

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 Wythenshawe Education Action Zone for the period ended 30 November 2004, together with the Comptroller and Auditor General's Certificate and Report thereon. (In continuation of House of Commons Paper No. 1243 of 2003-2004)

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

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# Wythenshawe Education Action Zone Account 1 April 2004 to 30 November 2004

ORDERED BY THE HOUSE OF COMMONS TO BE PRINTED 18 MAY 2005

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## Legal and Administrative Information

### Trustees

Chair: Geoff Muirhead	Group Chief Executive, Manchester Airport Group
Angela Harrington	Programme Manager, Wythenshawe Regeneration Team
Willie Mills	Principal, City College Manchester
George Strachan	General Secretary, Manchester Teacher's Association (NUT)
Sam Dale	Widening Participation Co-ordinator, Manchester University
Councillor Tommy Judge	Councillor, Manchester City Council
Ged Petty	Chair, Combined Association Wythenshawe
Brian Stangoe	Assistant Branch Secretary, Unison
Martin Cash	Senior Education Adviser, DfES
Peter Allonby	Headteacher, St Peter's RC Primary School
John McKie	Headteacher, Baguley Hall Primary School
Jenny Andrews/Linda Jones	Headteacher/Acting Headteacher, Piper Hill High School
Neil Wilson	Headteacher, Newall Green High School
Wictor Daron	Headteacher, St Paul's RC High School
Michael Buczynski	Headteacher, Parklands High School
Richard Lait	Headteacher, Newall Green Primary School
Anne Whitehead	Headteacher, The Willows Primary School
Greg Aspinall	Headteacher, Ringway Primary School
Philip Newsholme	Headteacher, Crossacres Primary School
Margaret McGee	Headteacher, St Aidan's RC Primary School
Aelred Whelan	Headteacher, Sacred Heart RC Primary School

### EAZ Board

Chair: Geoff Muirhead	Group Chief Executive, Manchester Airport Group
Deputy Chair: Tim Porter	Chief Executive, Thales Information Systems
Alan Barrand	Headteacher, Rack House Primary School (from 7 September 2004)
David Evans	General Manager, UK Regions, British Airways
Angela Harrington	Programme Manager, Wythenshawe Regeneration Team
Mike Lee	Formerly Director of Aviation Services, My Travel Aviation
John McKie	Headteacher, Baguley Hall Primary School (from 7 September 2004)
Barry Morrison	Deputy Chief Education Officer, Manchester City Council
Dominic Mulcahy	Headteacher, St John Fisher & Thomas More Catholic Primary School (from 7 September 2004)
Philip Newsholme	Headteacher, Crossacres Primary School (from 7 September 2004)
Jackie Sale	Headteacher, Brookway High School
Marian Simmons	Co-ordinator, Excellence in Cities, Manchester
John Spooner	Managing Director, Manchester Airport plc (from 6 July 2004)
Elaine Steel	Regional Operations Director, Select Service Partner (until 7 September 2004)
Mick Waters	Chief Education Officer, Manchester City Council

**Secretary**

Joanna Young

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M60 4EP

**Solicitors**

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90 Deansgate  
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M3 2QL

## Report of the Trustees

The Trustees present their report and the audited financial statements for the period ended 30 November 2004.

### Constitution and principal activities

The Wythenshawe Action Forum is a corporate body and exempt charity established on 1 December 1999 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. All members of the Forum are trustees.

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

In accordance with the Act the Forum has adopted an 'Action Plan' approved by the Secretary of State for Education and Skills. The Action Plan specifies, amongst other things, to improve attendance levels, to reduce exclusions and as its main priority to raise significantly levels of achievement across all Key Stages(KS) by maximising the progress of each individual child in the Education Action Zone, leading to improvements in post-16 progression at both educational and employability levels.

### 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 30 November 2004 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 30 November 2004 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 Excellence in Cities Manchester 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 Wythenshawe Education Action Zone. The operational management structure of the EAZ consists of

Director	Ger Graus
Deputy Director	Gaynor Fitzgerald Gorman
Finance and Systems Manager	Karen Ames
Office Manager	Joanna Young

These four posts constitute the EAZ Senior Management Team which reports to the Forum. The aim of the management structure is to involve schools, Private and Public Sector Partners and encourage involvement in decision making at all levels.

The present Trustees of the Education Action Zone are set out on page 2.

### Developments, activities and achievements

The Wythenshawe Education Action Zone became operational on 1 December 1999.

From the outset it was the aim of the Education Action Zone to ensure transparency and full involvement and ownership by Headteachers, schools, Public and Private Sector partners, the Zone Board and Action Forum. The Action Plan for April 2003 to November 2004 was thus developed jointly based on the audit of need which was included as part of the original Action Plan as well as subsequent developments related to the needs audit. The overall focus of the fourth/fifth Action Plan was in all programme areas on the transition between KS's 2 and 3 and the transition between KS4 and the post-16 phase including the Private Sector.

The Education Action Zone has made a commitment to ringfence resources to the specific programme areas wherever financial savings occurred. This ensured that the audit of need was adhered to. A further commitment which was made by the Education Action Zone was that where progress was slow and difficulties occurred, solutions would be found to remedy the problem and pursue the original targets. An example of this is the National Mentor Point status in order to resolve the issue surrounding mentor recruitment.

Awareness of the Education Action Zone was enhanced through newsletters, school signs, staff and Governing Body meetings, parents' meetings and other marketing strategies such as regular features within Manchester Airport's newsletter, 'Plane Talk', and broadcasts on Italian television.

A key strength of the Education Action Zone is the involvement of the Private Sector. The Zone has managed to create genuine win-win opportunities and this strategy has resulted in a commitment from the Private Sector which has exceeded £2m over the life of the Zone. A further strength of the Education Action Zone is the joint work with Excellence in Cities, the Local Education Authority and the Wythenshawe Partnership as well as the post-16 sector. At this stage the Education Action Zone is also working closely with the East Manchester Education Action Zone. Since September 2001, the Board and Management Team are also responsible for the Wythenshawe EiC Education Action Zone.

Overall, the Action Plan 2003-2004 has been effective and in many ways original expectations have been exceeded. Evidence of the effectiveness of the fourth/fifth year's Action Plan will be present in the fourth/fifth evaluation report of the Education Action Zone undertaken by the Manchester Metropolitan University's Educational Research Centre to be published in due course. Copies will be sent to the Department for Education and Skills when this external evaluation has been received.

Progress in relation to the relevant success criteria across the Action Plan has been good and in a number of areas has exceeded expectations, in particular in terms of the commitment of the Zone's Private Sector partners. As part of the joint target setting between the Education Action Zone, Excellence in Cities and the Local Education Authority, schools revisited their statutory targets for 2004 and set appropriately challenging targets for 2005 as well as additional Zone-specific targets relating to individual programme areas such as The Gifted and Talented Strand and the Full Service Schools Network.

The Education Action Zone's key programme areas are

- Literacy Innovation Network;
- Numeracy Innovation Network;
- The Gifted and Talented Strand;
- Extended Learning and Engagement Network;
- 14-19 Innovation Hub;
- Key Skills for Learning and Adult Life;
- Full Service Schools Network (including Mentoring and Aspiration Campaign); and
- School Management Support

### **Literacy Innovation Network**

Literacy was an issue across all schools in the Education Action Zone as identified by the analysis of Ofsted reports, performance data and schools' (self) monitoring and (self) evaluation. The main objective of the Literacy Innovation Network is the acceleration in raising standards of achievement and attainment for all pupils in the Education Action Zone. All schools were part of the Literacy Innovation Network from the beginning as the audit indicated that Literacy is a Zone-wide key issue.

Two Literacy Quality Development Teachers were deployed in order to improve the quality of teaching in the classroom by working alongside teachers in schools. Increasingly Quality Development Teachers became involved in implementing and embedding resources in the classroom which have been acquired by the Zone.

Literacy Co-ordinators' meetings were established and very swiftly led to the sharing of best practice, both between schools and Key Stages. In addition, time was made available for Literacy Co-ordinators and Teachers to plan with the Quality Development Teachers in schools.

Resources were procured on behalf of schools with a view to improve the quality of planning, teaching and assessment. In addition, training was provided on the role of Co-ordinators as part of leadership and management.

Overall, the programme has been effective. The actions taken as described above are valued by the schools and are seen as a positive way of improving the quality of teaching and raising the standards of attainment.

Where financial savings were made, financial resources were ringfenced to the specific programme where the savings occurred i.e. the Literacy Innovation Network. All of these additional activities have been valued highly by the schools. In addition, the effectiveness of the programme was improved by close co-operation between the Education Action Zone, Excellence in Cities and the Local Education Authority.

Progress within the Literacy Innovation Network in relation to the relevant success criteria has been good. This is evidenced by individual schools, Ofsted reports of schools as well as the fact that we have achieved the four-year target of not having any schools in Special Measures.

### **Numeracy Innovation Network**

Numeracy was an issue across all schools in the Education Action Zone as identified by the analysis of Ofsted reports, performance data and schools' (self) monitoring and (self) evaluation. The main objective of the Numeracy Innovation Network is the acceleration in raising standards of achievement and attainment for all pupils in the Education Action Zone. Schools in the Parklands and Newall Green High School Clusters were part of the Numeracy Innovation Network from the beginning as the audit indicated that Numeracy is a key issue in those two clusters, more so than in the St Paul's RC High School Cluster where Numeracy is an issue. The St Paul's RC High School Cluster became part of the Numeracy Innovation Network in the second year of the Education Action Zone.

Two Numeracy Quality Development Teachers were deployed in order to improve the quality of teaching in the classroom by working alongside teachers in schools. Increasingly Quality Development Teachers will also become involved in implementing and embedding resources in the classroom which have been acquired by the Zone.

Numeracy Co-ordinators' meetings were established and very swiftly led to the sharing of best practice, both between schools and Key Stages. In addition, time was made available for Numeracy Co-ordinators and Teachers to plan with the Quality Development Teachers in schools.

Resources were procured on behalf of schools with a view to improve the quality of planning, teaching and assessment. In addition, training was provided on the role of Co-ordinators as part of leadership and management.

Overall, the programme has been effective. The actions taken as described above are valued by the schools and are seen as a positive way of improving the quality of teaching and raising the standards of attainment.

Where financial savings were made, financial resources were ringfenced to the specific programme where the savings occurred i.e. the Numeracy Innovation Network. All of these additional activities have been valued highly by the schools. In addition, the effectiveness of the programme was improved by close co-operation between the Education Action Zone, Excellence in Cities and the Local Education Authority.

Progress within the Numeracy Innovation Network in relation to the relevant success criteria has been good. This is evidenced by individual schools, Ofsted reports of schools as well as the fact that we have achieved the four-year target of not having any schools in Special Measures.

### **The Gifted and Talented Strand**

Across the Education Action Zone, performance data and Ofsted reports indicated that more able pupils were not stretched enough. The introduction of The Gifted and Talented Strand into KS2 in conjunction with the introduction of The Gifted and Talented Strand into KSs 3 and 4 as part of Excellence in Cities aimed to increase the number of pupils attaining Level 5+ at the end of KS2. From the performance data, the original Action Plan proposed that this programme started in the St Paul's RC High School Cluster (the highest attaining Cluster at Level 4+). From 2003, all primary schools have been involved.

Gifted and Talented Strand Co-ordinators were appointed in schools and meetings were established, leading to the production and publication of a Zone-wide Teaching and Learning Policy incorporating The Gifted and Talented Strand. In addition, time was made available for Gifted and Talented Strand Co-ordinators to plan in schools.



A Gifted and Talented international Shakespeare project was planned for and the result was that during May 2004 some 37 Years 5, 6 and 7 pupils performed the 12 Shakespeare plays set in Italy in the Piazza Santo Stefano in Bologna (Italy) as well as in Wythenshawe. This project has earned the Wythenshawe Education Action Zone the Centre for Information on Language Teaching European Award for Languages.

During the summer of 2004, a Gifted and Talented Summer School incorporating the three High Schools and their partner primaries took place at Manchester Metropolitan University, an evaluation of which has been submitted separately to the DfES. The focus was Modern Foreign Languages.

Overall, the programme has been effective. The actions taken as described above are valued by the schools and are seen as a positive way of improving the quality of teaching and raising the standards of attainment, particularly for more able pupils.

Where financial savings were made, financial resources were ringfenced to the specific programme where the savings occurred i.e. The Gifted and Talented Strand. This allowed for the introduction of additional resources to all schools.

Progress within The Gifted and Talented Strand in relation to the relevant success criteria has been good. The work on the international Shakespeare project has been particularly successful as it has not just involved language learning and English Literature in The Gifted and Talented Strand, as it has also raised pupils' and teachers' aspirations and dreams. Evidence of good progress can be arrived at through individual schools and Ofsted reports of schools

### **Extended Learning and Engagement Network**

The Extended Learning and Engagement Network is a supportive programme within the Education Action Zone, particularly in the areas of The Gifted and Talented Strand and the Mentoring and Aspiration Campaign as well as the Key Skills for Learning and Adult Life. The main objective of the Extended Learning and Engagement Network is to assist in the acceleration of raising standards of achievement and attainment for all pupils in the Education Action Zone. Across a range of activities all schools were part of some if not all events.

The international Shakespeare project was completed. The project, focusing on The Gifted and Talented Strand, took place during May 2004 in Bologna (Italy).

Overall, the programme has been effective. The activities as described above are valued by the schools and are seen as a positive way of improving the quality of education. Pupil participation levels have reportedly been high. In addition, the effectiveness of the programme was improved by close co-operation between the Education Action Zone and its Private Sector partners as well as the Local Education Authority.

Progress within the Extended Learning and Engagement Network in relation to the relevant success criteria has been good. This is evidenced by individual schools and Ofsted reports of schools.

### **The 14-19 Innovation Hub**

From the audit of needs it was clear that 14-19 education was an issue in the Education Action Zone in a number of areas particularly relating to staying-on rates post-16 and attainment at 5+ A\*-C at the end of KS4. The main objective of the 14-19 Innovation Hub is to raise standards at Key Stage 4 and assure appropriate post-16 provision for individual pupils. All four secondary schools, including Piper Hill Special School, were part of the 14-19 Innovation Hub. In addition, post-16 providers including the Private Sector as well as Brookway High School, a Wythenshawe secondary outside the Statutory Education Action Zone, were included in the 14-19 Innovation Hub.

The Strategic Core Group and the Development Group were established and a work-related learning programme has been developed. From April 2004 some 60 Year 10 and Year 11 pupils have been taking part in the Zone's 14-19 Alternative Curriculum whereby pupils spent three days per week in school focusing particularly on English, Mathematics and ICT, one day per week in a post-16 college focusing on Key Skills, and one day per week in a company focusing on work-related activities. The companies also undertake to mentor pupils whilst at the place of work.

Following the unsatisfactory performance particularly at 5+ A\*-C in August 2000, intervention was agreed with Headteachers, the Zone Board and Action Forum. The development of the GCSE Enterprise and the development of a National Curriculum Application/Disapplication Strategy were postponed. GCSE Booster Classes in English, Mathematics and Science were introduced into the secondary schools, focusing particularly on pupils who could progress from 4 A\*-C to 5+ A\*-C and this was continued into 2004.

Overall the programme has been effective. The actions taken as described above are valued by the schools and are seen as a positive way of raising aspirations towards employability and raising standards of attainment particularly at 5 A\*-C. In addition the effectiveness of the programme was improved by close co-operation between the Education Action Zone, Excellence in Cities and the Local Education Authority. The impact of the 14-19 Innovation Hub has been so positive that the secondary schools are considering additional funding from the Standards Fund for certain activities such as the introduction of a pre-16 NVQ and additional GCSE Booster Classes.

Progress with the 14-19 Innovation Hub in relation to the relevant success criteria has been good. This is evidenced by the level of commitment and interest from the Private Sector and other post-16 providers as well as individual schools. A number of Manchester schools outside the Wythenshawe Education Action Zone as well as other Local Education Authorities are looking to copy the Wythenshawe EAZ's model.

### **Key Skills for Learning and Adult Life**

Linked to the 14-19 Innovation Hub was the Key Skills for Learning and Adult Life programme. From the audit of needs it became clear that there is a local issue relating to the post-16 employability of young people. In working with the Private Sector and other post-16 providers the aim was to develop a Key Skills Profile which would equip young people better for employment and give the Private Sector greater confidence in locally educated young people.

A Key Skills Core Group to develop and pilot the Key Skills Profile was established. During 2002-2003 the Key Skills Profile was published and has since also been developed electronically. A Pre Key Skills Profile for Special Schools was also developed.

Overall the programme has been effective evidenced by the publication of the Key Skills Profile. The effectiveness of the programme was improved by close co-operation between the Education Action Zone, the Local Education Authority and particularly the Private Sector.

Progress with the Key Skills for Learning and Adult Life programme in relation to the relevant success criteria has been good. This is evidenced by the level of commitment and interest from the Private Sector and other post-16 providers as well as individual schools. Tangible evidence of Private Sector commitment can be found in the full-time jobs with training which have been made available to the Zone by Select Service Partner. Clearly the publication of the Key Skills Profile is further tangible evidence of the programme area's success.

### **Full Service Schools Network (including Mentoring and Aspiration Campaign)**

As the audit of needs demonstrated, there were issues in schools relating to permanent and fixed-term exclusions as well as attendance and punctuality. Supported by the Ofsted inspections of the Local Education Authority (1998 and 2000), it became clear that a different way of working with existing central services could improve on the baseline of 1999. Establishing the Full Service Schools Network on a pilot basis in six schools initially would enable the Zone to work differently with central services such as Education Welfare and Education Psychology as well as health-related organisations about a redirection of these services towards a one-stop-shop principle in schools. This programme area has continued successfully and has directly influenced the way the Local Education Authority will operate its services from September 2004.

The Full Service Schools Steering Group was established and negotiations with the Local Education Authority led to targeted access to Education Welfare Officers and Educational Psychologists. In addition, funding was procured to pilot the employment of a targeted Social Worker to Newall Green High School.

Overall the programme has been effective. The redirection of services, in particular Education Welfare and Education Psychology, and the additional resources are valued by the schools and are seen as a positive way of improving educational standards.

It is now clear that the Zone's pilot relating to Full Service Schools will lead to a change in which the Local Education Authority works with schools and its services. From September 2004 the Full Service Schools concept will be embraced by the Local Education Authority, known as District development.

The commitment to the Full Service Schools principle by the Local Education Authority has been crucial in making the programme area effective.

Progress within the Full Service Schools Network in relation to the relevant success criteria has been good. This is evidenced by developments in individual schools and by the partnerships established, in particular with the Local Education Authority and Social Services. Further evidence of the programme area's success can be found in the individual schools' Ofsted reports.

In the light of the success of the Full Service Schools Network and following consultation with Headteachers, external partners and other agencies as well as the Zone Board and Action Forum, all schools in the Statutory EAZ will become Full Service Schools.

The Mentoring and Aspiration Campaign was to focus on a specific group of pupils at KSs 2, 3 and 4 with issues relating to attendance and punctuality. Mentors were to work with these young people to improve their attendance and punctuality and thereby their educational attainment.

Recruitment of Aspiration Mentors proved very difficult and up to December 2000 was unsuccessful. As a result the Education Action Zone in conjunction with the Salford Business Education Partnership successfully applied to become a National Mentor Point.

Overall, the programme has been effective largely due to the Zone's joint National Mentor Point status with the Salford Business Education Partnership.

### **School management support**

- From the outset a number of other factors became clear
  - communication and consultation with Headteachers was essential in order to deliver the Action Plan and create ownership of it;
  - aspirations and expectations in general varied. This applied to teachers and pupils as well as parents;
  - the quality of data on individual pupils was varied. The use of data in the classroom to inform future planning and thereby raise standards was poor; and
  - schools' self-monitoring and self-evaluation was inconsistent across the Zone.
- From the above the following action was taken
  - regular Headteachers' meetings were established. In addition, two Headteachers' Residentials were planned during which Action Plan and progress review would be on the agenda as well as planning for the future. A weekly correspondence with Headteachers was also established. In addition, the Deputy Headteachers' meetings took place.
  - a training programme in order to raise self-esteem and aspirations as well as expectations was continued; and
  - work on the development of the Individual Pupil Level Database has continued and is nearing completion.
  - software to aid Headteachers' self-monitoring and self-evaluation has been procured and implemented.
  - communication with Headteachers is good. Headteachers feel involved in the Education Action Zone, its progress and future development;
  - through The Pacific Institute, 'Investment in Excellence' was further developed and well received by those who participated. The impact has been so positive that schools have funded staff and pupil programmes from the Standards Fund. This initiative links directly to the Full Service Schools Network;
  - the development of the Individual Pupil Level Database is nearing completion. A consortium of partners including the Education Action Zone, schools, Serco Learning and Shell UK has been finalising both the content and the structures and systems of the Database. From September 2003, the Database has been operational across the Education Action Zone including value-added pupil data; and
  - the Continuous School Improvement software (self-monitoring and self-evaluation) has been facilitated in over half of the Zone's schools since 2003.

- Progress across all four above mentioned areas has been good. This is evidenced by individual schools and Private Sector commitment as well as individual schools' Ofsted reports
  - communication with schools in its current form will continue. In addition, the Deputy Headteachers' meetings have continued;
  - 'Investment in Excellence' will continue. Facilitators have been trained and whole-school roll-out in a further three schools has occurred;
  - the Individual Pupil Level Database is operational in all schools, through the Research and Information Manager, the Quality Development Teachers and Co-ordinators' meetings;
  - continuous School Improvement self-monitoring and self-evaluation has moved from Senior Management levels to Middle Management levels through in-service training in schools; and
  - we are currently working with Manchester schools outside the Wythenshawe Education Action Zones as well as other Local Education Authorities, such as Bradford, to disseminate best practice.

The Education Action Zone has further strengthened its position to ensure good progress in the future and turn its vision statement into reality

*"...The Community and Private Sector in Wythenshawe have great confidence and a vested interest in their education system which aims to create an area of quality learning, high employment, empowered children, committed, enthusiastic teachers and a confident workforce.*

*People feel proud to be part of a Wythenshawe Community with high aspirations and are inspired to contribute to it..."*

## 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 Education Action Zone's income is obtained from Private Sector contributions as well as 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 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During 2004 the Education Action Zone received other restricted grants from DfES and other Government Departments/Agencies and also received targeted education investments of £165,341 from Private Sector partners including Manchester Airport plc, Vektor Ltd, Serco Ltd, British Airways and the Alternative Curriculum project, and £57,746 from Public Sector Partners including Consolato d'Italia and Manchester City Council. These investments have been given to the Education Action Zone to assist it to achieve its Action Plan and have been substantially expended.

Expenditure for the year was covered by grants from the DfES and other income. The excess of resources expended over incoming resources for the eight months was £108,116.

At 30 November 2004 the net book value of fixed assets was £nil and movements in tangible fixed assets are shown in note 13 to the financial statements. The 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 30 November 2004 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 £12,064 was transferred to Excellence in Cities Manchester, 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 Education Action Zone is working closely with its post-16 providers, Private and Public Sector Partners and the Local Education Authority to achieve the Forum's objectives.

As part of Manchester Airport's investment into the Education Action Zone, it has benefited from the services of Human Resources, Finance, Payroll, Internal Audit, ICT Services and accommodation.

### Secondary Schools

	DfES No.
Newall Green High School	3524286
Parklands High School	3524292
St Paul's Catholic High School	3524766

### Special Schools

Piper Hill High School	3527039
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### Primary Schools

	DfES No.		DfES No.
Baguley Hall Primary School	3522326	Sacred Heart Catholic Primary School	3523464
Benchill Primary School	3522341	St Aidan's Catholic Primary School	3523415
Crossacres Primary School	3522073	St Anthony's Catholic Primary School	3523424
Greenbrow Infant School	3522112	St Elizabeth's Catholic Primary School	3523474
Haveley Hey Primary School	3522127	St John Fisher & St Thomas More Catholic Primary School	3523448
Newall Green Primary School	3522182	St Peter's Catholic Primary School	3523465
Peel Hall Primary School	3522300	The Willows Primary School	3522009
Ringway Primary School	3522008		

### Disabled persons

In line with good practice, 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

No events have occurred since the balance sheet date that affect the financial statements.

The Zone ceased all activities at the end of its statutory life on 30 November 2004. At this date it transformed into the Wythenshawe EAZ (EIC). In the period ended 30 November 2004 no redundancy or early retirement benefit costs were incurred.

### 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 School Management Support.

### Grant making policy

Grants are awarded to Zone schools in accordance with the Action Plan for the period.

### Risk management

In May 2002 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 plan was reassessed and approved by the Trustees in November 2003 and September 2004. The Trustees monitor progress 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 minimise any potential impact on the charity should any of those risks materialise.

## Statement on Internal Control

### a Maintenance of 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 30 November 2004 and up to the date of approval of the annual report and accounts and accords with Treasury guidance.

As the Forum ceased on 30 November 2004 the system of internal control reflected the requirement to identify, evaluate and mitigate the principal risks associated with closure, including

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

### b Review of controls

As Trustees, we also have responsibility for reviewing the effectiveness of the system of internal control. During the period April to November 2004 the Forum has ensured the continuation of good practice and maintained the following processes

- the Forum has reviewed the Action Plan activities and identified the major opportunities available to it and the risks to which it is exposed;
- the establishment of systems and procedures to mitigate the risks identified in the risk assessment action plan. This includes systems to ensure compliance with specific regulations or procedures laid down by central government departments;
- procedures for monitoring progress against the strategic objectives set out in the Action Plan at monthly Board and termly Action Forum meetings;
- the allocation of risk ownership, including the role of the Forum, sub-committees and Project Director;
- the Board and Action Forum scrutinise the management accounts including variance analysis to the budget and forecast comparisons. The statutory accounts and annual budget are also circulated to the Board and Action Forum for review and approval;
- the Finance Working Group meets half-termly and reviews the detailed analysis including virements supporting the management accounts. The Finance Working Group also scrutinises the detailed working papers supporting the budget and subsequent quarterly forecasts. The draft statutory accounts are reviewed by the Finance Working Group prior to submission to the Board and Action Forum; and
- the draft statutory accounts are reviewed by the MAG Internal Audit department prior to submission to the Board and Action Forum.

Our review of 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, the 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 is signed on their behalf by

*Geoff Muirhead*  
Chairman

17 February 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 29 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 and 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 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 page 12 reflects the Forum's compliance with HM Treasury's guidance 'Corporate governance: statement on the system of internal financial 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 Wythenshawe Education Action Zone (Dissolution) Order 2004, the Zone ceased to exist with effect from 30 November 2004. 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 Wythenshawe EAZ at 30 November 2004 and of its incoming resources, application of resources and cash flows for the period then ended and have been properly prepared in accordance with the School Standards and Framework Act 1998 and directions made thereunder by the Secretary of State for Education and Skills; and
- in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.

*John Bourn*  
Comptroller and Auditor General

22 March 2005

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

## Statement of Financial Activities for the period ended 30 November 2004

		Unrestricted funds	Restricted funds		Fixed assets	<b>Total Period 30 November 2004 £000</b>	Total Year ended 31 March 2004 £000
	Notes	£000	DfES £000	Other £000	£000		
<b>Incoming resources</b>							
DfES grants receivable	2,3	0	633	0	0	<b>633</b>	1,099
Other government grants receivable	4	0	0	10	0	<b>10</b>	25
Private sector contributions	5	165	0	0	0	<b>165</b>	341
Public sector contributions	5	58	0	0	0	<b>58</b>	98
Other income	6	4	0	0	0	<b>4</b>	5
Amortisation transfer		0	0	0	0	<b>0</b>	0
<b>Total incoming resources</b>		<b>227</b>	<b>633</b>	<b>10</b>	<b>0</b>	<b>870</b>	<b>1,568</b>
<b>Resources expended</b>							
Costs of generating funds	7	0	(7)	0	0	<b>(7)</b>	(5)
<b>Net incoming resources for charitable application</b>		<b>227</b>	<b>626</b>	<b>10</b>	<b>0</b>	<b>863</b>	<b>1,563</b>
<b>Charitable expenditure</b>							
<i>Costs in furtherance of charitable objectives</i>							
Provision of education	7	200	52	0	0	<b>252</b>	552
Education support costs	7	35	189	10	0	<b>234</b>	563
Grants payable	7	0	325	0	0	<b>325</b>	209
Management and administration	7	25	97	0	1	<b>123</b>	176
<b>Total charitable expenditure</b>		<b>260</b>	<b>663</b>	<b>10</b>	<b>1</b>	<b>934</b>	<b>1,500</b>
Costs of termination of operations	9	0	37	0	0	<b>37</b>	0
<b>Total resources expended</b>		<b>260</b>	<b>707</b>	<b>10</b>	<b>1</b>	<b>978</b>	<b>1,505</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>(33)</b>	<b>(74)</b>	<b>0</b>	<b>(1)</b>	<b>(108)</b>	<b>63</b>
Transfers between funds		0	0	0	0	<b>0</b>	0
<b>Net movement in funds</b>		<b>(33)</b>	<b>(74)</b>	<b>0</b>	<b>(1)</b>	<b>(108)</b>	<b>63</b>
Fund balances brought forward at 1 April 2004		33	74	0	1	<b>108</b>	45
<b>Fund balances carried forward at 30 November 2004</b>	18,19	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>108</b>

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 the period ended 30 November 2004 relate to discontinued operations.

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 29 form part of these accounts.*

## Income and Expenditure Account for the period ended 30 November 2004

	Notes	Period 30 November 2004 £000	Year ended 31 March 2004 £000
<b>Income</b>			
DfES EAZ recurrent grant	2	611	990
DfES EAZ fixed asset grant	2	0	0
Other DfES grants	3	22	109
Other government grants	4	10	25
Private sector contributions	5	165	341
Public sector contributions	5	58	98
Other income	6	4	5
<b>Total income</b>		<b>870</b>	<b>1,568</b>
<b>Charitable expenditure</b>			
DfES EAZ grant expenditure	7	641	923
Other DfES grant expenditure	7	22	109
Other government grant expenditure	7	10	25
Depreciation	7	1	4
Other expenditure	7	260	439
<b>Total charitable expenditure</b>		<b>934</b>	<b>1,500</b>
Costs of generating funds	7	7	5
Costs of termination of operations	9	37	0
<b>Total resources expended</b>		<b>978</b>	<b>1,505</b>
<b>Excess of expenditure over income</b>		<b>(108)</b>	<b>63</b>
<b>Net transfers to/from funds</b>			
DfES EAZ fund	18	(74)	62
Other restricted funds	18	(1)	(4)
Unrestricted funds	19	(33)	5
<b>Net movement in funds</b>		<b>(108)</b>	<b>63</b>

The Income and Expenditure Account is derived from the Statement of Financial Activities on page 16 which, together with the notes to the accounts on pages 20 to 29 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 expenditure over income for the period ended 30 November 2004 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 29 form part of these accounts.*

## Balance Sheet as at 30 November 2004

	Note	<b>30 November 2004 £000</b>	31 March 2004 £000
<b>Fixed assets</b>			
Tangible assets	13	<u>0</u>	<u>1</u>
		<b>0</b>	<b>1</b>
<b>Current assets</b>			
Debtors	15	<u>0</u>	<u>49</u>
Cash at bank and in hand		<u>0</u>	<u>232</u>
		<b>0</b>	<b>281</b>
<b>Creditors: amounts falling due within one year</b>	16	<u>0</u>	<u>174</u>
Net current assets		<b>0</b>	<b>107</b>
<b>Net assets</b>		<u><b>0</b></u>	<u><b>108</b></u>
<b>Funds</b>			
Restricted funds	18	<u>0</u>	<u>75</u>
Unrestricted funds	19	<u>0</u>	<u>33</u>
		<u><b>0</b></u>	<u><b>108</b></u>

The financial statements were approved by the Forum on 17 November 2004 and signed on its behalf by

*Geoff Muirhead*  
Chairman

17 February 2005

## Cash Flow Statement for the period ended 30 November 2004

	Note	Period <b>30 November 2004 £000</b>	Year ended 31 March 2004 £000
<b>Operating activities</b>			
<i>Receipts</i>			
Recurrent EAZ grant received from DfES		<b>611</b>	990
Capital grant from DfES		<b>0</b>	0
Other DfES grants		<b>60</b>	71
Other government grants		<b>0</b>	0
Private sector sponsorship		<b>3</b>	0
Public sector sponsorship		<b>0</b>	15
Other receipts		<b>1</b>	1
		<b>675</b>	1,077
<i>Payments</i>			
Staff costs		<b>305</b>	418
Other cash payments		<b>606</b>	613
<b>Net cash inflow/(outflow) from operating activities</b>	23	<b>(236)</b>	46
<b>Returns on investments and servicing of finance</b>			
Interest received		<b>4</b>	4
Interest paid		<b>0</b>	0
		<b>4</b>	4
<b>Capital expenditure</b>			
Purchase of tangible fixed assets		<b>0</b>	0
		<b>0</b>	0
<b>Financing</b>			
Deferred grant received		<b>0</b>	0
		<b>0</b>	0
<b>Increase/(decrease) in cash in the period</b>		<b>(232)</b>	50

# Notes to the Financial Statements

## 1 Accounting policies

### *Format of accounts*

The financial statements are 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 Forum came to the end of its statutory five year life on 30 November 2004. 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 Education Action Zone's grant from the Department for Education and Skills, 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.

Income received for specific purposes is included in the income and expenditure account to the extent of the relevant expenditure incurred in the period. Income received for specific purposes but not matched to relevant expenditure during the period is shown as deferred income on the balance sheet within creditors.

### *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.

### *Income receivable*

Interest receivable is included in the financial statements on an accruals basis.

### *Management and administration*

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

### *Allocation of cost between direct provision of education and other expenditure*

In accordance with the charities SORP, expenditure has been analysed between charitable and other expenditure. The only activity undertaken by the Wythenshawe Education Action Zone is the operation of the Wythenshawe Education Action Zone. There are no items of expenditure which involve more than one cost category which have been apportioned.

### *Tangible fixed assets*

Tangible fixed assets costing more than £2,500 acquired since 1 April 2002 are included in the accounts at cost.

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

*Depreciation*

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

Computer equipment and software	33%
---------------------------------	-----

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

*Resources expended*

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

*Stocks*

Unused stores are valued at the lower of cost or net realisable value.

*Funds structure*

Funds have been designated for restricted and unrestricted purposes. Fund balances existing immediately prior to the Zone's closure were transferred to Excellence in Cities Manchester 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*

Employees of the Education Action Zone may participate in two principal pension schemes

- 1 The Greater Manchester Pension Fund administered by Tameside Borough Council. The scheme is of the defined benefit type. The securities portfolio of the fund is managed by two external professional investment managers and the property portfolio is managed internally. Participation is by virtue of the Education Action Zone's status as an 'admitted body' to the fund.

The contribution rate is determined periodically by a qualified actuary, the latest formal valuation for funding purposes was as at 31 March 2001, with the next formal valuation due as at 31 March 2004 but this has not yet been completed.

- 2 The Teachers Pension scheme is an unfunded scheme administered by the Department for Education and Skills (DfES). The Zone pays a contribution, based upon pensionable pay, to the Teachers Pension Agency. The contribution rate is set by the DfES on the basis of a notional fund.

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

**2 DfES EAZ grant**

	<b>Period</b> <b>30 November</b> <b>2004</b> <b>£000</b>	Year ended 31 March 2004 £000
DfES grant received in period	<b>611</b>	990
Carry over from previous period	<b>74</b>	12
<i>Less</i>		
Amounts due from DfES	<b>0</b>	0
Amount used to purchase fixed assets	<b>0</b>	0
Total grant available to spend	<b>685</b>	1,002
Spent in the period	<b>685</b>	928
Underspent grant	<b>0</b>	74
Maximum permitted carry over level	<b>0</b>	89
Excess grant to surrender	<b>0</b>	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**

	<b>Period</b> <b>30 November</b> <b>2004</b> <b>£000</b>	Year ended 31 March 2004 £000
DfES Summer school grant	<b>4</b>	9
DfES Easter school grant	<b>0</b>	2
DfES innovations grant	<b>18</b>	98
	<b>22</b>	109

**4 Other government grants**

	<b>Period</b> <b>30 November</b> <b>2004</b> <b>£000</b>	Year ended 31 March 2004 £000
New Opportunities funding*	<b>10</b>	25
	<b>10</b>	25

\* At the beginning of the year there was £9,840 deferred income relating to funding from the New Opportunities Fund. Of this £9,840 was used during the year and £nil remains as deferred income for use by the Zone in future periods. See note 16.



**5 Business contributions**

	Cash	In Kind	<b>Total period</b>	Total
			<b>30 November</b>	year ended
			<b>2004</b>	31 March
	£000	£000	<b>£000</b>	2004
				£000
<b>Private sector contributions</b>				
Manchester Airport plc	0	32	<b>32</b>	43
British Airways	3	2	<b>5</b>	0
Vektor Limited	0	54	<b>54</b>	54
Serco Limited (Formerly CCM)	0	19	<b>19</b>	79
Goal	0	0	<b>0</b>	25
Alternative Curriculum Project	0	53	<b>53</b>	130
Other Local Businesses	0	2	<b>2</b>	10
	<u>3</u>	<u>162</u>	<b><u>165</u></b>	<u>341</u>
<b>Public sector contributions</b>				
Consolato d'Italia	0	44	<b>44</b>	75
Alternative Curriculum Project	0	9	<b>9</b>	20
Manchester City Council	0	5	<b>5</b>	3
	<u>3</u>	<u>220</u>	<b><u>223</u></b>	<u>439</u>

**6 Other income**

	<b>Period</b>	Year ended
	<b>30 November</b>	31 March
	<b>2004</b>	2004
	<b>£000</b>	£000
Interest receivable	<b>4</b>	4
Sundry income	<b>0</b>	1
	<u><b>4</b></u>	<u>5</u>

**7 Total resources expended**

	Staff costs	Depreciation	Other costs	<b>Total period</b>	Total
				<b>30 November</b>	year ended
				<b>2004</b>	31 March
	£000	£000	£000	<b>£000</b>	2004
					£000
Direct provision of education	119	0	133	<b>252</b>	552
Education support costs	55	0	179	<b>234</b>	563
Grants payable*	0	0	325	<b>325</b>	209
Management and administration	82	1	40	<b>123</b>	176
Costs of generating funds	0	0	7	<b>7</b>	5
Cost of termination of operations	30	0	7	<b>37</b>	0
	<u>286</u>	<u>1</u>	<u>691</u>	<b><u>978</u></b>	<u>1,505</u>
<b>Of which</b>					
DfES grant expenditure	254	0	387	<b>641</b>	923
Other DfES grant expenditure	0	0	22	<b>22</b>	109
Other government grant expenditure	2	0	8	<b>10</b>	25
Costs of generating funds	0	0	7	<b>7</b>	5
Cost of termination of operations	30	0	7	<b>37</b>	0
Depreciation	0	1	0	<b>1</b>	4
Other expenditure	0	0	260	<b>260</b>	439
	<u>286</u>	<u>1</u>	<u>691</u>	<b><u>978</u></b>	<u>1,505</u>

\* In the period to November 2004 the Zone paid the following grants to schools

	Programmes		<b>Total</b> <b>£000</b>
	Raising achievement £000	Developing employability £000	
Newall Green High School	51	0	<b>51</b>
Baguley Hall Primary School	13	0	<b>13</b>
Benchill Primary School	17	0	<b>17</b>
Greenbrow Infant School	13	0	<b>13</b>
Newall Green Primary School	14	0	<b>14</b>
Piper Hill High School	15	0	<b>15</b>
Parklands High School	22	0	<b>22</b>
Crossacres Primary School	18	0	<b>18</b>
Haveley Hey Primary School	15	0	<b>15</b>
Peel Hall Primary School	16	0	<b>16</b>
Ringway Primary School	17	0	<b>17</b>
The Willows Primary School	17	0	<b>17</b>
St Paul's Catholic High School	19	0	<b>19</b>
St Aidan's Catholic Primary School	13	0	<b>13</b>
St Anthony's Catholic Primary School	13	0	<b>13</b>
St Elizabeth's Catholic Primary School	13	0	<b>13</b>
Sacred Heart Catholic Primary School	13	0	<b>13</b>
SS John Fisher & Thomas More PS	14	0	<b>14</b>
St Peter's Catholic Primary School	12	0	<b>12</b>
	<u>325</u>	<u>0</u>	<u><b>325</b></u>

## 8 General expenditure

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

	<b>Period</b> <b>30 November</b> <b>2004</b> <b>£000</b>	Year ended 31 March 2004 £000
Educational supplies and services	<b>644</b>	1,018
Occupancy costs	<b>22</b>	30
Supplies and services	<b>9</b>	19
Other accountancy costs	<b>3</b>	2
Legal fees	<b>0</b>	6
Cost of generating funds	<b>7</b>	5
	<u><b>685</b></u>	<u>1,080</u>

**9 Costs of termination of operations**

	<b>Period</b> <b>30 November</b> <b>2004</b> <b>£000</b>	Year ended 31 March 2004 £000
Staff costs arising from Zone closure	<b>30</b>	0
Cost of post-Zone services provided by nominated successor body	<b>4</b>	0
Amounts transferred to nominated successor body to meet residual Zone liabilities	<b>9</b>	0
	<b>43</b>	0

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

	<b>Period</b> <b>30 November</b> <b>2004</b> <b>£000</b>	Year ended 31 March 2004 £000
Management	<b>4</b>	5
Administration	<b>1</b>	1
Teachers	<b>4</b>	5
<b>Total employees</b>	<b>9</b>	11

	<b>Period</b> <b>30 November</b> <b>2004</b> <b>£000</b>	Year ended 31 March 2004 £000
<b>Staff costs for the above persons</b>		
Wages and salaries	<b>214</b>	348
Social security costs	<b>19</b>	29
Other pension costs (see note 17)	<b>23</b>	38
Costs associated with Zone closure	<b>30</b>	0
<b>Total staff costs</b>	<b>286</b>	415

One employee earned more than £50,000 during the period to November 2004. The total emoluments of this employee were in the following range

	<b>Period</b> <b>30 November</b> <b>2004</b>	Year ended 31 March 2004
£50,001 - £60,000	<b>1</b>	0
£70,001 - £80,000	<b>0</b>	1

**11 Emoluments of Trustees**

	<b>Period 30 November 2004 £000</b>	Year ended 31 March 2004 £000
Emoluments of Trustees	<b>0</b>	0

The Trustees of the Forum did not receive any payment from the Forum arising from their role as Trustees.

*Interests in transactions*

None of the Trustees of the Forum had any commercial interest in the transactions of the EAZ during the year.

**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 30 November 2004 was £1,417 (Year ended 31 March 2004: £1,312).

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 £50,000 and the cost for the period ended 30 November 2004 was £879 (Year ended 31 March 2004: £1,385).

**13 Tangible fixed assets**

	Computer equipment and software £000	<b>Total period 30 November 2004 £000</b>	Total year ended 31 March 2004 £000
<b>Cost</b>			
<b>acquired since incorporation</b>			
At 1 April 2004	28	<b>28</b>	28
Capital expenditure	0	<b>0</b>	0
Disposals	(28)	<b>(28)</b>	0
<b>At 30 November 2004</b>	<u>0</u>	<u><b>0</b></u>	<u>28</u>
<b>Depreciation</b>			
At 1 April 2004	27	<b>27</b>	23
Charged in period	1	<b>1</b>	4
Disposals	(28)	<b>(28)</b>	0
<b>At 30 November 2004</b>	<u>0</u>	<u><b>0</b></u>	<u>27</u>
<b>Net book value</b>			
At 30 November 2004	<u>0</u>	<u><b>0</b></u>	<u>1</u>

The net book value at 30 November 2004 represents fixed assets used for

	Computer equipment and software £000	<b>Total period 30 November 2004 £000</b>	Total year ended 31 March 2004 £000
<b>Direct charitable purposes</b>			
Educational provision	0	<b>0</b>	1
Support services	0	<b>0</b>	0
<b>Other purposes</b>			
Management and administration	0	<b>0</b>	0
	<u>0</u>	<u><b>0</b></u>	<u>1</u>

	<b>Total period 30 November 2004 £000</b>	Total year ended 31 March 2004 £000
<b>Source of funding for assets acquired</b>		
DfES EAZ grant	<b>0</b>	1
Private sector contribution (in Kind)	<b>0</b>	0
Public sector contribution	<b>0</b>	0
	<u><b>0</b></u>	<u>1</u>

#### 14 Stocks

There were no stocks of material value held as at 30 November 2004.

#### 15 Debtors

	<b>30 November 2004 £000</b>	31 March 2004 £000
Prepayments	<b>0</b>	10
Sundry debtors	<b>0</b>	1
Amounts due from DfES	<b>0</b>	38
	<u><b>0</b></u>	<u>49</u>

#### 16 Creditors: amounts falling due within one year

	<b>30 November 2004 £000</b>	31 March 2004 £000
Taxation and social security	<b>0</b>	19
Sundry creditors	<b>0</b>	93
Amounts due to DfES	<b>0</b>	0
Accruals and deferred income	<b>0</b>	62
	<u><b>0</b></u>	<u>174</u>

**17 Pensions and similar obligations**

	<b>30 November 2004 £000</b>	31 March 2004 £000
<b>Other pension costs comprise</b>		
Defined benefit scheme - regular cost	<b>23</b>	38

The Zone's employees belong to the following pension schemes.

*Teachers' Pension Scheme (England and Wales)*

<b>Nature of scheme</b>	<b>Defined benefit</b>
Zone's contribution rate in April - November 2004	13.50%
Zone's contribution in April - November 2004	£10,937

The Teachers' Pension Scheme is an unfunded 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.

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.

*The Greater Manchester Pension Scheme (administered by Tameside Borough Council)*

<b>Nature of scheme</b>	<b>Defined benefit</b>
Zone's contribution rate in April - November 2004	9.60%
Zone's contribution in April - November 2004	£12,333

The Greater Manchester 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. Contributions are actuarially valued. The date of the last full actuarial valuation was 31 March 2001 at which date the scheme was 100% funded. The next valuation will be as at 31 March 2004 but this has not yet been completed. However, any liabilities arising from the presence of a pension fund capitalisation deficit, attributable to Zone staff, will be met by the local education authority and not treated as a cost to the Zone.

**18 Restricted funds**

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

	Balance at 1 April 2004 £000	Incoming resources £000	Expenditure gains, losses and transfers £000	<b>Balance at 30 November 2004 £000</b>	Balance at 31 March 2004 £000
DfES recurrent grant	74	633	(707)	<b>0</b>	74
DfES fixed asset grant	1	0	(1)	<b>0</b>	1
Amortisation transfer	0	0	0	<b>0</b>	0
Other	0	10	(10)	<b>0</b>	0
	<u>75</u>	<u>643</u>	<u>(718)</u>	<u><b>0</b></u>	<u>75</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.

**19 Unrestricted funds**

	<b>Period</b> <b>30 November</b> <b>2004</b> <b>£000</b>	Year ended 31 March 2004 £000
Brought forward at 1 April 2004	<b>33</b>	28
Excess of income over expenditure	<b>(33)</b>	5
<b>Carried forward at 30 November 2004</b>	<b>0</b>	<b>33</b>

**20 Analysis of net assets between funds**

Fund balances at 30 November 2004 are represented by

	Unrestricted funds £000	Restricted funds £000	<b>Total</b> <b>period</b> <b>30 November</b> <b>2004</b> <b>£000</b>	Total year ended 31 March 2004 £000
Tangible fixed assets	0	0	<b>0</b>	1
Current assets	0	0	<b>0</b>	281
Current liabilities	0	0	<b>0</b>	(174)
Deferred income	0	0	<b>0</b>	0
	<u>0</u>	<u>0</u>	<u><b>0</b></u>	<u>108</u>

**21 Capital commitments**

There were no capital commitments as at 30 November 2004.

**22 Lease commitments**

There were no leasing commitments made during the year.

**23 Reconciliation of net incoming resources to net cash inflow from operating activities**

	<b>Period</b> <b>30 November</b> <b>2004</b> <b>£000</b>	Year ended 31 March 2004 £000
Net incoming resources	<b>(108)</b>	63
Interest received	<b>(4)</b>	(4)
Depreciation	<b>1</b>	4
Profit/(loss) on disposal of fixed assets	<b>0</b>	0
(Increase)/decrease in stocks	<b>0</b>	0
(Increase)/decrease in debtors	<b>49</b>	(32)
Increase/(decrease) in creditors	<b>(174)</b>	15
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(236)</b>	<b>46</b>

## 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 Wythenshawe 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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