0	0	51	0
Total resources expended		148	652	67	0	867	1,262
Net incoming/(outgoing) resources before transfers		0	(67)	(6)	0	(73)	22
Transfers between funds		(7)	4	3	0	0	0
Net movement in funds		(7)	(63)	(3)	0	(73)	22
Fund balances brought forward at 1 April 2004		7	63	3	0	73	51
Fund balances at 9 January 2005	16,17	0	0	0	0	0	73

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.

Further analysis of the income and expenditure for the period is shown on page 26 and the overall financial position at the period end is summarised in the balance sheet on page 27.

The notes on pages 29 to 39 form part of these accounts.

Income and Expenditure Account for the period ended 9 January 2005

	Notes	Period ended 9 January 2005 £000	Year ended 31 March 2004 £000
Income			
DfES EAZ recurrent grant	2	585	840
Other DfES grants	3	46	57
Other government grants	4	12	83
Private sector contributions	5	125	260
Public sector contributions	5	15	15
Other income	6	11	29
Total income		794	1,284
Charitable expenditure			
DfES EAZ recurrent grant expenditure	7	573	802
Other DfES grant expenditure	7	45	57
Other government grant expenditure	7	31	106
Other expenditure	7	149	273
Total charitable expenditure		798	1,238
Costs of generating funds	7	18	24
Costs of termination of operations	9	51	0
Total resources expended		867	1,262
Excess of income over expenditure		(73)	22
Net transfers to/from funds			
DfES EAZ fund	16	(63)	14
Other restricted funds	16	(3)	1
Unrestricted funds	17	(7)	7
Net movement in funds		(73)	22

The Income and Expenditure account is derived from the Statement of Financial Activities on page 25 which, together with the notes to the accounts on pages 29 to 39 provide full information on the movements during the period on all the funds of the Forum.

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

The Forum has no recognised gains and losses other than those included in the above results and therefore no separate Statement of Total Recognised Gains and Losses has been presented.

The notes on pages 29 to 39 form part of these accounts.

Balance Sheet as at 9 January 2005

	Notes	9 January 2005 £000	31 March 2004 £000
Current assets			
Debtors	13	0	29
Cash at bank and in hand		0	61
		0	90
Creditors: amounts falling due within one year			
	14	0	17
Net assets			
		0	73
Funds			
Restricted funds	16	0	66
Unrestricted funds	17	0	7
		0	73

The financial statements were approved by the Forum on 15 March 2004 and signed on its behalf by

Peter Clarke
Chairman

The notes on pages 29 to 39 form part of these accounts.

Cash Flow Statement period ended 9 January 2005

	Note	Period ended 9 January 2005 £000	Year ended 31 March 2004 £000
Operating activities			
<i>Receipts</i>			
Recurrent EAZ grant received from DfES		585	840
Other DfES grants		46	57
Other government grants		12	83
Private sector sponsorship		0	0
Public sector sponsorship		0	0
Other receipts		27	12
		<u>670</u>	<u>992</u>
<i>Payments</i>			
Staff costs		209	268
Other cash payments		525	774
Net cash inflow/(outflow) from operating activities	21	<u>(64)</u>	<u>(50)</u>
Returns on investments and servicing of finance			
Interest received		3	5
Increase/(decrease) in cash in the period		<u>(61)</u>	<u>(45)</u>

The notes on pages 29 to 39 form part of these accounts.

Notes to the Financial Statements

1 Accounting policies

Format of accounts

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

Basis of accounting

The financial statements are prepared under the historic cost convention. The Forum came to the end of its statutory five year life on 9 January 2005. The Trustees therefore consider it inappropriate to prepare the financial statements on a going concern basis and have reflected this in drawing up the accounts.

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. Sponsorship monies are credited direct to the income and expenditure account as unrestricted income, as the Forum has discretion in how to apply such contributions to meet its objectives.

Contributions in Kind

In accordance with the Accounts Direction provided by the Department for Education and Skills an income value is attributed to Contributions in Kind from business. These contributions are brought into the accounts at a reasonable estimate of their value to the Forum in the period 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.

Investment income and interest receivable

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

Management and administration

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

Allocation and apportionment of cost

In accordance with the charities SORP, expenditure has been analysed between charitable and other expenditure. The only activity undertaken by the EAZ is the operation of Gloucester Education Achievement 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.

Grants payable

FRS 12 'Provisions, Contingencies and Contingent Assets' now requires all grants to be recognised in the year i.e. if a Forum agrees to fund a project over a three year period, the full three years of grant would need to be shown as expenditure in the current year. It is acknowledged that the DfES recommends that the stated accounting policy for EAZs is that grant funding is only offered for one year, as future grant is not certain.

Accounting for fixed assets

As advised in the financial memorandum, a capitalisation limit of £2,500 has been employed throughout the year ended 9 January 2005 and during previous years. With the exception of several Interactive Whiteboards and associated equipment, each costing over £2,500, no other assets exceeding this level have been acquired and hence all have been fully expensed in the year to the Income and Expenditure account. Furthermore, the Interactive Whiteboards purchased have also not been capitalised since they have been gifted to schools without any reservation of title being retained by the Zone.

Accounting for leases

The rentals payable under operating leases are charged to the Income and Expenditure account on a straight line basis over the lease term.

Resources expended

Resources expended are divided into five categories

- Direct Provision of Education;
- Education Support;
- Grants Payable;
- Management and Administration; and
- Fundraising.

Expenditure is included as direct charitable expenditure (Direct Provision of Education) where, in the view of the Forum, the activities relate to staff costs incurred when in direct contact with pupils. These are activities in Action Area 1; Action Area 2 (with the exception of resources); Action Area 3 (with the exception of the Attendance Programme); Action Area 5; and the Gifted and Talented Summer School.

Education Support is the total expenditure of programmes which support education. These are the support costs of the Family Learning Team (Action Area 2); the Attendance Programme (AA 3.2); Partners in Leadership (AA 4.1); User Groups (AA 4.2); Self Evaluation (AA 4.3); Basic Skills Accreditation (AA 4.4); Schools Facing Challenging Circumstances; and Programme Evaluation.

Grants Payable is the amount of EAZ funding received by schools and neighbourhood projects during the financial year. Expenditure is always in line with programmes detailed in the EAZ Action Plan.

Management and Administration is the total of Management and Administration salaries, general administration costs and all costs associated with the premises.

Fundraising is the total cost of the two business consultancies, which support programmes designed to generate in-Kind and cash contributions.

Funds structure

The Forum has not designated any funds during the year to 9 January 2005. All unrestricted funds received in the year have been expended in full. Fund balances existing immediately prior to the Zone's closure were transferred to Gloucestershire County Council LEA to meet outstanding liabilities.

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. Employees of the Gloucester Education Achievement Zone have been admitted to the Local Government Pension Scheme, administered by the Corporate Services Department of the Gloucestershire County Council. The employer's contribution is 12.6% of an employee's pensionable salary (2003-2004: 12.6%).

2 DfES EAZ grant

	Period ended 9 January 2005 £000	Year ended 31 March 2004 £000
DfES grant received in period	585	840
Carry over from previous period	74	60
Total grant available to spend	659	900
Spent in the period	659	826
Underspent grant/[funded from general fund]	0	74

3 Other DfES grants

	Period ended 9 January 2005 £000	Year ended 31 March 2004 £000
AimHigher (formerly Excellence Challenge)	42	46
Gifted and Talented Summer School	4	9
Easter School	0	2
	46	57

4 Other government grants

	Period ended 9 January 2005 £000	Year ended 31 March 2004 £000
Gloucestershire County Council	10	11
Arts Council	2	18
Gloucester City Council	0	3
Learning and Skills Council	0	16
Basic Skills Agency	0	35
	<u>12</u>	<u>83</u>

5 Business contributions

	Cash £000	In Kind £000	Total Period ended 9 January 2005 £000	Total Year ended 31 March 2004 £000
Private sector contributions				
Cheltenham and Gloucester Plc	0	21	21	76
Plato	0	56	56	40
Healey Precision Engineering	0	14	14	18
British Waterways	0	5	5	13
W H Smith	0	4	4	0
Bank of England	0	5	5	13
Ecclesiastical Insurance	0	4	4	8
Cliber Education	0	1	1	4
Mears	0	0	0	6
Transco	0	0	0	5
Arjo	0	0	0	2
British Energy	0	0	0	1
Celebration Services	0	0	0	1
Gloucester Rugby Club	0	0	0	1
Kraft Foods	0	0	0	1
Link Group	0	0	0	1
Severn Sound	0	0	0	1
Zurich Insurance	0	0	0	1
Other private sector bodies (see Appendix I)	0	15	15	68
	<u>0</u>	<u>125</u>	<u>125</u>	<u>260</u>
Public sector contributions				
Gloucester City Council	0	4	4	12
RAF Innsworth	0	1	1	0
GCHQ	0	0	0	1
Connexions	0	0	0	0
Inland Revenue	0	0	0	1
Gloucester Constabulary	0	0	0	0
Other public sector bodies	0	10	10	1
	<u>0</u>	<u>15</u>	<u>15</u>	<u>15</u>
Total business contributions	<u>0</u>	<u>140</u>	<u>140</u>	<u>275</u>

6 Other income

	Period ended 9 January 2005 £000	Year ended 31 March 2004 £000
Investment income (bank interest)	3	5
University of Gloucestershire	2	0
Adult continuing education and training	3	20
Sundry income	3	4
	11	29

7 Total resources expended

	Staff £000	Other £000	Total Period ended 9 January 2005 £000	Total Year ended 31 March 2004 £000
Direct provision of education	59	93	152	237
Education support costs	2	143	145	348
Grants payable*	0	339	339	442
Management, administration, premises	98	64	162	211
Costs of generating funds	0	18	18	24
Cost of termination of operations	50	1	51	0
	209	658	867	1,262
Of which				
DfES grant expenditure	126	447	573	802
Other DfES grant expenditure	30	15	45	57
Other government grant expenditure	0	31	31	106
Other expenditure	3	146	149	273
Costs of generating funds	0	18	18	24
Cost of termination of operations	50	1	51	0
	209	658	867	1,262

* In the period ended 9 January 2005, the Zone paid the following grants to schools

	Programmes		Period ended	Year ended
	Raising Achievement	Developing Employability	9 January 2005 Total £000	31 March 2004 £000
	£000	£000		
Calton Infant School	10	0	10	11
Calton Junior School	9	0	9	11
Coney Hill School	11	0	11	10
Finlay Community School	12	0	12	9
Grange Infant School	9	0	9	9
Grange Junior School	7	0	7	13
Harewood Infant School	6	0	6	11
Harewood Junior School	14	0	14	24
Hatherley Infant School	11	0	11	11
Kingsholm C of E School	14	0	14	19
Linden Primary School	10	0	10	16
Moat Primary School	9	0	9	13
Robinswood School	10	0	10	13
St James C of E Junior School	8	0	8	12
St Paul's C of E School	7	0	7	14
Tredworth Infant School	8	0	8	12
Tredworth Junior School	9	0	9	11
Tuffley Primary School	6	0	6	10
Widden Primary School	9	0	9	16
Beaufort School	55	0	55	72
Central Technology College	35	0	35	41
Oxstalls Community School	34	0	34	50
The Milestone	10	0	10	12
The Hatherley Centre, PRU	4	0	4	4
Afro-Caribbean Association	8	0	8	0
Coney Hill Neighbourhood Project	3	0	3	5
Matson Neighbourhood Project	3	0	3	5
Podsmead Neighbourhood Project	6	0	6	3
White City Community Project	2	0	2	5
	<u>339</u>	<u>0</u>	<u>339</u>	<u>442</u>

8 General expenditure

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

	Period ended	Year ended
	9 January	31 March
	2005	2004
	£000	£000
Educational supplies and services	584	912
Occupancy costs	13	14
Supplies and services	32	32
Operating lease rentals (including rent of office premises)	22	30
Auditor's remuneration	6	6
Cost of termination of operations	1	0
	658	994

9 Cost of termination of operations

	Period ended	Year ended
	9 January	31 March
	2005	2004
	£000	£000
Staff costs arising from Zone closure	50	0
Cost of Post-Zone Services provided by Nominated Successor Body	1	0
Amounts transferred to Nominated Successor Body to meet residual Zone liabilities	37	0
Total	88	0

The cost of termination of operations in this note differs from that disclosed elsewhere in the accounts due to the inclusion of the amounts transferred to the nominated successor body to meet the Zone's residual liabilities. As these residual liabilities relate to normal non-closure expenses, they have not been disclosed as cost of termination of operations elsewhere in the accounts.

10 Staff costs

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

	Period ended 9 January 2005	Year ended 31 March 2004
Management	0.8	1.0
Administration	1.7	2.3
Family Learning Team	0.8	2.3
AimHigher (formerly Excellence Challenge)	0.4	1.0
Total employees	3.7	6.6

	Period ended 9 January 2005	Year ended 31 March 2004
	£000	£000
Staff costs for the above persons		
Wages and salaries	132	222
Social security costs	11	17
Other pension costs (see note 15)	16	29
Costs associated with Zone closure	50	0
Total staff costs	209	268

Costs associated with Zone closure comprised retention payments of £3k and redundancy payments of £47,000. There were no early retirement costs.

One employee earned more than £50,000 during the period (2003-2004: one). The total emoluments of this employee were in the following range

	Period ended 9 January 2005	Year ended 31 March 2004
£50,001 - £55,000	1	0
£60,001 - £65,000	0	1

11 Emoluments of Trustees

The Project Director is a Trustee under the terms of the Statutory Instrument. As such, he receives salary and expenses as provided for in his contract. Those costs are not disclosed separately, but see note 9 for further information. His travel costs are reported as part of the costs in note 8.

No payments were made to the other Trustees of the Forum.

Related party transactions

One member of the Action Forum represents a business organisation which has donated in-Kind contributions to the Gloucester Education Achievement Zone. All in-Kind contributions donated by this company (£21,000 as shown in Note 5), Gloucester and Cheltenham Plc, have been declared to the Department of Education and Skills.

Two members represent organisations to whom the EAZ pays sums of money on a consultancy basis. Business in the Community and Education and Business in Partnership develop links with businesses and in doing so have raised the maximum matched funding from the DfES for in-Kind contributions.

During the period ending 9 January 2005, Business in the Community received £12,600 and Education and Business in Partnership received £5,250 from the Gloucester EAZ. These payments were conducted at an arm's length basis.

Members of the Action Forum are not aware of any other related party transactions with regard to purchases, sales, leases or donations of goods, property, money or other assets.

12 Trustees' and officers' insurance

In accordance with normal commercial practice the Forum has purchased insurance to protect governors 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 the period ended 9 January 2005 was £1,541 (2003-2004: £1,995). The Forum also insures against any losses of money or goods resulting from fraud or dishonesty by Forum employees. The insurance provides cover up to £100,000. The cost is included in an insurance policy covering office contents and legal liabilities and the total cost for the period ended 9 January 2005 was £855 (2003-2004: £894).

13 Debtors

	9 January 2005 £000	31 March 2004 £000
Prepayments	0	10
Sundry debtors	0	19
	<u>0</u>	<u>29</u>

14 Creditors: amounts falling due within one year

	9 January 2005 £000	31 March 2004 £000
Trade creditors	0	0
Accruals	0	17
	<u>0</u>	<u>17</u>

15 Pensions and similar obligations

	Period ended 9 January 2005 £000	Year ended 31 March 2004 £000
Other pension costs comprise		
Defined benefit scheme - regular cost	16	29

The Zone's employees belong to the following pension scheme

Gloucestershire County Council Pension Scheme

Nature of scheme	Defined benefit
Zone's contribution rate in 2004-2005	12.60%
Zone's contribution in 2004-2005	£16,110
Zone's contribution in future years	£0

Contributions are actuarially valued. The date of the last full actuarial valuation was March 2001 at which date the scheme was 90% funded. An actuarial valuation as at 31 March 2004 is currently being carried out. The results of the valuation were not available when the accounts were approved by the Forum.

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

16 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, transfers	Balance at 9 January 2005 £000	Total 31 March 2004 £000
	£000	£000	£000	£000	£000
DfES recurrent grant	63	585	(648)	0	63
Other	3	61	(64)	0	3
	<u>66</u>	<u>646</u>	<u>(712)</u>	<u>0</u>	<u>66</u>

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

17 Unrestricted funds

	Period ended 9 January 2005 £000	Year ended 31 March 2004 £000
Brought forward at 1 April 2004	7	0
Excess of income over expenditure	0	0
Transfer to restricted funds	(7)	7
Balance at 9 January 2005	<u>0</u>	<u>7</u>

18 Analysis of net assets between funds

Fund balances at 9 January 2005 are represented by

	Unrestricted funds £000	Restricted funds £000	Total Period ended 9 January 2005 £000	Total Year ended 31 March 2004 £000
Current assets	0	0	0	90
Current liabilities	0	0	0	(17)
	<u>0</u>	<u>0</u>	<u>0</u>	<u>73</u>

19 Lease commitments

Operating leases

The payments which the Forum is committed to make in the next period for operating leases expiring

	9 January 2005 £000	31 March 2004 £000
Within one year	0	22
One to five years	0	0

20 Contingent liabilities

As at 9 January 2005 there were no contingent liabilities (£54,646 at 31 March 2004).

21 Reconciliation of net incoming resources to net cash inflow from operating activities

	9 January 2005 £000	31 March 2004 £000
Net incoming resources	(73)	22
Interest received	(3)	(5)
Decrease/(increase) in debtors	29	(18)
(Decrease)/increase in creditors	(17)	(49)
Net cash inflow from operating activities	(64)	(50)

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 Gloucester 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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