

CCEA Annual Report 2015/16



Northern Ireland Council
for the Curriculum,
Examinations and Assessment

**Annual Report and Accounts
for the Year Ended 31 March 2016**

Laid before the Northern Ireland Assembly
under the Education (Northern Ireland) Order 1998,
Schedule 3, Article 73, Paragraph 13(c)
by the Department of Education
on 15 July 2016

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Section

1

Performance Report

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Our mission is to:

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

”

Chief Executive's Foreword



At CCEA, we place the learner at the centre of everything we do. Through our work, we aim to enable the full potential of learners to be achieved and recognised. Over the past year, we have continued to deliver our strategic aims of: meeting the needs of our sponsoring department, stakeholders and customers; improving quality and standards in everything we do; leading solutions for education; and managing resource in an effective, efficient and economical way. All this must be achieved in a context of financial pressures and considerable change in the education landscape.

It is essential that our organisation remains agile, creates a bridge between education and employers, remains customer focused and harnesses the advantages of digital technology wherever possible.

One way we demonstrated our agility was by using a voluntary exit scheme to address anticipated financial pressures in 2016/17. While 22 staff members were offered voluntary exit, we were able to put in place a range of mitigations to ensure that we maintained service levels. A positive outcome of this proactive management is that we will now continue to offer free invigilation services to schools and colleges for our examinations.

We continue to take and act on feedback from our colleagues in the classroom. For example, through the Revision of Specifications project, we have been able to gather feedback from close to 2,000 teachers and act on their views.

During 2015/16, we have focused on increasing our dialogue with employers. We have an important role in the coming years as a bridge or connection between the needs of employers and the provision of appropriate qualifications and curriculum. During this year, we have been grateful for the input of many employers and the role they have played in helping us both to shape revised qualifications and develop new qualifications such as GCE Digital Technology and GCE Life and Health Sciences.

This year, for the first time, we produced a Qualifications Insight Report, offering a summary of the trends in GCSE and GCE qualifications over the past five years. The report provides data and analysis of the qualifications at both CCEA and Northern Ireland levels. It is aimed at promoting transparency, discussion and engagement on curriculum and qualifications and has contributed to ongoing dialogue between ourselves and different stakeholder groups on policy, educational strategy and the role of education. The report highlights clearly the increased popularity of STEM subjects at both GCE and GCSE levels. It is notable that, in Northern Ireland, the rate of growth in uptake of STEM subjects is significantly faster than in other regions of the UK. This underlines the importance of building relationships with STEM employers and continuing to design qualifications that support learners in these important areas of study.

We continue to be acutely aware of the role we have to play in supporting teachers as they deliver the Northern Ireland Curriculum in the classroom. Throughout this year, we have continued to deliver free resources to schools and colleges. Of particular note is the launch in March of Understanding 1916, a new online resource for schools aimed at supporting teachers as we look back at the many significant historical events that took place in 1916. This demonstrates CCEA's expertise in supporting the successful delivery of sensitive educational topics.

Modernisation of processes and the growth of digital technology continue to have a positive impact. The Curriculum already contains opportunity to encourage coding skills; however, we recognised that more needed to be done to support schools in this skills area. As a result, we have worked to develop a digital skills framework covering the 4–16 Curriculum and, in early 2016, we launched a training and development programme for primary school

teachers in computing and coding. This programme was a huge success and we are now exploring opportunities for training in both primary and post-primary sectors. Our growing relationship with local employers and their subsequent support make this possible.

In the post-primary arena, we continue to develop new qualifications such as GCE Digital Technology, with the GCE for first teaching in 2016 and GCSE in 2017. Uptake of our existing GCE Software Systems Development course, which complements this qualification, continues to increase. Our decision to replace GCSE ICT with GCSE Digital Technology, with coding being a key part of the specification, has been welcomed by employers and the digital industry.

Digital technology is also changing how we work. CCEA now has the capacity to mark 75% of its examinations online. This increases the efficiency, speed and accuracy of the marking process. It also provides itemised information for schools to support them in improving their provision and outcomes.

The experience of developing the new Digital Technology qualification has been useful in other areas. One example of this is the development of a new GCE in Life and Health Sciences. This qualification was developed in direct response to the NI Science Industry Panel's assessment of skills requirements in this area.

The Revision of Specifications project, the revision of our GCSE and GCE qualifications, is a major programme of work, with revised GCEs to be introduced for first teaching in September 2016 and GCSEs in September 2017. This is an opportunity to build qualifications that continue to be modern, high quality and fit for purpose. An essential part of this revision will be ensuring that our GCSEs and GCEs continue to be highly regarded by universities and employers, and continue to provide access to jobs and further and higher education within and beyond Northern Ireland.

We have continued to work in an environment of ongoing change where our regulatory responsibilities are concerned. The Department for the Economy (DfE), formerly known as the Department for Employment and Learning, asked CCEA to take forward regulation of professional and technical qualifications offered in Northern Ireland. We will also continue to work closely with university and college admissions offices, UCAS and the Department of Education to ensure that our GCSE and GCE qualifications continue to be of comparable standard to those on offer elsewhere.

During 2015/16, the Education Minister John O'Dowd took the decision to retain the A*–G grading system for GCSE qualifications in Northern Ireland. CCEA worked towards fulfilling this decision.

This year, we were recognised again for our quality and customer service through external accreditation. We retained ISO 9001 and ISO 14001 and the Customer Service Excellence® accreditation and we were awarded Investors in People Silver status in a whole-organisation assessment.

Justin Edwards
Chief Executive
CCEA

About CCEA

CCEA is the Council for the Curriculum, Examinations and Assessment. It is a non-departmental body funded by and responsible to the Department of Education (DE). We put the learner at the centre of everything we do. We think about what learners need for life and work and then build solutions to meet those needs. We do this for all levels of education from Foundation Stage and Early Years to A level and beyond.

CCEA was established on 1 April 1994 under the Educational and Libraries (Northern Ireland) Order 1993. It replaced the Northern Ireland Curriculum Council (NICC) and the Northern Ireland Schools Examinations and Assessment Council (NISEAC).

As a key organisation in the education sector, CCEA:

- provides research and advice to DE on what is taught and assessed in our local schools and colleges;
- delivers assessment arrangements for primary and post-primary schools;
- supports teachers in delivering the Northern Ireland Curriculum through a wide range of freely available resources;
- provides GCSE, GCE and other courses to our local schools and colleges; and
- acts as qualifications regulator on behalf of DE, accrediting a range of qualifications for use in Northern Ireland.

CCEA is organised into five broad areas:

- the Chief Executive's Office;
- the Corporate Services Directorate;
- the Education Strategy Directorate;
- the Qualifications Directorate; and
- the Financial Services Directorate

Each area has discrete business units that are subdivided further into operational teams. During 2015/16 we employed 425 staff. We also employed approximately 3,800 practising teachers as examiners, moderators and markers, as well as almost 2,000 invigilators to ensure that examinations are conducted in accordance with a mandatory code of practice.

For over 20 years, we have used a number of quality models to deliver better services for our customers. We are the only organisation in the Northern Ireland public sector to be continuously accredited to ISO 9001 for 16 years and we have won the Northern Ireland Quality Award, the UK Business Excellence Award and the European Quality Award.

We have direct and indirect customers. Our most obvious direct customers are schools, further education colleges, and the teachers and lecturers who work within them. DE and the Department for Employment and Learning are also direct customers. We are accountable to them for our performance. We provide services to both departments and, in return, receive resources that enable us to fulfil our remit.

We have many stakeholders from the educational community and beyond. These include other government departments, learners, and employers that we take into account and consult as we conduct our work.



Key Issues and Risks

The biggest challenges facing CCEA are economic constraint, globalisation, education policy devolution, and modernisation through digital systems.

CCEA's Unique Place in the Education Sector

CCEA is a unique organisation within the education sector, with the potential to support and influence learning from ages 4–18 and above. The 2015/16 financial year saw the organisation emerge from a period of uncertainty with a permanent Chief Executive in place and three new members appointed to the governing Council. Diverging qualifications policy across the UK, and our extended role as the regulator of all qualifications in Northern Ireland, provide us with both opportunity and challenge. There is likely to be an increased focus on ensuring that the Northern Ireland Curriculum and CCEA qualifications optimise the opportunity for learners and are reflective of the Programme for Government targets of rebalancing the Northern Ireland economy with increased entrepreneurship and innovation.

Managing with Financial Pressure

Public services are now in the middle of the longest and most difficult period of economic pressure on public expenditure in over 50 years. While education has not been impacted as negatively as some sectors, our core grant was reduced by 11% in the 2015/16 financial year alone. While we have lessened the impact of this through short-term ring-fenced funding and a voluntary exit scheme, it is certain that financial pressures will continue. Inevitably, schools also feel these pressures, so we will come under increased scrutiny to provide value for money to them. We will strive to exceed the expectations of all stakeholders.

Rebalancing the Economy

CCEA must now see itself as a key player, through its sponsoring department, in helping to rebalance the economy. It is clear that the economy is growing in the fields of science, technology, engineering and maths. CCEA must become a bridge between educators and employers, translating the skills needs of employers into the language of educators.

Wider Education Reform

The wider educational landscape in Northern Ireland continues to evolve and a significant change has been the establishment of the Education Authority. This newly formed body, with a budget of £1.6 billion and 39,000 staff, also faces huge challenges. We are working closely with this new organisation to ensure that the best interests of learners across the region continue to be met.

Political Direction

As we look towards the Northern Ireland Assembly election in May of this year, the newly elected Executive will bring forward its Programme for Government, including its priorities for education. This will, in turn, translate into a new work programme for the Department of Education. This may mean operational and strategic changes for the work we undertake. It may be necessary to review the Curriculum to ensure that it continues to meet the needs of the individual, society and the economy. We are also aware that we may be asked to provide qualifications or assessment in line with arrangements in other regions and this would require us to change some of the activity completed in 2015/16.

The Digital Agenda

Modernisation of processes and the growth of digital technology continue to have a significant impact in CCEA, in our schools and in the wider society and economy. We have worked to develop a digital skills framework covering the 4–16 Curriculum and we provide qualifications such as GCE Digital Technology and GCE Software Systems Development. In this fast-paced digital environment, we must aim to ensure that learners are not just technology consumers, but also technology makers – through the programming, thinking and problem-solving skills that these qualifications help to develop.

Within CCEA, our future success will depend greatly on our ability to grasp the opportunities that digitisation brings in our processes, communications and overall service delivery.



Financial Report 2015/16

Basis of Accounts

CCEA has prepared the financial statements in accordance with the Accounts Direction given by the Department of Education (DE), with the approval of the Department of Finance (DoF), formerly known as the Department of Finance and Personnel, and in accordance with Schedule 3, Article 73, Paragraph 13(c) of the Education (Northern Ireland) Order 1998.

Going Concern

The Statement of Financial Position at 31 March 2016 shows net liabilities of £5.8m. This includes liabilities due in future years. All liabilities will be met by our own earned income or by future grant-in-aid from DE, our sponsoring department. As far as we know, DE's sponsorship will continue. Consequently, we feel that it is appropriate to adopt a going concern basis for the preparation of the financial statements.

Summary Financial Results 2015/16

Income from activities increased from £8.9m in 2015 to £9.3m in 2016, which continued to fund approximately one third of CCEA's budget.

Total expenditure increased by £2.8m from £31.2 in 2015 to £34.0m in 2016, primarily due to increased staff costs as a result of increased headcount associated with the Revision of Specifications.

CCEA's capital spend for the financial year was £0.47m to cover the costs of an access control system and printing machinery and other minor capital items. CCEA's capital spend for the 2014/15 financial year was significantly higher at £0.85m.

The most significant movement in liabilities occurred in CCEA's NILGOSC pension liability, which decreased by almost £3m from £9m to £6m, due to an actuarial gain in the pension fund.

Other Disclosures

Charitable Donations

CCEA made no charitable donations from its own funds during 2015/16.

Independent Auditor

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

The cost of work performed during 2015/16 was as follows:

	£
Audit Services	13,000
Further Assurance Services	-
Tax Services	-
Other Services	499
Total	<u>13,499</u>

The fee for audit services relates to the statutory audit of the financial statements. Other services relates to fees for an audit of EU funding during the year.

Payment to Creditors

In line with DoF guidance, we aim to pay valid bills within 10 days of receipt. During the reporting period 96% of invoices were paid within 10 days of receipt. Full disclosure for 2015/16 of our performance both in terms of paying invoices within 30 days and 10 days can be found at the following link: <http://bit.ly/1Zg21Ff>

Pension Accounting Policy

Pension liabilities are treated in the financial statements in accordance with Accounting Policies Note 1.11 in the Notes to the Financial Statements. Details of the emoluments and pension entitlements of senior management appear in the Remuneration Report section of this report.

Register of Interests

Council members, members of the key management staff, or other related parties have not engaged in any material transactions with us during the year other than those disclosed in the Emoluments and Pension Entitlements of Senior Management table in the Remuneration Report section of this report; and Note 20: Related Parties in the Notes to the Financial Statements section of this report.

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

Personal Data Related Incidents

During the 2015/16 financial year, there was one minor data breach. Details of this incident can be found in the Annual Governance Statement.

Accounting Officer 2015/16

Justin Edwards, Chief Executive, held Accounting Officer responsibilities for CCEA during the 2015/16 financial year.

As Accounting Officer, I took steps to keep informed of all relevant audit information and to ensure that our auditors were aware of that information. As far as I am aware, the auditors have been informed of all relevant audit information.



Key Themes

Review of Performance in 2015/16

The 2015/16 financial year saw the organisation emerge from a period of considerable uncertainty with a permanent Chief Executive in place and its governing Council refreshed. Over the last 12 months, the organisation has needed to manage significant budgetary pressures while at the same time maintaining support services to the highest possible standards. Faced with a challenging budget, it has modernised and reformed how it delivers services, streamlining processes and focussing on value for money.

Our mission is to:

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

We place learners and their educational and personal development at the forefront of our thinking.

The following is a summary of our key achievements and significant pieces of work in 2015/16 that reflect our continued commitment to achieving our mission.

Developing our people

Throughout the 2015/16 period, CCEA has continued to invest in its most important resource, its people.

CCEA uses a number of widely recognised standards to drive the learning and development of its people. The most significant of these is Investors in People (IiP). This year, through external assessment, we were awarded Silver status, a standard achieved by only a small number of organisations that undergo IiP assessment in Northern Ireland.

We are committed to expanding the skills and competence levels of staff both to provide career and professional development opportunities and to improve the service that they provide to the organisation. To help achieve this, we launched our Pathways programme for learning and development, which has three main components – enhancing technical skills, further developing personal skills and increasing understanding of key compliance issues that affect CCEA. 246 staff attended Pathways workshops to enhance their skills in these areas.

In January 2016, we launched the Leadership in Action programme. Ten managers from across the organisation participated in this new and exciting programme. It aimed to stimulate cultural change and maximise managers' capacity to drive change and innovation over the coming years.

CCEA provides ongoing, essential training to enable staff to fulfil their responsibilities effectively. During 2015/16, 22 staff accessed professional qualifications pertinent to their role by participating in the Employee Development Scheme.

Our thorough health and safety strategy and action plan helped us achieve reaccreditation to the OHSAS 18001 health and safety management system standard. To support our application, we once again offered our health and well-being programme. Approximately 288 staff attended 18 events, which included workshops on stress management, diet and nutrition, back health, and preventing cancer and heart conditions.

Additionally, a revised absence action plan and support programme for staff resulted in a drop in absence levels from an average of 11.3 to 8.7 days per employee per annum.

Assessment to support teachers and learners

We have made progress in restoring principals' and teachers' confidence in the tools that support the diagnostic computer-based assessment (CBA) of numeracy and literacy in primary and special schools. A very successful pilot programme was undertaken, followed by an evaluation by stakeholders. The outcomes of this evaluation helped us to enhance the CBA system. 233 primary schools have since successfully completed 40,000 literacy and numeracy CBAs.

We also established cluster groups to agree standards in Using Mathematics and Communication for primary and post-primary schools. These groups enabled participants to share best practice for assessment and to enhance professional dialogue across schools.



Resources to enhance teaching and learning

We continue to be acutely aware of the role we have to play in supporting teachers in the classroom as they deliver the Northern Ireland Curriculum and its associated examinations and assessments.

Throughout this year, we have continued to deliver a broad range of free curricular resources to our schools. These have included materials for learners with moderate learning difficulties, a microsite on concussion in schools and literacy resources for post-primary learners with severe learning difficulties.

We also launched Understanding 1916 during the latter part of the year, which demonstrates our expertise in supporting the successful delivery of sensitive educational topics. This new online resource for schools is aimed at supporting teachers looking back at the many events that took place during 1916.

Throughout the year, we have continued to provide high-quality, tailored and relevant continuing professional development (CPD) opportunities for teachers, focusing on the areas of literacy, numeracy, ICT skills and CBA. We also provided a range of Teacher Insight Events.

As modernisation of processes and the growth of digital technology continue to have a significant impact in CCEA, in our schools and in the wider society and economy, we have also provided, in collaboration with industry partners, a successful programme of training and development for primary school teachers in computing and coding.

We have also developed a range of online training resources that focus on special educational needs (SEN) Thinking Skills and Personal Capabilities, Q Skills, Using ICT, Foundation Stage and STEM materials.

Delivering world-class qualifications

During the past 12 months, CCEA has undertaken a major programme of work to revise its GCE specifications, including the revision of 20 existing specifications and the creation of two new GCE specifications, for first teaching from September 2016.

The revision process is an opportunity to ensure our qualifications continue to be modern, high quality and fit for purpose. It has also been an opportunity to build and strengthen relationships with key stakeholders.

We would once again like to thank our writing teams, the many teachers who shared their knowledge during the consultation process and the key players in higher education and industry who helped to shape the content of the specifications and ensure their quality and relevance to wider society and the world of work.

We have kept our customers up to date throughout this programme of work using a range of communication tools in both digital and print format, alongside a substantial portfolio of events. Highlights have included distributing 11,000 copies of The Vision magazine to all post-primary schools, the attendance of over 700 teachers at support events, and an average of 4,500 online visitors per month to The ReVision microsite.

Providing an excellent examinations service

In summer 2015, our core examination staff were supported by some 5,865 contracted for services personnel, the majority of which were practising teachers helping us to mark, award and finalise grades across our range of courses.

We are extremely grateful for the dedication and hard work of these professionals, without whom we would be unable to provide the excellent service expected by schools, colleges and training organisations which ensures that their learners receive the results they deserve.

During the last year, we marked over 522,000 scripts and awarded 238,000 results to over 80,000 candidates.

We have continued to modernise the services we offer, to streamline and simplify processes and make savings where possible. In summer 2015, over 263,000 scripts were marked online, which is an increase of nearly 85,000 on the previous year. Likewise, E-Moderation also saw a significant increase – 57% since summer 2014.

Maintaining standards

CCEA Regulation's main work in the past year has related to the accreditation of the revised GCE and GCSE qualifications. Comparability is important, so our accreditation processes are in line with those that the regulatory authorities in England and Wales use.

Over the past year, we continued to provide advice, guidance and support to the Department for the Economy (DfE) on all aspects of developing professional and technical qualifications. In addition, the Regulation team undertook a wide range of work to support DfE's commitment to the UK's contribution to European qualifications developments, in particular the European Qualifications Framework (EQF).



Developing digital skills throughout the curriculum

Digital literacy is an increasingly important aspect of education, life and work, and Using ICT is a core component of the Curriculum. We have been constructing a framework for the development of digital skills from Foundation Stage through primary education and on to post-primary schools.

We provided a successful programme of training and development for primary school teachers in computing and coding. A range of professionals from the local software industry, including Kainos, Citi, TotalMobile and Liberty IT, supported this. The programme was a huge success and we are now exploring opportunities for training in both the primary and post-primary sectors. Our growing relationship with local employers and their subsequent support made this possible.

We continue to develop qualifications such as GCE and GCSE Digital Technology. These new qualifications are complemented by our existing GCE Software Systems Development, which continues to go from strength to strength.

Harnessing technology to improve communications

We launched our refreshed website in August 2015. The site now integrates the Curriculum site, social media channels and a new video library. There have been 5.3 million visits to the site in the last year. Interestingly, the number of users accessing the site via mobile technology continues to grow.

We have also developed an assessment hub area on the new website, including a booking system for events, a school support request system, webinars and evaluation forms to capture feedback on school support.

In the last year, we have used more video and animation in our teacher and learner resources in areas including The ReVision, Assess & Progress, and our digital skills programme. We have also extended our range of online training courses to include SEN Curriculum: Prerequisite Skills (Q Skills), eProgressFile Getting Started (Key Stage 3) and Moving On (Key Stage 4), examiner training and Foundation Stage: Observational Assessment.

In addition, we took part in the A2C pilot with the Joint Council for Qualifications and were successful in receiving entries and providing results with C2k as part of this pilot. We remain ready for the live deployment of A2C when CCS enables centres to use the A2C mechanism.

Over the last three years, we have worked to move the majority of our corporate communications online, with particular emphasis on developing communication via social media channels such as Twitter and Facebook and increasing digital marketing activity.

In 2015/16, we generated almost one million impressions on Twitter: sharing information, responding to queries, promoting online content and initiating conversations.

We also began to measure our online influence across our social media platforms using the Klout scoring metric. Klout is an independent measuring tool that scores online influence from 1-100, with an average score being 40. In April 2015, the organisation baselined its score at 41. By the end of the year, CCEA had average a score of 54, with a peak score in August 2015 of 63. To put that in context – a score of 63 or higher moves organisations into the top 5% of all Klout users globally.

The organisation has also put more effort into developing opt-in email databases with teachers, particularly around projects such as the revision of GCSE and GCE qualifications. Not only can we then provide teachers with regular online updates and links to revised specifications and teaching resources, but we are also able to track open rates for emails and click-through activity on any embedded weblinks.

Building effective partnerships and relationships

During 2015/16, we have focused on increasing dialogue with employers. CCEA has an important role in the coming years as a bridge between the education sector and employers and we have been grateful for the input of many employers and the role they have played in helping us to shape revised and new qualifications. Another essential part of the revision journey has been ensuring that our GCSEs and GCEs are highly regarded by universities, so we have also been focused on creating effective partnerships with these stakeholders.

We continued to take and act on feedback from our colleagues in the classroom. During 2015/16, our researchers held face-to-face meetings with 1,941 stakeholders, allowing them to offer feedback on our products and services. 4,735 individuals also returned research/evaluation questionnaires specifically designed for individual projects.

Effective collaboration with teachers and other providers such as An Chomhairle um Oideachas Gaeltachta & Gaelscolaíochta (COGG) and An tÁisaonad (St Mary's University College Belfast) helped to provide a range of curricular resources to support the Irish Medium sector, including: Séideán Sí interactive resources, such as Fios Fuaimeanna (early phonics resource), An Clár Luathléitheoireachta (early reading programme resources) and Canaimis! (a music resource).



Celebrating success

We continue to highlight outstanding performance in our examinations and to showcase the talent and creativity of Northern Ireland learners.

Through our annual award ceremonies, we recognise outstanding achievement in our various examination types, with the Minister for Education, John O'Dowd, MLA hosting our GCE awards ceremony at Parliament Buildings in Belfast in December 2015.

Our True Colours exhibition had another successful year in 2015/16. Running over five weeks through January and February 2016, it showcased the work of 73 students from 50 schools and colleges across Northern Ireland in the Ulster Museum. Over 5,000 students and teachers from 132 schools visited the exhibition, which is an excellent teaching resource. 55,000 members of the public also viewed the exhibition.

In early April 2016, we will host our biggest ever award ceremony – Celebrate with CCEA – where for the first time, we will merge our former GCSE Celebrating Excellence and Celebrating Achievement ceremonies to form one all-inclusive event, bringing together a wider spectrum of learners across our general and skills-based qualifications.

Striving for quality in all that we do

CCEA is a quality-focused organisation and has been achieving quality standards since 1999. We use these standards and other quality initiatives to improve business processes and drive performance.

During this business year, we retained certification to the ISO 9001, ISO 14001 and OHSAS 18001 quality standards, with zero non-compliances on two occasions.



In the Customer Service Excellence ® standard, we retained full compliance with all 57 criteria and achieved compliance plus (best practice) in 11 of the criteria.

In line with best practice, we have included sustainability in our governance framework. As a result, we added sustainability as a necessary consideration in all internal business cases and post-project evaluations. During 2015/16, all of our internal audits showed satisfactory assurance, with the exception of two, which showed substantial assurance.

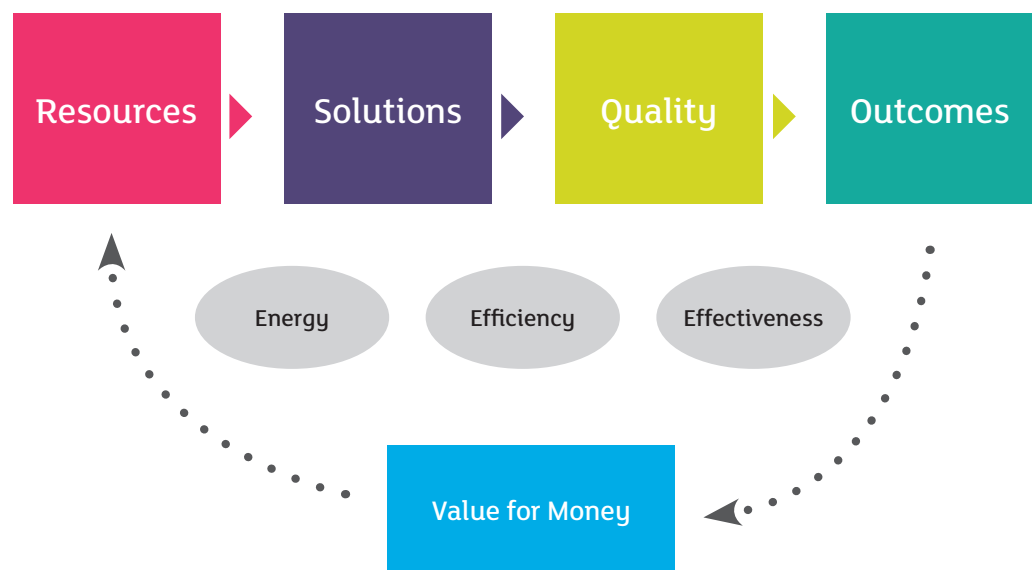
We have also focused on disaster recovery and business continuity and have been enhancing our ability to deal with a disaster while still delivering our services. These measures have received independent validation through audit and have shown substantial assurance.

Looking Forward – The Big Items for 2016/17

A glimpse at some of the main challenges facing the organisation in the coming year.

Meeting the ongoing budgetary challenge in 2016/17

In 2016/17, we will be required to manage a further £1 million budget reduction. Our voluntary exit scheme (VES) saw 22 members of staff leave the organisation on 31 March 2016, resulting in savings of approximately £700,000 per year. DE provided funding through the Public Sector Transformation Fund. While savings from our VES will help, we will need to make further savings by continuing to improve efficiency.



People

Our five-year People Strategy comes into effect in April 2016. The key initiatives for 2016/17 outlined in this ambitious strategy include an Employee Engagement plan, an organisation-wide digital skills training programme, a revised leadership framework and performance review system, and aiming to achieve iP Gold status.

CCEA aspires to be the leading body in educational thinking in Northern Ireland. To help realise this aspiration, we have introduced staff development seminars aiming to inform our thinking through engagement with key stakeholders across Northern Ireland and beyond. This programme is designed to enable us to hear from key stakeholders and engage more fully with them. The opportunities for discussion and debate will also support staff professional development.

Using assessment to support quality teaching and learning

For 2016/17, we plan to increase our focus on supporting quality teaching and learning. Revisiting the principles and purposes of assessment will be an integral part of this process. We are exploring how we can further support formative assessment of the cross-curricular skills and facilitate professional dialogue among teachers across the key stages. We will continue to build relationships with teachers and strengthen understanding of the purpose and value of the Levels of Progression.

We hope, through the Assess & Progress web hub and other initiatives, to open up more interactive opportunities for discussion through online forums, expert-led seminars, webinars and tailored workshops, helping us to build partnerships with industry.

In the current economic climate, with increasing pressure on resources for both schools and support services, we continue to look at innovative ways to provide support and development opportunities for teachers and learners, tailored to their specific requirements.

Modernisation

A key objective in our draft 2015–18 corporate plan is ‘Using Technology to Enable Solutions – by using and embracing technology, wherever appropriate, to enable change and deliver effective, efficient and economic products and services’. We have planned a number of activities to help meet this objective.

We now have the capacity to mark 75% of our examinations online, increasing the speed of the marking process as well as providing improved information to schools through data analytics. We will continue to grow this capacity along with E-Moderation and online access to results.

In addition, we plan to integrate all our supporting microsites into our main website and continue to develop our online resource area Assess & Progress.

Qualifications reform

CCEA Regulation has completed the accreditation of the revised GCE specifications. While undertaking this work, they have been preparing to accredit our 37 revised and one new GCSE specifications. We are now on target to have our suite of GCSE specifications available for first teaching in September 2017. In addition to accreditation, CCEA Regulation will continue to ensure that the standards of all A/AS level and GCSE qualifications taken by learners here are comparable with those taken by learners in England and Wales.

In addition to accreditation, CCEA Regulation will continue to ensure that the standards of all A/AS level and GCSE qualifications taken by learners here are comparable with those taken by learners in England and Wales.



New regulatory responsibility

We have continued to work in an environment of ongoing change where our Regulatory responsibilities are concerned and the DfE has recently asked us to take over Ofqual's role in accrediting professional and technical qualifications. This means that from May 2016, CCEA has responsibility for the regulation of all qualifications offered in Northern Ireland, a challenging task and one that will require an expansion of CCEA Regulation.

Strategic Framework and Strategy Map

Our Mission To enable the full potential of all learners to be achieved

Outcomes

Meeting the needs of our Sponsoring Department, Stakeholders and Customers

Overarching Objectives

Q1

Raising Standards for All

Q2

Closing the Performance Gap, Increasing Access and Equality

Quality

Improving Quality and Standards in Everything We Do

Q1

Defining Standards and Providing Assurance

Q2

Comparing With and Learning From Others

Solutions

Leading Solutions for Education

S1

Sharing Thinking and Practice in Curriculum, Examinations and Assessment

S2

Informing Our Solutions from Local, National and International Best Practice

Resources

Managing Resource in an Effective, Efficient and Economical Way

R1

Using Technology to Enable Solutions

R2

Recruiting and Developing Talented People

and recognised

Supporting Objectives				Intelligence and Information as Enabler
<u>O3</u> Developing the Education Workforce	<u>O4</u> Improving the Learning Environment	<u>O5</u> Transforming the Governance and Management		
<u>Q3</u> Building Advocacy in Stakeholders and Customers	<u>Q4</u> Improving Value and Accuracy	<u>Q5</u> Continuously Evaluating Our Performance		
<u>S3</u> Delivering Highly Efficient Operations and Processes	<u>S4</u> Connecting All That We Do	<u>S5</u> Aiming to be the Provider of Choice for Educational Solutions	<u>S6</u> Listening and responding to Sponsoring Department, Stakeholders and Customers	
<u>R3</u> Complying with Legislation and All Government and Departmental Policy and Procedures	<u>R4</u> Understanding and Proactively Managing Risk	<u>R5</u> Using Finance in an Efficient, Effective and Economic Way to Deliver Outcomes		

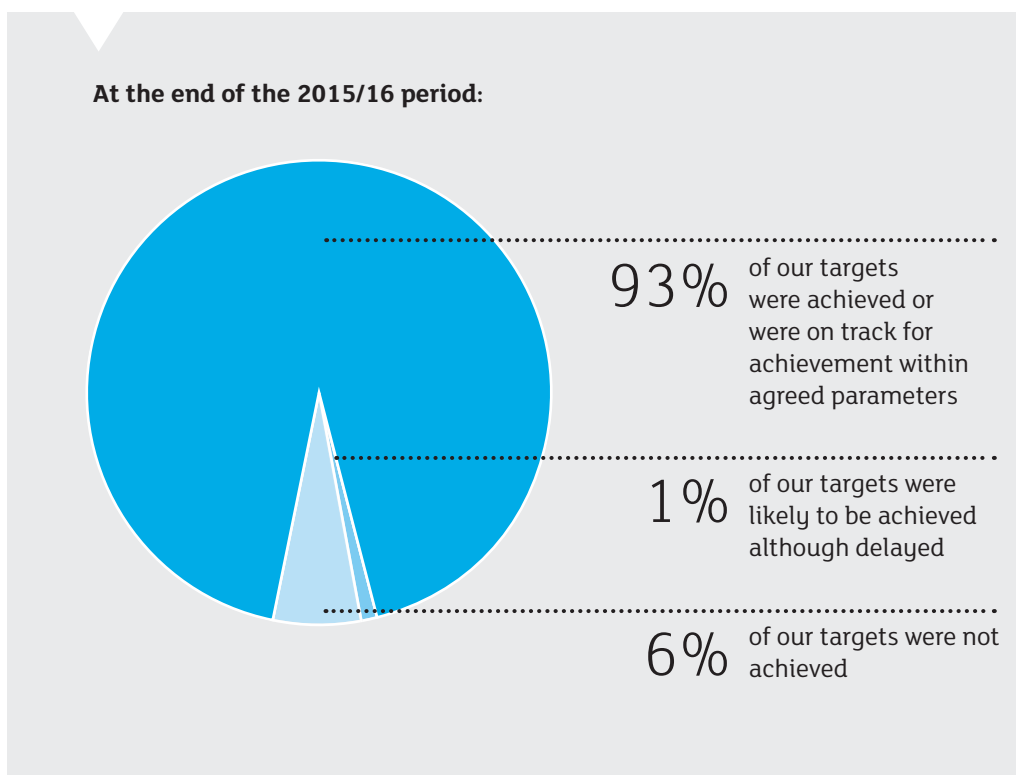
REVIEW OF PERFORMANCE IN 2015/16

KEY STRATEGIC OBJECTIVES

Our draft 2015–18 corporate plan aims to underpin the work of DE and the Northern Ireland Executive. It has four strategic themes:

- meeting the needs of our sponsoring department, stakeholders and customers;
- improving quality and standards in everything we do;
- leading solutions for education; and
- managing resource in an effective, efficient and economical way.

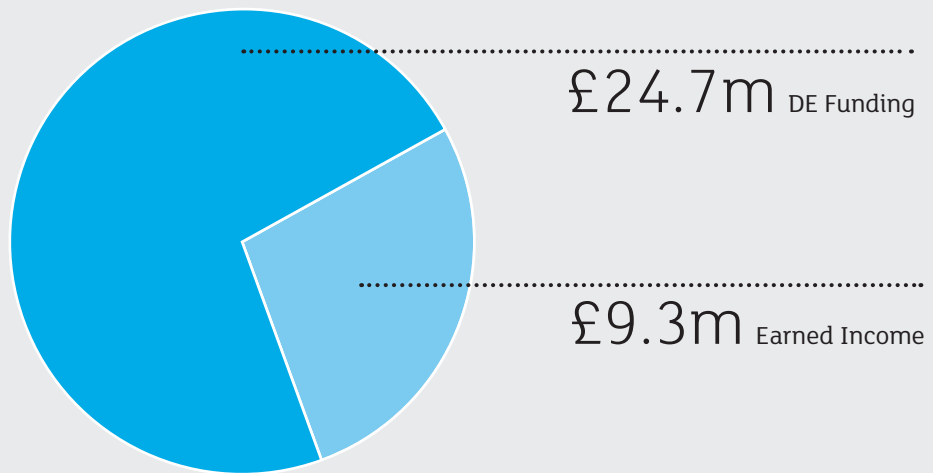
These four themes are the basis for 21 objectives through which we aimed to achieve 108 specific operational targets.



CCEA PERFORMANCE IN NUMBERS

Funding

Qualifications generated income continues to fund almost one third of CCEA budget



CCEA has contained recurrent and capital expenditure within the resources made available in the 2015/16 financial year by the Department of Education.

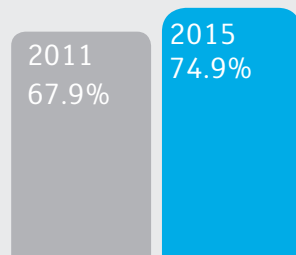
DE Funding Allocation	2016 £ (000's)	2015 £ (000's)
General Recurrent	19,928	21,964
Revision of Specifications	3,182	490
Voluntary Exit Scheme	1,182	-
Capital	468	858
Total DE Funding Allocation	24,760	23,312

Examinations

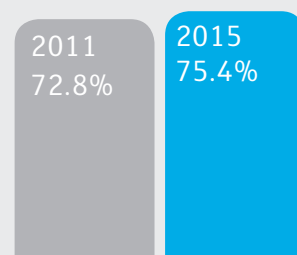
More and more teachers are choosing CCEA as their preferred awarding organisation.

Northern Ireland Market Share

GCSE



GCE



Key examinations statistics:

General



253
question papers delivered
on time and error free



597,896
results issued for GCSE,
AS and A2 at unit level

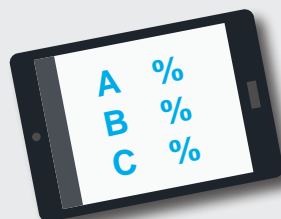


54,754
learners received
certification in our GCSE
and GCE examinations

Online



263,000
scripts marked
online across **84**
components



513,873
marks received for controlled
assessments electronically
from **2,814** teachers



14,000
GCE candidates accessed
their results online

Revised and new qualifications



Listening and Responding

In 2015/16, we received 346 requests under the Freedom of Information Act; we answered **98%** of these within 20 working days.

The Research and Statistics Unit carried out evaluations for over **40** CCEA projects, reporting independently collected and analysed data to CCEA management and DE.

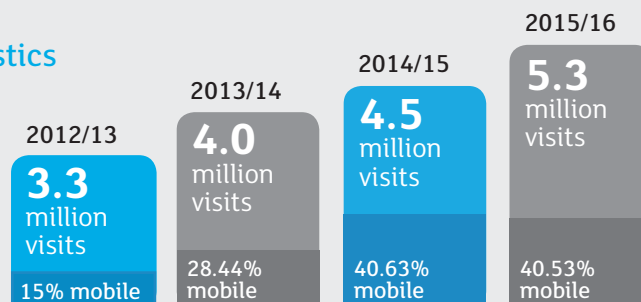
4,735 individuals returned research/evaluation questionnaires specifically designed for individual projects.

CCEA researchers held face-to-face meetings with **1,941** stakeholders, providing an opportunity for these stakeholders to offer feedback on CCEA products and services.

Digital Engagement with Customers

CCEA Web Statistics

Total Visits



While social media interaction develops rapidly, organisational reputation can still be won and lost across mainstream media such as newspapers, radio and television. We continue to track performance in this area.

Media coverage performance during 2015/16



75%



13%



12%

Providing Support to Teachers

During 2015/16, in support of its suite of qualifications, CCEA ran 137 events, attended by 2,786 teachers.

We have developed a huge range of free curricular, examination and assessment support:

cluster groups microsites events exhibitions resource packs
 conferences videos and animations **tutorials** curricular resources
 webinars **booklets** online training CPD events workshops

Resourcing the Organisation



CCEA staff headcount increased by 4% from **405** to **425** (primarily due to short-term contracts for the Revision of Specifications project).

CCEA engaged **5,865** contracted for services personnel to write, mark and moderate qualifications throughout the year.

CCEA contracted just over **300** writers and subject reviewers to cover critical Revision of Specifications work.

Environmentally Aware

During the last year, we:



increased our recycling to approximately 28,971 kg of materials, including paper, card, aluminium cans, plastics, mobile phones and toner and printer cartridges



had 4,628 visits to our ecoworld website, which promotes environmental awareness



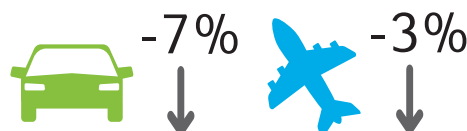
have recently purchased an electric van, which allows us to reduce our carbon footprint; and



met our electricity, gas and reduction targets



launched our cycle to work scheme in November 2015, allowing staff to purchase a new bike and safety equipment while saving money through reduced tax and National Insurance payments.



decreased our car mileage and our air travel

Sustainability and Corporate Social Responsibility Report

Sustainability

In keeping with the Office of the First Minister and Deputy First Minister's strategy for sustainable development, CCEA continues to engage in approaches designed to deliver its business in a socially responsible manner while promoting a sustainable future through its core work with schools and colleges.

We proactively consider sustainability and the three key criteria below when planning our core business activities. This ensures that corporate social responsibility (CSR) is demonstrated across all our stakeholder groups. Examples of this include mechanisms to ensure compliance with all applicable legislation, support best practice and demonstrate openness and transparency. This is evidenced through external validation of our certification to ISO 9001, OHSAS 18001, ISO 14001, Customer Service Excellence®, Investors in People and ISO 27001 standards.

- **The Environment**

We employ the ISO 14001 environmental management standard and have retained certification to the standard at each of the two external assessments undertaken during 2015/16. Using this system and applying the standard includes implementing an environmental improvement plan to help us to reduce any negative impact and strengthen positive impact on the environment.

- **Society**

We continue to support schools and learners in the Northern Ireland Curriculum, which has the following four key principles of sustainable development: social cohesion, environmental protection, economic prosperity, and meeting national and international responsibilities for global sustainable development.

We provide guidance, training and innovative learning resources around each of the Curriculum themes, which, in turn, influences large numbers of learners.

Some of the relevant subject areas include:

- The World Around Us;
- Personal Development and Mutual Understanding;
- Literacy and Numeracy;
- Physical Education;
- Thinking Skills and Personal Capabilities;
- Environment and Society;
- Learning for Life and Work; and
- Special Educational Needs (SEN) and Inclusion.

- **The Economy**

We support development of the Cross-Curricular Skills of Communication, Using Mathematics and Using ICT, which are essential to growing the economy and thereby improving society. In addition, we consider the needs of society by developing qualifications relevant for the growth of a sustainable society. The ongoing Revision of Specifications programme at GCE and GCSE levels embraces the changing needs of society and the economy.

We have engaged widely with employers and industry as well as further and higher education, schools and the public to ensure our qualifications are developed to:

- foster the future demands of society and the economy;
- support prosperity; and
- engender global citizenship and commitment to sustainability.

Environmental Improvement Programme

Using the ISO 14001 environmental management standard provides a focus for our consideration of the impact we have on the environment, both positive and negative, and allows us to continually improve in this area.

Our environmental improvement programme focuses on the aspects of our business that could, potentially, impact negatively on the environment. These are paper and energy usage. Another significant aspect is staff travel.

To maximise our positive impact on the environment, we actively seek to develop resources and services that promote sustainability in schools and other stakeholders. For example, we proactively engage in internal stakeholder awareness-raising about good environmental practice through awareness campaigns and facilitating schemes such as the cycle to work scheme. We also seek to lead by example in changing behaviours and attitudes of stakeholders to foster sustainable development. A recent example of this is the decision to use an electric van to reduce our carbon footprint.

Our improvement programme is developed in alignment with legislative requirements as a priority, particularly the European Commission's Waste Framework Directive.

Sustainability in CCEA's Operations

Our business is delivered through three sites, with each site subject to assessment by an external assessor as part of our certification to the ISO 14001 standard.

Our Clarendon Building is also assessed annually under the Display Energy Certificates legislation. Our most recent assessment under this legislation resulted in us retaining a level 'B' in terms of energy efficiency. This is the second-highest grade achievable. We have maintained this grade at each assessment since the legislation was introduced, indicating that we have continued to demonstrate energy efficiency.

As part of our environmental management system in compliance with ISO 14001, we maintain a number of documented policies and procedures. In addition to the environmental improvement programme, these include policies on the environment, travel, and energy use and waste management.

Our environmental policy is available from our website.

We monitor our performance against environmental improvement targets and review and improve our practices accordingly. We have focused on paper reduction through our modernisation and digitisation programme, with increased resources and services now available online.

We also utilise paper sourced from sustainable forests or recycled paper.

We employ a programme for recycling a variety of materials, including paper, card, aluminium cans, plastics, mobile phones, and toner and printer cartridges. We recycled approximately 28,971 kg in 2015/16 (a 141% increase from 2014/15).



We have also facilitated other recycling initiatives over the last few years, all in support of charities, including a Christmas card recycling scheme in association with the Woodland Trust.

To ensure ongoing environmental improvement and affirm staff awareness, energy audits are undertaken at least twice per year. These audits confirm that staff engagement with the environmental initiatives is good, with performance improving year-on-year. Where improvement opportunities are identified through the energy audits, these are monitored for effective implementation.

The table below outlines key highlights in our sustainability performance for 2015/16.

Area of focus	Target	Status
PAPER REDUCTION		
E-Moderation paper reduction	2015 = 51% reduction maintained to embed new processes	Target achieved
	2016 = 100% reduction	Target achieved
Online marking	2015 = 50% of scripts marked online	Target achieved
	2016 = 75% of scripts marked online	On target
	2017 = 100% of scripts marked online	On target

WASTE REDUCTION		
General landfill waste	2015 target: 1% reduction from previous year	Target achieved
ENERGY/NATURAL RESOURCES USAGE		
Electricity usage	2015 target: 1% reduction from previous year	Target achieved
Gas usage	2015 target: 1% reduction from previous year	Target achieved
Oil usage	2015 target: 1% reduction from previous year	Target achieved
Water	2015 target: 1% reduction from previous year	Target not met
Staff travel	2015/16 target: 1% reduction from previous year	Target achieved – Staff air travel reduced by 3% and mileage by 7%
Area of focus	Target	Status
POSITIVE IMPACT		
Ecoworld website promoting environmental awareness (aimed at schools but accessible to all)	Continued support and development	Work continues 4,628 ecoworld website visits
Provision of online curricular resources to support relevant current issues	<p>Concussion in-school learning microsite</p> <p>Understanding 1916</p> <p>Quest and Q Skills Assessment Training and support (SEN)</p> <p>SEN guidance on identifying and supporting those with, or at risk of, social, emotional and behavioural difficulties</p> <p>Literacy resources created for post-primary learners with severe learning difficulties</p>	<p>These resources provide guidance for learners and teachers in subject areas such as well-being, citizenship, inclusion, conflict resolution, respecting individual rights and beliefs, emotional intelligence, diversity, human rights, social justice, sustainable development, personal development and literacy.</p> <p>The teaching and learning supported through the resources allow learners to discuss and learn about many subjects and concepts from local and global perspectives.</p>
Further development of CCEA Analytics to capture item level data for use by schools	Increased data capture	<p>This item level data provides support for the Programme for Government target for numeracy and literacy by enabling schools to target specific areas for improvement.</p> <p>This is a scheme which will continue to increase in scope.</p>



Through our continued environmental improvement programme, we demonstrate probity and accountability in the use of public funds through cost reduction. We also support the Programme for Government targets. We will continue to make additional environmental improvements, where possible, with particular emphasis on paper usage and staff travel.

Carbon Reduction Commitment Scheme

We do not meet the criteria to participate in the scheme.

Corporate Social Responsibility

In implementing our approach to CSR, we balance the need to make a contribution to society while delivering on our core remit.

Community, Societal and Charitable Activities

During the year, we have participated in a number of activities that have made a contribution to society, the local community and charities. Specific events included The Giving Tree (the provision of a record 94 Christmas gifts for a children's charity) and two sports events (including the Belfast City Marathon) that raised approximately £3,000 for local charities.

We also provided support for community and societal stakeholders through, for example, facilitating mock interviews in schools to support learners' career development; hosting educational best practice and benchmarking visits; providing student work placements; using staff expertise on school boards of governors; and providing input at board level to voluntary sector boards.

We also hosted the annual True Colours Exhibition, which recognises students' achievement through the public display of GCSE and GCE artworks. We also demonstrated social inclusion through the largest CCEA event for recognising success in learning – Celebrate with CCEA.

Investment in Staff

Learning and Development

During 2015/16, we invested £129,595 in developing our staff, including the following:

- Leadership in Action programme;
- First Line Management programme;
- Ethical Leadership course;
- educational seminars;
- Finance for Non-Finance Managers training;
- training for CCEA Multimedia and ICT staff;
- supporting employees gaining professional qualifications, such as the Certificate in Corporate Governance and the Certificate in Contract Management;
- health and well-being programme;
- general management courses; and
- a range of internally delivered training programmes on CCEA-specific processes and policies.

We provide ongoing essential training to enable staff to fulfil their responsibilities effectively. During 2015/16, eight staff continued professional studies related to their role.

Signed:  Date: *29 June 2016*
Chief Executive

Section

2

Accountability Report



We aim to make the best possible use of our resources, especially our staff. We recruit and promote candidates based on merit. We comply with all relevant legislation and guidance on fair employment and equal opportunities, and we aim to meet the legislative and other requirements in respect of employees with disabilities.



Chairperson's Reflection



It has been a challenging year for CCEA, but also a very satisfying one. Over the last 12 months, the organisation has needed to manage significant budgetary pressures while at the same time maintaining support services to the highest possible standards. Against the backdrop of diverging policy across England, Wales and Northern Ireland, CCEA has undertaken revision of its portfolio GCSEs and GCEs to exacting timelines. As part of that work, CCEA, in its regulatory capacity, has also been managing reforms to the structure and grading of qualifications. We also carried out major work on computer-based assessment, developing curriculum resources for schools, and key stage assessment.

I am delighted to say that we have met these challenges head-on. Faced with a challenging budget, we have worked hard to modernise and reform how we deliver our services, streamlining processes and focusing on value for money to the taxpayer. Towards the end of 2015, we also successfully approached the Department of Education (DE) to fund a voluntary exit scheme that will help to mitigate pressures on funding in 2016/17.

In the field of qualifications reform, with the input of thousands of local teachers and employers, we have successfully revised our GCE courses and are in the final stages of a widespread consultation for GCSE. Having started later than our counterparts in England, and despite tight timelines, we have now overtaken our counterparts in our level of readiness for implementing revised qualifications in September 2016. This is a tremendous achievement and testament to the advantages of the awarding organisation and regulator working together. This has also had benefits in our efforts to develop new and exciting qualifications in areas such as digital technology and professional and business services.

The Education Minister has appointed an expert group to look at the longer-term future of qualifications here. We await that group's report and look forward to working closely with DE and other educational partners in delivering its recommendations.


At the time of writing, it is planned that our regulatory responsibilities will, during 2016/17, increase to include accrediting professional and technical (vocational) qualifications. This shows confidence in CCEA as an organisation and I am confident that this will lead to benefits for qualifications here that will, ultimately, be passed on to learners.

It is now almost 10 years since the more skills-based revised Northern Ireland Curriculum was implemented. After the upcoming Northern Ireland Assembly election in May, the new Minister may wish to look at the Curriculum again; we look forward to playing our part in any work that might result from this.

We have continued to develop work on diagnostic assessment, undertaking further successful piloting work during the autumn of 2015.

As always, we have continued to put learners at the centre of our thinking and we are committed to celebrating their successes. Our GCE Celebrating Excellence awards were hosted by the Education Minister in Stormont Buildings in December and our Celebrate with CCEA awards in the spring recognised success at GCSE level and in professional and technical qualifications. I was also delighted that almost 55,000 visitors to the Ulster Museum had the opportunity to view our True Colours exhibition that showcased the outstanding talent of Art and Design students in Northern Ireland. It is entirely right that we celebrate the achievements of our young people and that we take pride in their successes.

We are also committed to developing our people. Ultimately, it is their skills and capabilities that enable us to deliver our strategic and operational objectives successfully. Like many organisations, we use the Investors in People (IiP) model to measure how effectively we use



and develop our most precious resource. I was delighted to learn that, following external assessment in December 2015, we were awarded iIP Silver status – a standard achieved by only 1 in 10 of all organisations assessed in Northern Ireland.

In all that we do, robust and effective governance is my top priority. We have recently appointed three new members to CCEA's Council. This brings fresh thinking and the skills and qualities needed for an effective Council. It also helps to support and guide me in maintaining the highest levels of governance.

Throughout the challenges of the past year, we have continued to demonstrate our centrality to education in Northern Ireland. I am reassured that we continue to be the qualifications provider of choice here and remain a leader in curriculum design, assessment, accreditation and regulation.

Trevor Carson
Chairperson
CCEA

Our Council

Membership as at 31 March 2016

Our Council consists of a Chairperson and members who are appointed by the Department of Education (DE). The Council includes representatives from education, industry and commerce. It is responsible for the governance of CCEA.



Mr Trevor Carson
(Chairperson)
Education Professional



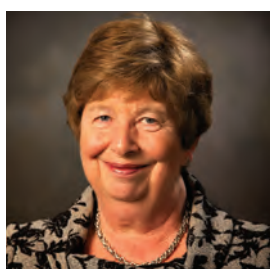
Mrs Christine Harpur
Business Consultant



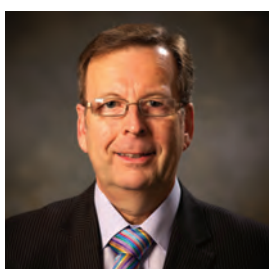
Dr Neill Morton OBE



Dr Leslie Caul OBE
Director of the Irish Football
Association



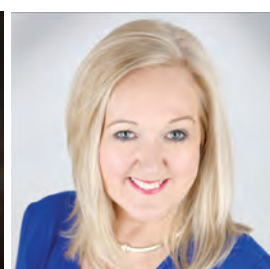
Mrs Jennifer Mussen
Former Principal of 11–18
Co-ed High School



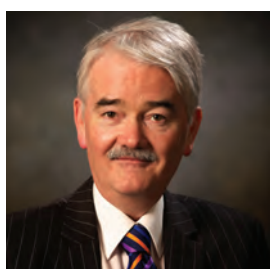
Mr Martin Donnelly
Former Senior Education
Adviser with the CCMS



Ms Michele Crilly
Trustee, Belfast Citizen's
Advice Bureau



Mrs Kathleen O'Hare
Principal of Hazelwood
Integrated College



Dr Peter Cunningham MBE
Principal of Ceara Special
School, Lurgan



Mrs Rosemary Cowan
Lecturer Business and
Management at Queen's
University Belfast



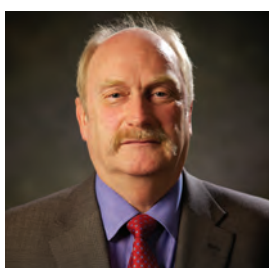
Mr John Wilkinson
Former Principal of Dromore
High School



Mr Tom Armstrong
Former Principal of Christian
Brothers School (C.B.S.)



Dr Ana Kerr
Education Consultant



Mr Robert Thompson
Former Head Teacher in
Doagh Primary School

Statement of Accounting Officer's Responsibilities

Under Schedule 3 of the Education (Northern Ireland) Order 1998, the Department of Education (DE), with the approval of the Department of Finance (DoF), has directed CCEA to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of CCEA and of its Statement of Comprehensive Net Expenditure, changes in taxpayers' equity, and cash flows for the financial year.

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

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

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

Annual Governance Statement 2015/16

Scope of responsibility

As Accounting Officer for CCEA, I am responsible for ensuring effective governance and a supporting robust internal control system to enable the achievement of CCEA's aims and objectives, the purpose of which is to meet stakeholder needs and expectations, including its support for the achievement of relevant strategic aims and objectives of CCEA's sponsoring body, the Department of Education (DE).

I have accountability for ensuring that CCEA complies with all relevant legislation, regulations and codes of practice, including compliance with Managing Public Money Northern Ireland (MPMNI). I have responsibility for safeguarding the public money entrusted to CCEA, providing assurance that these funds are managed with probity and that CCEA business is discharged economically, effectively and efficiently.

CCEA's business is conducted with application of the Seven Principles of Public Life (Nolan). These are enshrined in CCEA's Code of Ethics and supported by CCEA's values. Through these and CCEA's assurance framework, CCEA has demonstrated engagement with and response to stakeholder needs and commitment to delivering its services effectively with transparency, openness, inclusivity and continual improvement.

CCEA's governance and management framework

The duties and responsibilities of CCEA are set out in the Education (Northern Ireland) Order 1998.

CCEA's Council is responsible for:

- establishing CCEA's overall strategic direction in consideration of alignment with DE policy;
- ensuring sound financial management in CCEA through timely review of financial information and approval of significant expenditure;
- representing CCEA in the wider field of education; and
- ensuring that appropriate policies are established and implemented to comply with relevant legislation.

The Council operates within an established code of conduct based on the Nolan Principles. This code has been revised and improved during 2015/16.

CCEA Council and Committees

There are documented Terms of Reference and remits for the Council and all sub-committees. The committees are:

- Finance Committee;
- Audit and Risk Assurance Committee;
- Education Committee;
- Regulatory Advisory Committee; and
- Remuneration Committee.

The Regulatory Advisory Committee is newly constituted (in 2015/16). This committee is responsible for providing advice to Council in its responsibilities for regulation and

accreditation of examinations and qualifications. It has been formed in response to the enhanced and changing nature of CCEA's regulatory responsibilities in Northern Ireland and to increase public confidence in regards to the separation of regulatory and awarding responsibilities.

The Council receives reports on each of the committees which highlight key issues and decisions. Copies of committee meetings are also provided.

During the reporting period, the Council and Finance Committee met five times. The Audit and Risk Assurance Committee met four times, the Education Committee met three times and CCEA's Remuneration Committee met eight times. In addition, the new Regulatory Advisory Committee, established in late December 2015, has met once to provide induction for its members.

Details of Council and Committee attendance (with the exception of the newly constituted advisory committee) are provided in the table below.

Council/Committee Members' Attendance 2015/16

Members	Council Meetings (5 in year)	Audit and Risk Assurance Committee Meetings (4 in year)	Finance Committee Meetings (5 in year)	Education Committee Meetings (3 in year)	Remuneration Committee Meetings (8 in year)	Percentage Attendance
Trevor Carson (Chair)	5	n/a	5	n/a	8	100%
Martin Donnelly*	4	1	4	3	6	100%
Peter Cunningham	3	4	n/a	3	n/a	83%
John Wilkinson**	5	4	1	1	1	86%
Robert Thompson	4	n/a	5	3	8	95%
Christine Harpur	4	4	n/a	n/a	n/a	89%
Michele Crilly	5	4	n/a	n/a	n/a	100%
Jennifer Mussen	4	n/a	n/a	3	n/a	88%
Rosemary Cowan	4	n/a	2	n/a	5	61%
Ana Kerr #	4	3	n/a	3	n/a	91%
Neill Morton	2	n/a	4	5	1	57%
Kathleen O'Hare (appointed October 2015)	1	n/a	n/a	1	n/a	67%
Tom Armstrong (appointed October 2015)	2	n/a	n/a	1	n/a	100%
Les Caul (appointed October 2015)	2	n/a	1	1	n/a	100%

- *Joined Finance and Remuneration Committees for period June to December 2015 and withdrew accordingly from Audit and Risk Assurance Committee during that time. Therefore attendance based on active membership of these Committees.
- ** Ended Chairmanship of Audit and Risk Assurance Committees in January 2016 and joined Finance and Remuneration Committees in February 2016. Therefore attendance is based on active membership of these committees.
- # Joined Audit and Risk Assurance Committee in June 2015. Attendance is based therefore on active membership of relevant committees.

CCEA's Audit and Risk Assurance Committee has a co-opted member independent of Council who provides enhanced financial and audit expertise.

During 2015/16 a number of enhancements to CCEA's governance approaches were implemented. These include:

- a review of Council effectiveness and associated improvements including a training programme;
- development of an enhanced appraisal system for members;
- additional members of Council appointed to address any skills gap; and
- changed Council agendas to map against CCEA's corporate plan to ensure information and discussion is comprehensive and focused on CCEA's priorities.

CCEA's Audit and Risk Assurance Committee

CCEA's Audit and Risk Assurance Committee provides support to the Council in matters of risk, control and governance within the organisation. The Executive provide detailed information to provide assurance that CCEA will be able to meet its objectives. The Committee considers information pertinent to all aspects of CCEA's assurance and governance frameworks, including:

- procurement;
- compliance with legislation;
- the effectiveness of the risk management framework;
- annual audit of accounts;
- internal audit activity;
- counter-fraud strategies; and
- regulation of qualifications.

The Committee considers the appropriateness and integrity of the assurances provided by the Executive.

The Committee has fully implemented an improvement action plan following its self-assessment last year against the Audit and Risk Assurance Committee Handbook.

The Committee encompasses a range of stakeholders with interest in CCEA's governance. A number of Council members attend meetings of the Committee together with the Executive. CCEA's outsourced internal audit function, DE, the NIAO and External Audit all attend meetings of the Committee. There is a co-opted independent member on the Committee who provides additional financial expertise to ensure the Committee can effectively perform the required duties.

Closed meetings between the Committee and internal and external audit are facilitated. Following the improvement plan arising from its self-assessment, the Committee has formalised this best practice through planned meetings with internal audit.

CCEA's Management Framework

CCEA's Executive Team consists of the Chief Executive, Directors of Qualifications and Education Strategy, an interim Director of Corporate Services and, in the absence of a Director in the area of Finance, the Business Manager Finance provides financial advice and assurance to the Executive Team.

In 2015/16 a review of supporting management boards took place. A revised structure to align with CCEA's corporate plan and priorities was established. These new management boards which meet monthly include those described below.

- The Resources Board is chaired by the Chief Executive and considers the resources and infrastructure required to deliver CCEA's objectives both in the immediate and longer-term future. Outcomes from this group include people, estates management and information strategies.

- The Quality and Operations Board, chaired by the Director of Qualifications, looks at the risks and requirements for daily operational deliverables. Oversight in ensuring the successful delivery of the A2C pilot in 2015/16 was included in the remit of this Board.
- The Educational Solutions Board is chaired by the Director of Education Strategy with a focus on educational policies and outcomes. This Board was instrumental in providing an effective response to DE's request for enhanced digitisation skills to be incorporated into the school curriculum, beginning with primary level.
- CCEA conducts management review meetings twice each year in compliance with the three ISO standards CCEA employs. These meetings evaluate the quality, environmental and health and safety management systems to ensure these can support achievement of CCEA's objectives. Improvement actions are identified and monitored through this mechanism. For example, in 2015/16, significant environmental improvements were actioned through Management Review, including waste management audits which resulted in improved levels of recycling and reduction in waste going to landfill.

CCEA's Sponsoring Department (DE)

CCEA's Chief Executive and/or members of the Executive Team or Council meet regularly with senior members of DE to provide updates on CCEA's progress. These meetings include regular Governance and Accountability Review Meetings between the Chair of Council and DE Executive. During 2015/16, these meetings are focused on exceptions which highlight assurance and confidence in CCEA. DE is also in attendance at some Council and Committee meetings.

Compliance with the Corporate Governance in Central Government Departments: Code of Good Practice NI 2013

An assessment of CCEA's compliance with the *Corporate Governance in Central Government Departments: Code of Good Practice NI 2013* has confirmed that CCEA complies with all requirements. This includes an enhanced appraisal system and evaluation of Council effectiveness.

Evaluation of the quality of data provided to CCEA Council

The evaluation of Council effectiveness included review of the value and quality of data provided to Council. It has been determined that Council members are satisfied with the information provided to Council and Committees. Some improvements were made in 2015/16 in how certain data, mainly financial, was provided. These changes have been welcomed.

Ministerial direction

CCEA was not subject to any Ministerial Directions during 2015/16.

Risk assessment

Capacity to Handle Risk

CCEA's corporate risk register contains 15 risks. The register is subject to quarterly review and scrutiny by Executive Team and Audit and Risk Assurance Committee, which includes a representative from DE. Council is informed by the Chair of Audit and Risk Assurance Committee about key risks.

CCEA's risks are aligned to CCEA's corporate objectives and risk management associated with achievement of CCEA's objectives is an integral aspect of CCEA's planning and management strategies.

There are a number of CCEA's corporate risks which contain aspects outside CCEA's control. Where possible, CCEA has put additional mitigation or contingency in place, as appropriate, to reduce the level of risk. Mitigation includes engagement with Council and DE on risks remaining.

Risk and Control

CCEA has a robust risk management framework which meets the requirements of HM Treasury's Orange Book. Risks are identified and managed at operational, business and corporate levels.

An internal audit review of Risk Management and Corporate Governance in 2015/16 was rated as satisfactory with only one priority two recommendation.

Revised supporting aspects to the risk management framework implemented in 2015/16 which comprised new more practical and user-friendly documentation has been beneficial in embedding risk management into everyday business operations. The improved system has been effective with managers noting how it has supported cross-team commitment to management of risk.

All risk documentation is subject to quality assurance, evaluation and challenge by the Business Assurance Unit.

The risk management and assurance framework includes a suite of policies, procedures, plans and guidance for risk management, whistleblowing and counter-fraud. All documentation is subject to at least annual review to ensure it continues to meet best practice and is available to staff through CCEA's intranet.

CCEA's Assurance Framework

CCEA's risk management and governance frameworks are supported by a comprehensive assurance framework. The framework comprises a number of systems which provide CCEA with assurance on its business and act as risk management mechanisms to identify issues which can then be mitigated and improvements made.

Key aspects of CCEA's assurance framework include the following.

- **Internal Audit**
CCEA's internal audit function is outsourced and as required operates to Public Sector Internal Audit Standards. 2015/16 is the last year of a three-year strategic internal audit plan. Six risk-based audits have been completed. Four have been rated as satisfactory assurance whilst two received substantial assurance. Internal Audit's overall level of assurance for 2015/16 is rated as satisfactory.

No significant control issues have been identified by internal audit.

- Internal audit did not identify any priority one recommendations in conducting its six assurance reviews.
- Internal Audit also conducted follow-up reviews of audits carried out during the previous two years of the internal audit strategic plan. Of the 40 recommendations made 36 (90%) had been fully or partially implemented (32 (80%) fully). Those not implemented relate to resourcing issues or are dependent on third parties over which CCEA has no authority.
- **External Audit**
External Audit is undertaken by PwC on behalf of NIAO. CCEA's Report to those charged with governance issued by NIAO for 2015 provided an unqualified audit opinion on CCEA's accounts with only three minor (priority 3) improvements identified, all of which have been implemented.
- **ISO Accreditation**
Within the period 2015/16, CCEA retained certification to ISO 9001, ISO 14001, and OHSAS 18001 with no non-compliances at each externally conducted assessment.
- **ISO 27001 (Information Security)**
Within the period 2015/16, CCEA retained certification to ISO 27001 which provides assurance over CCEA's information security controls.
- **Customer Service Excellence® Standard**
CCEA retained accreditation to the cabinet office sponsored standard which considers engagement and support of customers and associated customer satisfaction. CCEA retained certification to the standard during 2015/16 with full compliance and 11 best practice criteria.
- **Investors in People (IiP) Standard**
CCEA retained IiP silver accreditation following an external assessment in 2015/16.
- During 2015/16 learning and development was provided to all staff according to identified needs in line with achievement of CCEA's objectives. Circa 470 staff received targeted learning and development. Key programmes included technical training (ICT), professional qualifications (for example Certificate in Corporate Governance), equality and diversity training, contract management project management and ethical leadership.
- **Regulation**
Following completion of a self-assessment against the General Conditions of Recognition (GCOR) criteria to operate as an awarding body which included a rigorous audit of evidence and compliance by an independent CCEA unit, CCEA submitted a statement of full compliance with GCOR to the Regulators in July 2015. This self-assessment, audit and compliance statement was approved by CCEA's Audit and Risk Assurance Committee and Council before submission to the Regulators.
- **CCEA's Planning and Performance Management Framework**
Quarterly monitoring of CCEA's DE business plan and corporate plan is conducted by Business Assurance. Reports on performance are reviewed by CCEA's Executive Team and reported to CCEA's Finance Committee.

Final review of the plans (for the last quarter January-March 2016) is not yet complete at this time of writing. At the last report, in December 2015, 90% of CCEA's objectives were either on target or complete. It is anticipated that a high percentage of objectives will be delivered by end March 2016 when the final report is collated. Some objectives however, for example those related to completion of service level agreements with C2k, will not be achieved this year due to the dependency on a third party over which CCEA has no authority.

- **Financial Management**
CCEA has instigated a savings delivery plan which is monitored for effectiveness. Robust budgetary monitoring, reporting and management mechanisms are in place and these have been enhanced over the year to provide earlier feedback and intervention if required.
- **Post-Project Evaluation (PPE)**
CCEA has continued to conduct PPEs in compliance with best practice. All required PPEs have been submitted to DE. CCEA has completed in excess of 90 PPEs in 2015/16.
- **Business Assurance**
Business Assurance provides independent assurance to the Chief Executive and Audit and Risk Assurance Committee on CCEA's governance and control frameworks. In the reporting period this has included audits and improvements associated with ISO 9001, ISO 14001, OHSAS 18001 and ISO 27001; PPEs; implementation, evaluation and improvement of the legislative assessment framework which provides assurance that CCEA has identified and is compliant with all applicable legislation; conduct of follow-up verification audits on Internal Audit findings; GCOR assessment; and review and improvement of CCEA's policy framework.

Management of Information Risks

CCEA's management of information is supported and implemented by documented policies, procedures and guidance. This was subject to audit under CCEA's application of ISO standards during 2015/16. The audits reflected positive outcomes.

A number of enhancements to CCEA's management of information risks have been implemented. CCEA revised its disposal schedule and fully implemented four of six improvements identified in early 2015 related to Freedom of Information. Of the two outstanding, one has been progressed and is awaiting full implementation whilst another depends on implementation of an ICT document management system not yet complete. Additional training in data protection for a number of teams has also been facilitated during the year.

Personal data related incidents

During 2015/16 CCEA experienced one minor data breach and one personal data incident.

The minor breach concerned a questionnaire related to one examiner being sent to another examiner in error. The questionnaires are pre-printed with personal details, including, for example, the examiner's name, home and business contact details. The issue was quickly identified and resolved. The breach was caused by human error in cross-referencing the examiner details on the questionnaire with those on the envelope. Improvement actions to address the cause have been taken including changes to procedures and controls and additional data protection training.

A personal data incident occurred related to a small number of missing scripts. The scripts did not contain personal information; however, details such as candidate and centre numbers could be used with other data which CCEA holds and therefore is classified as personal data. CCEA took swift remedial action to ensure no candidate was disadvantaged and there were detailed effective communications with the stakeholders concerned. Following an investigation into the incident, additional controls have been put in place to prevent the risk of other incidents.

Compliance with policies, procedures, laws and regulations

CCEA has a framework for identifying and assessing its compliance with legislation and other relevant statutory requirements which has been noted by internal audit and external assessors as best practice. The framework was enhanced further in 2015 which provides increased assurance through independent audit of the legislation registers and evaluations of compliance.

In 2015/16 CCEA has enhanced its policy framework through a documented procedure and policy template and mapping exercise against best practice.

CCEA has access to legal services to provide advice when required.

Safeguards against losses

CCEA has a robust system of controls in place for its financial systems. Assurance on these has been provided by internal audit with allocation of substantial assurance in a review in this area in 2015/16.

CCEA has a suite of policies and plans to manage the risk of fraud including a counter-fraud policy, fraud response plan and whistle-blowing policy. All of these are subject to annual review and revised to reflect current best practice guidance or following any incidents.

During the reporting period, two incidents of fraud occurred related to abuse of CCEA's telephone system. The details of the incidents are detailed below.

During 2015/16 CCEA continued its participation in the National Fraud Initiative (NFI). CCEA completed investigation of all matches well in advance of the required deadline with no instances of fraud identified.

Significant internal control issues

Telephone/Toll Fraud

CCEA's telephone system was compromised on two occasions during 2015/16 resulting in actual fraud. On each occasion the incident was reported as required to DE, NIAO, PSNI and CCEA's Audit and Risk Assurance Committee.

The first instance was identified by the telephone network supplier.

CCEA was advised that it had taken reasonable steps to defend against abuse of the phone system by disabling features commonly used for fraudulent purposes and was likely to have been perpetrated by experienced and organised criminals.

CCEA took steps to prevent further theft. These included:

- implementing a bar on all international and premium rate numbers, enabling them only as required and with appropriate authorisation; and
- installation of additional telephone system functionality (a new feature which was not available at the time of the incident) to help highlight unusual activity.

Investigation has concluded that the loss incurred was £864.57. This cost has been calculated from BT's cost price as BT is prohibited from benefiting from such fraudulent activity. This loss has not been recouped at this time.

The second instance was identified by CCEA ICT staff who had introduced additional checking controls on telephone usage as a risk mitigation measure. It was identified that there were a large number of calls through CCEA's system over a weekend evening. Investigation confirmed this as another Toll fraud. The loss incurred on this occasion was £3,024.

CCEA's ICT infrastructure has been evaluated to determine risks of broader cybercrime with positive assurances in this area.

Further and additional mitigation CCEA has taken to further reduce the fraud risk includes:

- banning remote access to mailbox configuration;
- additional checks on:
 - the telephone switch system logs; and
 - the BT Telephone One bill during use prior to receipt of invoice to identify unusual behaviour;
- banning outgoing calls from 9 pm to 6 am; and resetting internal voice mail passwords.

As well as improvements to the current system and configuration, CCEA is conducting a full and detailed review of CCEA's telecommunications to consider the potential to be part of other enterprise scaled telecommunication systems.

CCEA also conducted a review of its insurance policies to include coverage for cybercrime. CCEA has also become a member of the Cyber-security Information Sharing Partnership (CiSP) and a new Joint Council for Qualifications security sharing forum to help mitigate the risk of any further such events.

Information Governance

As noted above, during the reporting period one minor data breach and one personal data incident occurred.

Significant Issues Identified by Internal Audit

There were no significant control issues identified by internal audit during 2015/16.

CCEA's significant risks

CCEA has a number of significant corporate risks in relation to the potential impact they have on CCEA's/DE's objectives and reputation. CCEA's risks and the effectiveness of the mitigating controls are subject to regular review and evaluation to ensure risks are more effectively managed.

There are however some key aspects related to CCEA's risk profile which are not entirely within CCEA's control, for example where there are dependencies on third parties outside CCEA's control.

At this point in the financial year, CCEA has conducted its regular review of risks. There has been one new risk identified which is a complementary risk to one registered early in 2015. This new risk describes a segmented view of the risk around qualifications provision and comparability in Northern Ireland in the context of qualifications policy divergence and devolution across England, Wales and Northern Ireland. This risk (CR7: Failure to ensure availability of a full range and scope of qualifications that will meet the needs of all learners in Northern Ireland and align with DE strategy) requires ongoing monitoring as it is in its infancy and there are technical dependencies which require further assessment by all parties concerned. The complementary risk (CR6: Failure to ensure that qualifications taken by learners in Northern Ireland are comparable with standards of similar qualifications offered by other Awarding Organisations and in other jurisdictions) is being managed to an acceptable level.

A number of risks have increased or continued at a high level during 2015/16, but a number have also reduced as a result of improved controls or changed circumstances.

Those risks which have increased or remain high relate to budget pressures, industrial action by teacher unions and the subsequent impact on key stage assessment, changes in qualifications and most significantly risks of retaining or recruiting sufficient examiners and moderators to deliver CCEA's core activities in the wake of correspondence from the Education Authority's Teachers Negotiating Committee (TNC) Management Side in regards to teachers working as examiners.

CCEA's most significant risks are provided below.

1. Failure to ensure systems and resources are in place to provide quality services and products in Qualifications, Regulation and Curriculum and Assessment

This is CCEA's overarching strategic risk which relates to all aspects of CCEA's core business. This risk which had reduced prior to January 2016, has now increased in the context of a number of factors, including limited engagement with end of key stage assessment arrangements and particularly in the potential issue of retaining and recruiting examiners. CCEA has implemented mitigation and contingency planning in regards to this matter.

2. Failure to deliver on targets (within budget) as outlined in the Corporate Plan, Operational Plan, Work Programme, Financial Plan and Savings Delivery Plan

CCEA delivered the objectives in the DE business plan and CCEA's corporate plan, including planned savings. The budget reduction for 2016/17, despite the mitigation of a voluntary exit scheme (VES) and other planned savings, will be challenging in the next financial year. CCEA will continue to prioritise front-line services.

3. Failure to retain internal and external stakeholder confidence in CCEA's core business of Qualifications, Regulation and Curriculum and Assessment

This risk has increased in 2015/16 due to the challenges presented by changes in qualifications policy and divergence across England, Wales and Northern Ireland. The risk relates to perceptions of comparability of qualifications as well as the scope of provision associated with the withdrawal of GCSE qualifications here by two of the five main providers.

CCEA is proactively working with the Regulators in England and Wales on technical comparisons and there is ongoing engagement with stakeholders on increasing assurance and confidence on NI qualifications provision.

4. Failure to deliver aspects of the work programme for curriculum and assessment

This risk has increased in the context of budget constraints and the associated impact on support for schools. CCEA has taken mitigating action, within its control, to facilitate the continued work of teachers as moderators.

5. Failure to implement effectively new assessment arrangements to support the NI Curriculum.

CCEA has processes and systems in place to support full engagement by schools with regards to End of Key Stage assessment arrangements.

6. Failure to secure appropriate resources, systems and procedures to deliver qualifications effectively, including implementation of the modernisation programme while maintaining GCOR compliance.

This risk has increased despite improvements in management of the online marking provider, the successful A2C pilot and safe delivery of examinations. The source of the increased risk is the potential to be unable to recruit or retain examiners and moderators in the wake of a TNC communication.

Significant outcomes

Throughout 2015/16, CCEA has delivered a wide range of services and products in response to customer and stakeholder expectations and needs.

Key achievements during 2015/16 include:

- delivery of a successful examinations series;
- provision of high-quality, tailored CPD for teachers in key priority areas, such as development of teachers' coding skills training and collaborative delivery with industry partners;
- provision of in-year DE requests to develop online curricular resources to support relevant current issues, for example, concussion in-school learning microsite and Understanding 1916;
- development of assessment hub website to include online booking system for all events, online school support request system, provision of webinars and online evaluation forms to capture feedback on school support;
- provision of a suite of revised GCE specifications which have been prepared with full stakeholder engagement and consultation;
- proactive approach to managing attendance which has reduced absence from 13 to 8.9 days per employee;
- Insights report which validates CCEA's qualifications strategies and highlights the governance and transparency of CCEA's open data;
- increased digitisation and modernisation of CCEA's services resulting in increased scrutiny, efficiency and provision of increased itemised data for schools to enhance learning and teaching to support improved outcomes;
- introduction of digitisation through coding programmes for primary children;
- CCEA's development work and support in Special Educational Needs and a evolution of an effective independent Regulatory function in a devolved policy environment which has successfully accredited a suite of GCE specifications for first teaching September 2016;
- effective management of the VES which will facilitate a dynamic business;
- retention of silver accreditation in IiP;
- continued certification to ISO 9001, ISO 14001, OHSAS 18001 and Customer Service Excellence ® standards with no non-compliances;
- development of a proof of concept in-house solution for computer-based assessment;
- successful delivery of A2C pilot within timelines agreed with the Joint Council for Qualifications – the only Awarding Organisation to do so (which has also led to CCEA being the partner of choice for Capita which is realised through CCEA provision of testing Capita's systems);
- stakeholder audit conducted to identify improvements in engagement with stakeholders;
- internal audit reviews resulting in satisfactory assurance ratings with two substantial assurances: financial systems and disaster recovery/business continuity;
- development of people, estates management and information strategies aligned with CCEA's corporate plan;
- demonstration of DfE's and DE's confidence in CCEA represented by DfE's request for CCEA to become the regulator for professional and technical qualifications from April 2016, in addition to general qualifications; and

- CCEA's evolution as a bridge between industry and education which provides a comprehensive understanding of all stakeholder needs for improvements which will impact on learners, society and the economy in Northern Ireland.

Review of effectiveness

As Accounting Officer, I am responsible for reviewing the effectiveness of the risk, governance and assurance frameworks. This review has considered:

- information and assurance provided by senior management;
- the work of Internal Audit;
- comments made by the external auditors in the Report to those charged with governance; and
- the work of the Business Assurance team which includes:
 - management system audits;
 - consideration of the measures in place to manage corporate, business and operational risks;
 - business improvement systems and tools employed by CCEA;
 - other sources of assurance (as defined within the assurance framework); and
 - discussions with key staff and observations during the year.

I note Internal Audit's overall conclusion that CCEA has demonstrated a satisfactory level of assurance.

Based on consideration of the assurance mechanisms implemented within CCEA, and evidence derived from these mechanisms, I conclude that CCEA has demonstrated effective governance for the period 2015/16.

This draft Governance Statement was formally reviewed and recommended by CCEA's Audit and Risk Committee on 13 April 2016.

Signed:  Date: 29 June 2016

Chief Executive

Remuneration Report

CCEA Executive Team

CCEA's Executive Team normally consists of the Chief Executive and four Directors:



For the period April 2015 to May 2015, the CCEA Executive Team consisted of:

- the Chief Executive;
- the Director of Qualifications; and
- the Director of Education Strategy.

The Executive Team was supported by four CCEA Business Managers:

- the Examinations and Assessment Administration Business Manager*;
- the Multimedia and Learning Resources Business Manager*;
- the ICT Business Manager*; and
- the Financial Services Business Manager.

Three of the Business Managers (*) had additional responsibilities: they led one or more teams to cover the Director of Corporate Services vacancy. The Chief Executive retained overall director-level responsibility for these roles.

Following the appointment of the interim Director of Corporate Services in June 2015, the CCEA Executive Team consisted of:

- the Chief Executive;
- the interim Director of Corporate Services;
- the Director of Qualifications; and
- the Director of Education Strategy.

The Financial Services Business Manager supported the Executive Team.

The post of Finance Director was vacant for the entire twelve months.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest-paid director in CCEA in the financial year 2015/16 was £85–90k (in 2014/15, £85–90k). This was 3.23 times (in 2014/15, also 3.23 times) the median remuneration of the workforce, which was £27,123 (in 2014/15, also £27,123). In 2015/16 and in 2014/15, no employees received remuneration in excess of the highest-paid director.

Emoluments and Pension Entitlements of Senior Management (Audited)

	2015–2016				2014–2015			
	Salary	Performance related pay	Pension benefits **	Total	Salary	Performance related pay	Pension benefits **	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Justin Edwards Chief Executive	85–90	0	26	115–120	25–30	0	22	50–55
Richard Hanna* Director of Education Strategy	75–80	15–20	59	150–155	85–90	20–25	50	160–165
Anne-Marie Duffy Director of Qualifications	75–80	5–10	16	95–100	70–75	20–25	183	280–285
Sheila McClelland Interim Director of Corporate Services (Appointed 1 June 2015) Full Year Equivalent	50–55 75–80	–	17	65–70	–	–	–	–

** The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contribution made by the individual). The real increases exclude increases due to inflation or any increases or decreases due to the transfer of pension rights.

Notes

Emoluments for the Director of Qualifications consisted of gross salary and performance related pay (PRP) linked to performance in 2014/15.

*Emoluments for the Director of Education Strategy consisted of gross salary, linked to performance in 2014/15 for the period December 2014 to March 2015, and a pro rata PRP payment covering April 2014 to November 2014, linked to his previous role as interim Chief Executive.

During the 2015/16 year, the Chairperson received a remuneration of £13,000. In addition, £764 was paid in respect of his employer National Insurance contributions.

Pension Entitlements

	Real increase in pension earned in the year to 31/03/16	Real increase in accrued lump sum in the year to 31/03/16	Total accrued pension at 31/03/16	Total accrued lump sum at 31/03/16	CETV at 31/03/16	CETV at 31/03/15	Real increase in CETV
	£000	£000	£000	£000	£000	£000	£000
Justin Edwards Chief Executive	0–2.5	0–2.5	10–15	5–10	139	114	25
Richard Hanna Director of Education Strategy	2.5–5	7.5–10	35–40	105–110	733	642	91
Anne-Marie Duffy Director of Qualifications	0–2.5	2.5–5	35–40	105–110	814	757	57
Sheila McClelland Interim Director of Corporate Services (Appointed 1 June 2015)	0–2.5	–	–	–	11	–	7

	2016	2015
Band of Highest Paid Director's Total Remuneration	£85k–90k	£85k–90k
Median Total Remuneration	£27,123	£27,123
Ratio	3.23	3.23
Staff Remuneration Range	£14k–90k	£14k–90k

Total remuneration includes salary and non-consolidated PRP where relevant. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Chairperson, Chief Executive and Director Employment Contracts

The current Chairperson was appointed by the Education Minister on 1 February 2013. The Chief Executive was appointed on 1 December 2014.

The Chief Executive and each of the Directors must serve a notice period of at least three months.

Chairperson, Chief Executive and Director Emoluments

The Chairperson's remuneration is determined by the Department of Education (DE) and paid monthly in arrears. Any proposed increase to the rate requires DE approval and is subject to a fully satisfactory performance review. The Chairperson does not receive PRP.

Chief Executive and Director salary levels are subject to scales approved by DE and, where required, the Department of Finance. The contractual remuneration of the Chief Executive consists of salary and pension contributions. The contractual remuneration of the Directors consists of salary, PRP (up to a maximum of 10% of basic salary) and pension contributions.

The Chief Executive and Directors do not receive any benefits in kind. Only termination payments relating to payment in lieu of notice and redundancy payments are made where necessary.

DE reviews and approves CCEA's Performance Related Pay Policy and Framework each year.

Council Members' Emoluments

Other Council members do not receive any emoluments.

Chairperson, Chief Executive and Director Pension Entitlements

The post of Chairperson is non pensionable.

The pension entitlements of the Chief Executive and Directors are disclosed in the table on page 58. Members contribute to either the Northern Ireland Local Government Officers' Superannuation Committee Scheme (the NILGOSC Scheme) or the Northern Ireland Teachers' Pension Scheme. You can find details for both in Note 5: Pension Commitments in the Notes to the Financial Statements section.

Remuneration Committee

One of the main roles of the Remuneration Committee is to support the CCEA Council in its responsibilities for the remuneration of the Chief Executive, Directors, Business Managers and the main CCEA staff. In relation to the CCEA Executive Team, the Committee is specifically responsible for:

- ratifying the Chief Executive's salary, as proposed by the Chairperson of Council in line with the terms and conditions of the Chief Executive's post; and
- ratifying the salary level and annual PRP for the Directors on the CCEA Executive Team, as proposed by the Chief Executive in line with CCEA's Performance Related Pay Policy and Framework.

The CCEA Chairperson appoints the members of the Committee. The Committee consists of a minimum of three members of Council. The Chairperson of Council may also be a member of the Committee. Department officials may attend meetings in an observer capacity. The Committee meets at least once a year and at such other times as the Chair of the Committee requires. The Chair of the Committee provides Council with a report of each meeting.

Cash Equivalent Transfer Value (CETV)

CETV is the actuarially assessed, capitalised value of the pension scheme benefits that an individual has accrued at a particular point in time. The benefits valued are the individual's accrued benefits plus any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme, an arrangement to secure pension benefits in another pension scheme, or an arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown in the Emoluments and Pension Entitlements of Senior Management section relate to the benefits that the individual has accrued during their total membership of the pension scheme, not just during their service in a senior capacity.

The CETV figures and other pension details include the value of any pension benefit from another scheme or arrangement that the individual has transferred to the disclosed pension arrangement. They also include any additional pension benefit accrued as a result of their having purchased additional years of pension service in the scheme at their own expense. CETVs are calculated within the guidelines and framework described by the Institute and Faculty of Actuaries and according to guidance used by the Northern Ireland Civil Service in Employer Pension Notice EPN 15/2016.

Staff Report

Average Monthly Number of Persons Employed

The average number of whole-time equivalent persons employed during the year was as follows:

	Permanent staff/FTC	Temporary STAFF	Total 2016	Total 2015
Directly Employed	398	27	425	405

Employee Sickness Absence

Average annual sickness absence for the reporting period from 31 March 2015 to 31 March 2016 decreased from 11.3 days to 8.7 days per employee, due to a decrease in long-term absence.

These figures differ from those in the Annual Governance Statement (AGS), as those in the AGS reference an earlier rolling 12 month period (due to timing of the AGS).

Average annual short-term absence decreased from 3.5 days to 2.9 days per employee.

Off-Payroll Payments

We made no off-payroll payments during the 2015/16 financial year.

Staff Composition

As at 31 March 2016, the Executive Team was made up of one male Chief Executive, one male Director and two female Directors.

Of the remaining 401 employees, 228 are female while 173 are male.

The number of staff at each grade is shown below:

Grade	No of Staff
Clerical Officer	66
Senior Clerical Officer	12
Executive Officer	63
Senior Executive Officer	71
Higher Executive Officer	52
Senior Administrative Officer	20
Senior Professional Grade	87
Programme Manager	13
Principal Officer	10
Business Manager	7
Director	3
Chief Executive	1

Consultancy Costs

We did not incur any consultancy costs in the financial year 2015/16.

Equality Statement

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

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

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

Equal Employment Policy

We aim to make the best possible use of our resources, especially our staff. We recruit and promote candidates based on merit. We comply with all relevant legislation and guidance on fair employment and equal opportunities, and we aim to meet the legislative and other requirements in respect of employees with disabilities. In line with legal requirements, we do everything that is reasonably within our control to ensure the health, safety and welfare of all our employees.

Reporting of compensation and exit packages for all staff 2015/16

Exit package cost band	No of compulsory redundancies	No of voluntary redundancies	Total no of exit packages by cost band
<£10,000	0 (0)	1 (0)	1 (0)
£10,000–£25,000	0 (0)	4 (0)	4 (0)
£25,000–£50,000	0 (0)	8 (0)	8 (0)
£50,000–£100,000	0 (0)	6 (0)	6 (0)
£100,000–£150,000	0 (0)	2 (0)	2 (0)
£150,000–£200,000	0 (0)	1 (0)	1 (0)
Total number of exit packages	0 (0)	22 (0)	22 (0)
Total resource cost/£	£Nil (£Nil)	£1,182,425 (£Nil)	£1,182,425 (£Nil)

*Figures in brackets refer to 2014/15

Redundancy and other departure costs have been paid in accordance with the provisions of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations (Northern Ireland) 2007 as amended. Where CCEA has agreed early retirements and permission is received from the Department of Education, the additional costs are met by CCEA and not by the respective pension schemes (the Northern Ireland Local Government Officers' Superannuation Committee Scheme and the Northern Ireland Teachers' Pension Scheme) and these payments are included in the cost of the exit packages shown above. Ill-health retirement costs are met by the pension scheme and are not included in the table.

Signed:  Date: 29 June 2016

Chief Executive

Certificate of the Comptroller and Auditor General

Council for the Curriculum, Examinations and Assessment

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

I certify that I have audited the financial statements of the Council for the Curriculum, Examinations and Assessment for the year ended 31 March 2016 under the Schedule 3 of the Education (Northern Ireland) Order 1998. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration and Staff Report and the Assembly Accountability Disclosures that is described in those reports as having been audited.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Board and Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit and certify the financial statements in accordance with Schedule 3 of the Education (Northern Ireland) Order 1998. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Council for the Curriculum, Examinations and Assessment's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Council for the Curriculum, Examinations and Assessment; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on regularity

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

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of Council for the Curriculum, Examinations and Assessment's affairs as at 31 March 2016 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with Schedule 3 of the Education (Northern Ireland) Order 1998 and Department of Education directions issued thereunder.

Opinion on other matters

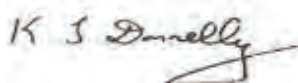
In my opinion:

- the parts of the Remuneration and Staff Report and the Assembly Accountability disclosures to be audited have been properly prepared in accordance with department of Education directions made under Schedule 3 of the Education (Northern Ireland) Order 1998; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Remuneration and Staff Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with Department of Finance's (formerly Department of Finance and Personnel) guidance.



KJ Donnelly

Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

Date 01 July 2016

Section

3

Financial Statements and Notes

66

CCEA is a quality-focused organisation and has been achieving quality standards since 1999. We use these standards and other quality initiatives to improve business processes and drive performance.

99

Statement of Comprehensive Net Expenditure for the year ended 31 March 2016

	Note	2016 £	2015 £
Expenditure			
Staff costs	4	17,264,618	14,555,598
Other expenditures	6	16,282,946	16,359,904
Depreciation	7	412,785	283,073
Amortisation	8	29,121	24,278
		<u>33,989,470</u>	<u>31,222,853</u>
Income			
Income from activities	3	(9,323,976)	(8,864,270)
		<u>24,665,494</u>	<u>22,358,583</u>
Net expenditure			
Other finance costs	9	248,000	245,000
		<u>24,913,494</u>	<u>22,603,583</u>
NET EXPENDITURE AFTER INTEREST (transferred to general reserve)			
	18	<u>24,913,494</u>	<u>22,603,583</u>

Other Comprehensive Expenditure

	Note	2016 £	2015 £
Net gain on revaluation of property, plant and equipment (in Revaluation reserve)	7 & 17	(6,654)	(4,916)
Net gain on revaluation of intangibles (in Revaluation reserve)	8 & 17	(284)	(581)
Actuarial (gain)/loss in respect of pension liability	5.1c & 18	(3,445,997)	1,704,000
		<u>21,460,559</u>	<u>24,302,086</u>
TOTAL COMPREHENSIVE EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2016			


All amounts above relate to continuing activities.

The notes on pages 73 to 91 form part of these financial statements.

Statement of Financial Position at 31 March 2016

	Note	2016 £	2015 £
Non-current assets			
Property, plant and equipment	7	1,215,937	1,234,574
Intangible assets	8	97,014	48,177
Total non-current assets		1,312,951	1,282,751
Current assets			
Inventories	10	2,716	2,119
Trade and other receivables	11	1,693,489	1,762,685
Cash and cash equivalents	12	345,083	353,092
Total current assets		2,041,288	2,117,896
Total assets		3,354,239	3,400,647
Current liabilities			
Trade and other payables	13	(3,019,775)	(2,912,016)
Total current liabilities		(3,019,775)	(2,912,016)
Non-current assets plus net current assets		334,464	488,631
Non-current liabilities			
Provisions	14	(654,000)	(718,000)
Pension liabilities	5.1c	(5,495,644)	(8,239,974)
Total non-current liabilities		(6,149,644)	(8,957,974)
Net liabilities		(5,815,180)	(8,469,343)
Taxpayers' equity			
Revaluation reserve	17	(75,559)	(82,497)
General reserve	18	(5,739,621)	(8,386,846)
Total taxpayers equity		(5,815,180)	(8,469,343)

The financial statements on pages 69 to 72 were approved by the Council on 29 June 2016 and were signed on its behalf by:

Trevor Carson  Date 29/6/16

Chairperson

Justin Edwards  Date 29 June 2016

Chief Executive

The notes on pages 73 to 91 form part of these financial statements.

Statement of Cash Flows

for the year ended 31 March 2016

		2016	2015
	Note	£	£
Cash flows from operating activities			
Net expenditure after interest		(24,913,494)	(22,603,583)
Adjusted for:			
Depreciation	7	412,785	283,073
Amortisation	8	29,121	24,278
Bad debt provision	11	(675)	1,949
Bad debts written off		1	3
IAS 19 pension costs*	5.1d	637,667	459,894
(Increase/decrease) in inventories	10	(597)	3,178
Decrease in trade and other receivables	11	69,870	831,569
Increase in trade and other payables	13	107,759	808,238
Net cash outflow from operating activities		(23,657,563)	(20,191,401)
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(387,495)	(841,150)
Purchase of intangible assets	8	(77,673)	(11,149)
Net outflow from investing activities		(465,168)	(852,299)
Cash flows from financing activities			
Recurrent grants received	16	23,562,785	19,689,746
Capital grants received	16	551,937	507,623
Net inflow from financing activities		24,114,722	20,197,369
Net decrease in cash and cash equivalents in the period		(8,009)	(846,331)
Cash and cash equivalents at 1 April 2015	12	353,092	1,199,423
Cash and cash equivalents at 31 March 2016	12	345,083	353,092

*This balance includes in year movements in the pension provision in addition to pension costs.

The notes on pages 73 to 91 form part of these financial statements.

Statement of Changes in Taxpayers' Equity

Year ended 31 March 2016

	Note	General Reserve £	Revaluation Reserve £	Total Taxpayers' equity £
Balance at 31 March 2014		(4,276,632)	(87,994)	(4,364,626)
Changes in taxpayers' equity 2014/15				
Deficit for year from statement of comprehensive net expenditure	7,8	(22,603,583)	5,497	(22,598,086)
Actuarial (loss) in respect of pension liability		(1,704,000)	-	(1,704,000)
Recurrent funding	18	19,689,746	-	19,689,746
Capital funding	18	507,623	-	507,623
Balance at 31 March 2015		(8,386,846)	(82,497)	(8,469,343)
Changes in taxpayers' equity 2015/16				
Deficit for year from statement of comprehensive net expenditure	7,8	(24,913,494)	6,938	(24,906,556)
Actuarial gain in respect of pension liability		3,445,997	-	3,445,997
Recurrent funding	18	23,562,785	-	23,562,785
Capital funding	18	551,937	-	551,937
Balance at 31 March 2016		(5,739,621)	(75,559)	(5,815,180)

The notes on pages 73 to 91 form part of these financial statements.

Notes to the Financial Statements

Year ended 31 March 2016

1 STATEMENT OF ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the *2015/16 Government Financial Reporting Manual (FReM)* issued by Treasury as directed by the Department of Finance (DoF). The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Council for the Curriculum, Examinations and Assessment (CCEA) for the purpose of giving a true and fair view has been selected. The particular accounting policies that have been adopted in the preparation of these financial statements are detailed below. They have been applied consistently in dealing with items that are considered material to the financial statements.

In accordance with the FReM, the Council is not able to accrue grants in aid funding due from the Department of Education to match current liabilities recorded within the statement of financial position. Under International Accounting Standard (IAS) 1 (revised), Presentation of Financial Statements, such a closing financial position which shows a surplus of liabilities over assets requires the Accounting Officer to make an assessment of the viability of the Council as a going concern. However, no material uncertainties affecting the Council's ability to continue as a going concern have been assessed and these financial statements have therefore been prepared under the going concern principle.

1.1 Accounting Convention

These financial statements have been prepared under the historical cost convention, modified by the revaluation of assets and liabilities to fair value as determined by the relevant accounting standards, and subject to the interpretations and adaptations of those standards in the FReM. Without limiting the information given, the financial statements comply with the accounting and disclosure requirements of the Companies Act 2006, accounting standards issued or adopted by the International Accounting Standards Board and the accounting and disclosure requirements issued by DoF in so far as those requirements are appropriate. These financial statements have been prepared in pounds sterling.

1.2 Recognition of Income and Funding

1.2.1 Government Grants

The main source of funding for CCEA is allocations (grants in aid) from the Department of Education (DE). All grants in aid, whether for revenue or capital purposes, are treated as contributions from controlling parties, giving rise to a financial interest in the residual interest of CCEA, and are credited to the general reserve. The grant in aid is recognised in the financial year in which the cash is received.

1.2.2 Revenue Grants

Grants for revenue purposes that are received to finance the purchase of specific goods or services are shown as income in the statement of comprehensive net expenditure. In these cases income is set to match with the related expenditure incurred during the period. CCEA did not receive any revenue grants in the financial year.

1.2.3 Examination Fee Income

Examination fee income is recorded in the statement of comprehensive net expenditure in the financial year in which the examination takes place.

1.3 Property, Plant and Equipment

Items of property, plant and equipment which are held for use on a continuing basis in delivering the reporting entity's activities, and which yield a benefit for a period of more than one year, are capitalised at their cost of acquisition and installation. The level for capitalisation as an individual item of property, plant and equipment has been applied for the current year at £3,000. CCEA has considered the valuation requirements of IAS 16 and deemed annual indexation the most appropriate valuation method. All tangible assets are valued using the most appropriate indices from the Office for National Statistics.

CCEA does not own any land or buildings.

1.4 Intangible Assets

Intangible assets are non-financial fixed assets that do not have physical substance but are identifiable and are controlled by CCEA through custody or legal rights. Intangible fixed assets are capitalised and stated in the statement of financial position at fair value (amortised cost less any accumulated impairment losses). The level for capitalisation as an individual intangible asset has been applied for the current year at £3,000. CCEA has considered the valuation requirements of IAS 16 and deemed annual indexation the most appropriate valuation method. All intangible assets are valued using the most appropriate indices from the Office for National Statistics.

1.5 Depreciation

Depreciation is provided on all property, plant and equipment from the month they are brought into service. In order to write off the value, less estimated residual value of each asset, items of property, plant and equipment are depreciated on a straight line basis over their expected useful lives or lease period if shorter.

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

Computer hardware - 3 years

Computer software - 3 years

Vehicles - vans - 5 years

Office furniture and equipment - 7/10 years

Plant and machinery - 15 years

1.6 Amortisation

Amortisation is provided on software licences from the month they are brought into service. In order to write off the value, less estimated residual value of each asset, software licences are amortised on a straight line basis over their expected useful lives. In line with the computer software to which they relate, software licences are deemed to have useful lives of 3 years.

1.7 Finance and Operating Leases

Leases are classified as either a finance lease or an operating lease depending on the substance of the agreement. A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Finance leases are treated as if the asset had been purchased outright. The related assets are included in non-current assets, and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations, and the interest element is charged against income in proportion to the reducing capital element outstanding. Assets held under finance lease are depreciated over the useful lives of equivalent owned assets. CCEA does not have any lease agreements that are classified as a finance lease.

An operating lease is a lease other than a finance lease. Rental payments in respect of assets held under operating leases are charged to the statement of comprehensive net expenditure as incurred. Commitments under operating leases are shown in Note 15 to the financial statements.

1.8 Inventories

Inventories are stated at fair value, which is the lower of cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks.

1.9 Work in Progress

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

1.10 Employee Benefits

The cost of providing employee benefits is recorded in the statement of comprehensive net expenditure in the period in which the benefit is earned by the employee, rather than when it is paid or payable. This is applicable to both short term and long term benefits.

1.11 Pensions

CCEA has considered the impact of IAS 19R to be immaterial to the Annual Report and Accounts and have not adjusted the pension disclosure in Note 5. CCEA participates in the following three pension schemes:

1.11.1 The Teachers' Superannuation Scheme (TSS)

The Teachers' Superannuation Scheme is an unfunded contributory scheme administered by the Department of Education (DE). The conditions of the Superannuation (NI) Order 1972, the Teachers' Superannuation Regulations (NI) 1977 and subsequent amendments apply to the scheme. The scheme is presently notionally funded.

The rate of the employer's contribution is determined every 4 years by the Government actuary and advised by DoF. The TSS is a multi-employer scheme, and CCEA is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TSS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year. The scheme is administered by the Department of Education, Rathgael House, Balloo Road, Bangor.

1.11.2 The Northern Ireland Local Government Officers' Superannuation Committee Scheme (NILGOSC)

The Northern Ireland Local Government Officers' Superannuation Committee Scheme is of the defined benefits type, the assets of the scheme being held in separate trustee administered funds. CCEA's contribution to NILGOSC scheme is determined by the fund's actuary based on a triennial valuation. The scheme is administered by NILGOSC, Hollywood Road, Belfast.

The pension costs are assessed in accordance with the advice of independent qualified actuaries using the projected unit method and are accounted for on the basis of charging the cost of providing pensions over the period during which CCEA benefits from the employee's services. Variations from regular cost are spread over the expected average remaining working lives of members of the scheme after making allowances for future withdrawals.

The difference between the fair value of the assets held in CCEA's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method is recognised in CCEA's statement of financial position as a pension scheme asset or liability as appropriate.

In accordance with IAS 19 'Employee Benefits', the in year movement in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by CCEA is charged to the statement of comprehensive net expenditure or the statement of changes in taxpayers' equity.

1.11.3 The National Employment Savings Trust (NEST)

The National Employment Savings Trust is run by NEST Corporation, which is a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP). It's a trust-based scheme, run independently from the government on a not-for-profit basis in the interests of its members.

NEST Corporation has a Chair and up to 14 Trustee Members. The Trustee Members take decisions based on established trust law principles including the duty to act in the interests of scheme members. They set the strategic direction and objectives for NEST and determine the overall governance structure for NEST Corporation. The Trustee Members are supported by an executive team that has day-to-day responsibility for managing the scheme. The Trustee Members' primary role is to decide, implement and support NEST's strategic direction in order to maximise value for scheme members and beneficiaries.

NEST is a defined contribution pension scheme established by law to support the introduction of automatic enrolment, which meets the criteria for a 'qualifying' scheme as set out in the Pensions Act 2008.

Minimum contribution levels are set by legislation and are to increase in 2017 and 2018 as part of a phased timetable. NEST was set up specifically to meet the need of employers to deliver pensions auto-enrolment for their employees and can be used by employers in all sectors regardless of the size or profile of their workforce.

1.12 Taxation

CCEA is an eligible body for the purposes of education and any provision of education by CCEA is exempt from VAT. A small part of the activities of CCEA, mainly those associated with the Multimedia Unit, falls within the scope of VAT. With the exception of expenditure directly related to these activities, VAT is not reclaimable by CCEA and so, in these cases, expenditure in the financial statements is inclusive of VAT.

CCEA was established by legislation as a 'body corporate' and is therefore fully within the Corporation Tax provisions. CCEA is registered with HMRC for Corporation Tax purposes.

1.13 Provisions

Provisions are recognised when CCEA has a present obligation as a result of a past event, it is probable that CCEA will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.14 Foreign Currency Transactions

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the end of the financial year, with all resulting exchange differences being taken to the statement of comprehensive net expenditure in the period in which they arise.

1.15 Early Departure Costs

Although the Local Government (Compensation for Premature Retirement) Regulations (Northern Ireland) 1983 do not apply to CCEA, these regulations have been agreed with the recognised trade union as an acceptable basis to allow CCEA to have the discretion to make provision for premature retirement of officers who cease to hold their employment by reason of redundancy or in the efficient discharge of their employee's functions.

Lump sum payments (if any) during the year, and a statement of continuing liability, are disclosed in Note 5 to the financial statements. The accounting practice is to provide for the full cost of early departure of employees in the statement of comprehensive net expenditure based on actuarial tables.

1.16 Reserves

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

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

2 ANALYSIS OF NET EXPENDITURE BY SEGMENT

CCEA's financial performance is organised and managed at directorate level - Chief Executive Office, Corporate Services, Education Strategy, Qualifications and Financial Services. The chief operating decision maker in CCEA is the Chief Executive supported by the Director of Qualifications, Director of Education Strategy, Director of Corporate Services and Finance Director collectively known as the Executive Team (see Remuneration Report on page 57). Monthly financial reports detailing directorate revenue, expenditure and capital expenditure against budget are provided to the Executive Team and budget holders. Information on directorate assets and liabilities is not separately identified. The five directorates operating in the 2015/16 financial year are Chief Executive, Corporate Services, Education Strategy, Qualifications and Financial Services.

Chief Executive

This directorate consists of the administrative support for the Chief Executive's Office and Council and the independent regulatory functions.

Corporate Services

In support of all CCEA's activities, this directorate provides independent advice and management in ICT, Multimedia, People Services, Marketing & Communications, Facilities Management and Business Assurance.

Education Strategy

CCEA researches and trials policy on behalf of the Department and provides support material for curriculum implementation. This directorate is also currently responsible for the development and implementation of the assessment and reporting arrangements for ages 4 to 14.

Qualifications

CCEA provides examinations for GCE subjects and GCSE subjects, Key Skills, Essential Skills, Occupational Skills and a range of other vocational qualifications.

Financial Services

This directorate is responsible for financial and management reporting, budgeting, payroll, trade receivables/payables and purchasing.

CCEA's financial position at the year ended 31 March 2016 is analysed across directorates as follows:

	Chief Executive £(000's)	Education Strategy £(000's)	Qualifications £(000's)	Corporate Services £(000's)	Financial Services £(000's)	Total £(000's)
Expenditure	2,337	5,307	17,105	8,794	694	34,237
Income	(387)	-	(8,794)	(143)	-	(9,324)
Net expenditure after interest	1,950	5,307	8,311	8,651	694	24,913

3 INCOME

	2016	2015
INCOME FROM ACTIVITIES	£	£
Research and development	143,035	61,335
Examination fees	8,762,238	8,335,150
Other activities	418,703	467,785
Income from activities is shown net of Value Added Tax (VAT)	9,323,976	8,864,270

4 STAFF COSTS

Staff Costs comprise:

	Permanent staff/FTC*	Temporary staff	Total	Total
	2016	2016	2016	2015
	£	£	£	£
Wages and salaries	11,943,292	588,792	12,532,084	11,542,954
Social Security costs	940,471	21,691	962,162	897,050
Pension costs	2,587,947	-	2,587,947	2,115,594
Reorganisation and Redundancy costs	1,182,425	-	1,182,425	-
TOTAL	16,654,135	610,483	17,264,618	14,555,598

* Fixed Term Contract

A breakdown of the above costs into permanent staff and others can be found in the Staff Report within the Accountability Report.

5 PENSION COMMITMENTS

5.1 a) Teachers' Superannuation Scheme

69 employees of CCEA are members of the Teachers' Superannuation Scheme, which is a contributory scheme administered by the Department of Education (DE). The conditions of the Superannuation (NI) Order 1972, the Teachers' Superannuation Regulations (NI) 1977 and subsequent amendments apply to the scheme. The scheme is presently notionally funded. The rate of the employer's contribution is determined from time to time by the Government Actuary and advised by the Department of Finance (DoF).

DE operate a banding scheme for employee contribution rates, based on pensionable pay. These rates for 2015/16 are as follows:

Band	Actual Annual Pensionable Earnings (£)	Contribution Rates
1	up to 25,999.99	7.4%
2	26,000–34,999.99	8.6%
3	35,000–41,499.99	9.6%
4	41,500–54,999.99	10.2%
5	55,000–74,999.99	11.3%
6	75,000 and above	11.7%

In 2015/16, the employer's contribution rate was 17.7%, (13.6% in 2014/15)

Contributions for the year:	2016 £	2015 £
Employer's	533,047	380,847
Employees'	306,822	297,779
Total	839,869	678,626

b) Northern Ireland Local Government Officers' Superannuation Committee Scheme

CCEA participates in the Northern Ireland Local Government Officers' Superannuation Committee Scheme (the NILGOSC scheme) for 319 of its employees. The NILGOSC scheme is a "multi-employer", defined benefit scheme, which provides members of participating employers with the benefits related to pay and services at rates which are defined under statutory regulations. To finance these benefits, assets are accumulated in the scheme and are held separately from the assets of the employers. The scheme is funded by employers participating in the NILGOSC scheme who pay contributions at rates determined by an independent, professionally qualified actuary on the basis of regular valuations using the projected unit method. The results of the most recent valuation, which was conducted at 31 March 2013, were as follows:

Main assumptions –	
Rate of return on investments per annum	6.1%
Rate of general increase in salaries per annum	5.3%
Rate of pension increases per annum	3.3%
Market value of scheme's assets	£3.540 billion
Level of funding being the actuarial value of assets expressed as a percentage of the benefits accrued to members, deferred pensioners and members based on past service and after allowing for future salary increase	82%

NILGOSC operate a banding scheme for employee contribution rates, based on pensionable pay. These rates for 2015/16 are as follows:

Band	Pensionable pay (£)	Contribution rates
1	0–14,000	5.5%
2	14,001–21,300	5.8%
3	21,301–35,600	6.5%
4	35,601–43,000	6.8%
5	43,001–85,000	8.5%
6	more than 85,000	10.5%

In 2015/16, the employer's contribution rate was 20%, (20% in 2014/15).

Contributions for the year:

	2016	2015
	£	£
Employers	1,661,186	1,481,045
Employees	556,773	472,601
Total	<u>2,217,959</u>	<u>1,953,646</u>

5.1 c) The amounts recognised in the statement of financial position are as follows:

	2016	2015
	£(000's)	£(000's)
Present value of funded liabilities	(47,639)	(47,975)
Fair value of plan assets	42,143	39,735
Net underfunding in funded plans	(5,496)	(8,240)
Present value of unfunded obligations (Note 14)	(654)	(718)
Net liability – total non-current liability	<u>(6,150)</u>	<u>(8,958)</u>
Amounts in the statement of financial position		
Liabilities	(6,150)	(8,958)
Asset	-	-
Net liability	<u>(6,150)</u>	<u>(8,958)</u>

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

	2016	2015
	£(000's)	£(000's)
Opening defined benefit obligation	48,694	40,920
Current service cost	1,899	1,741
Past service cost	196	-
Interest cost	1,551	1,750
Contributions by members	555	484
Actuarial gains/(losses)	(3,602)	4,781
Estimated unfunded benefits paid	(44)	(44)
Estimated benefits paid	(953)	(938)
Closing defined benefit obligation	48,296	48,694

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

	2016	2015
	£(000's)	£(000's)
Opening fair value of employer assets	39,735	34,125
Expected return on assets	1,303	1,505
Contributions by members	555	484
Contributions by employer	1,659	1,481
Contributions in respect of unfunded benefits	44	45
Actuarial (losses)/gains	(156)	3,077
Unfunded benefits paid	(44)	(44)
Benefits paid	(953)	(938)
	42,143	39,735

As a result of the full actuarial valuation at 31 March 2013, employer contributions of 20% are to be made in 2016/17 in order to reduce the deficiency of the scheme.

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

	2016	2016	2016	2015
	Quoted	Unquoted	Total	Total
Equities	71.7%	0.2%	71.9%	73.0%
Bonds	13.2%	-%	13.2%	12.2%
Properties	12.1%	-%	12.1%	12.6%
Cash	2.3%	-%	2.3%	2.0%
Other	-%	0.5%	0.5%	0.2%

Principal actuarial assumptions at the statement of financial position date (expressed as weighted averages):

	2016	2015
Discount rate	3.5%	3.2%
Future salary increases	3.3%	3.3%
Future pension increases	1.8%	1.8%
Pension accounts revaluation rate	1.8%	1.8%
RPI Inflation	2.9%	2.9%
CPI Inflation	1.8%	1.8%

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

	2016 £(000's)	2015 £(000's)	2014 £(000's)	2013 £(000's)	2012 £(000's)
Fair value of employer assets	42,143	39,735	34,125	31,936	26,639
Present value of defined benefit obligation	(47,639)	(47,975)	(40,211)	(40,995)	(35,029)
Deficit	(5,496)	(8,240)	(6,086)	(9,059)	(8,390)
Experience adjustments on plan assets	(156)	3,077	(61)	3,176	(1,636)
Experience adjustments on plan liabilities	384	221	1,331	71	(349)
Actuarial (losses/gains) on employer assets	(156)	3,077	(61)	3,176	(1,636)
Actuarial (losses)/gains on obligation	3,602	(4,781)	3,675	(4,522)	(1,239)
Actuarial (losses)/gains recognised in statement of changes in taxpayers' equity	3,446	(1,704)	3,614	(1,346)	(2,875)

Sensitivity Analysis:

The approximate impact of changing the key assumptions on the present value of the funded defined obligation as at 31 March 2016 and the projected service cost for the year ending 31 March 2017 is set out below. We have not included sensitivity of unfunded benefits on materiality grounds.

Funded LGPS benefits

Discount rate assumption

Adjustment to discount rate	+0.1% p.a.	-1.0% p.a.
Present value of total obligation (£M's)	46.649	48.658
% change in present value of total obligation	-2.1%	2.1%
Projected service cost (£M's)	1.702	1.830
Approximate % change in project service cost	-3.6%	3.7%

Rate of general increase in salaries

Adjustment to salary increase rate	+0.1% p.a.	-1.0% p.a.
Present value of total obligation (£M's)	47.950	47.340
% change in present value of total obligation	0.6%	-0.6%
Projected service cost (£M's)	1.765	1.765
Approximate % change in project service cost	0.0%	0.0%

Rate of increase to pensions in payment and deferred pensions assumption

Adjustment to pension increase rate	+0.1% p.a.	-1.0% p.a.
Present value of total obligation (£M's)	48.348	46.949
% change in present value of total obligation	1.5%	-1.5%
Projected service cost (£M's)	1.830	1.702
Approximate % change in project service cost	3.7%	-3.6%

Post retirement mortality assumption

Adjustment to mortality age rating assumption*	-1 year	+1 Year
Present value of total obligation (£M's)	48.872	46.412
% change in present value of total obligation	2.6%	-2.6%
Projected service cost (£M's)	1.826	1.704
Approximate % change in project service cost	3.4%	-3.4%

* A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them

5.1d The net cost of the NILGOSC scheme recognised in the statement of comprehensive net expenditure is as follows;

	2016	2015
	£	£
Current service cost	1,899,000	1,741,000
Interest on obligation and Expected return on assets	248,000	245,000
Contributions by employer	(1,661,186)	(1,481,045)
Contributions in respect of unfunded benefits	(44,147)	(45,060)
Past Service Cost	196,000	-
Loss	<u>637,667</u>	<u>459,895</u>

5.1e National Employment Savings Trust

CCEA participates in the National Employment Savings Trust (NEST) for 105 of its Contracted for Services personnel. NEST is a defined contribution pension scheme established by law to support the introduction of auto enrolment, which meets the criteria for a 'qualifying' scheme as set out in the Pensions Act 2008.

In 2015/16 the employee contribution rate was 1% (1% in 2014/15) of pensionable pay, and the employer contribution rate was 1% (1% in 2014/15).

Contributions for the year:

	2016	2015
	£	£
Employers	6,058	2,855
Employees	4,846	2,284
	<u>10,904</u>	<u>5,139</u>

5.2 Early Departure Costs

Lump sum payments during the year relating to early departures amounted to £0 (2015 £0).

Annual costs relating to early departures in previous years that are met by CCEA currently amount to £45,060. These annual costs will continue in line with pension payments and are index linked.

	2016	2015
	£	£
Provision for liabilities and charges	654,000	718,000

Full provision has been made for the best estimate of the expected total liability of CCEA in relation to early departures during previous years.

6 OTHER EXPENDITURES

	2016	2015
	£	£
Examiner and teacher costs	7,409,616	6,958,669
Premises and equipment	2,455,285	2,914,111
Supplies and services	3,489,714	3,187,836
Substitute teacher costs	1,272,732	1,503,840
Printing costs	1,077,982	1,267,915
Distribution costs	399,618	363,194
Transport and travel costs	164,994	146,602
Council fees and expenses	16,274	17,737
Gain on disposal of property, plant and equipment	(3,269)	-
	<u>16,282,946</u>	<u>16,359,904</u>

7 PROPERTY, PLANT AND EQUIPMENT 2015/16

	Computer Hardware £	Computer Software £	Office Furniture & Equipment £	Plant & Machinery £	Vehicles £	TOTAL £
COST OR VALUATION						
At 1 April 2015	1,904,997	158,356	1,648,369	50,334	-	3,762,056
In Year Adjustment*	-	-	(71,122)	-	-	(71,121)
Indexation	13,527	1,307	130	551	-	15,515
Additions	139,547	-	295,258	-	23,811	458,616
Disposals	(516,957)	(18,720)	(198,539)	(17,449)	-	(751,665)
At 31 March 2016	1,541,114	140,943	1,674,096	33,436	23,811	3,413,401
ACCUMULATED DEPRECIATION						
At 1 April 2015	1,292,306	102,597	1,105,300	27,279	-	2,527,482
In Year Adjustment*	-	-	(4,735)	-	-	(4,735)
Indexation	7,659	1,022	63	117	-	8,861
Charge for period	297,430	32,240	85,773	1,680	397	417,520
Depreciation eliminated on disposal	(516,957)	(18,720)	(198,539)	(17,449)	-	(751,665)
At 31 March 2016	1,080,438	117,139	987,862	11,627	397	2,197,463
NET BOOK VALUE						
At 31 March 2015	612,691	55,759	543,069	23,055	-	1,234,574
At 31 March 2016	460,676	23,804	686,234	21,809	23,414	1,215,937

Property, plant and equipment have been re-indexed at 31 March 2016 using the indices from the Office for National Statistics, and the overall gain of £6.654 (2015: gain £4,916) after depreciation was transferred to the revaluation reserve. All tangible assets were owned by CCEA at 31 March 2016.

*In year adjustment relates to restatement of historic cost of an asset.

7 PROPERTY, PLANT AND EQUIPMENT 2014/15

	Computer Hardware £	Computer Software £	Office Furniture & Equipment £	Plant & Machinery £	TOTAL £
COST OR VALUATION					
At 1 April 2014	1,440,204	131,863	1,308,103	28,708	2,908,878
Indexation	6,300	778	4,918	32	12,028
Additions	458,493	25,715	335,348	21,594	841,150
Disposals	-	-	-	-	-
At 31 March 2015	1,904,997	158,356	1,648,369	50,334	3,762,056

ACCUMULATED DEPRECIATION					
At 1 April 2014	1,089,931	76,327	1,044,132	26,909	2,237,299
Indexation	3,073	267	3,746	24	7,110
Charge for period	199,302	26,003	57,422	346	283,073
Depreciation eliminated on disposal	-	-	-	-	-
At 31 March 2015	1,292,306	102,597	1,105,300	27,279	2,527,482

NET BOOK VALUE					
At 31 March 2014	350,273	55,536	263,971	1,799	671,579
At 31 March 2015	612,691	55,759	543,069	23,055	1,234,574

Property, plant and equipment have been re-indexed at 31 March 2015 using the indices from the Office for National Statistics, and the overall gain of £4,916 (2014: loss £42,516) after depreciation was transferred to the revaluation reserve. All tangible assets were owned by CCEA at 31 March 2015.

8 INTANGIBLE ASSETS

	Software Licences
	£
COST OR VALUATION	
At 1 April 2015	394,047
Indexation	1,224
Additions	77,673
Disposals	(57,135)
At 31 March 2016	415,809
ACCUMULATED AMORTISATION	
At 1 April 2015	345,870
Indexation	940
Charge for year	29,121
Depreciation eliminated on disposal	(57,135)
At 31 March 2016	318,796
NET BOOK VALUE	
At 31 March 2015	48,177
At 31 March 2016	97,014

Intangible fixed assets have been reindexed at 31 March 2016 using the indices from the Office for National Statistics and the overall gain of £284 (2015: gain of £581) after depreciation was transferred to the revaluation reserve. All intangible assets were owned by CCEA at 31 March 2016.

INTANGIBLE ASSETS 2014/15

	Software Licences
	£
COST OR VALUATION	
At 1 April 2014	382,167
Indexation	731
Additions	11,149
Disposals	-
At 31 March 2015	394,047
ACCUMULATED AMORTISATION	
At 1 April 2014	321,442
Indexation	150
Charge for year	24,278
Depreciation eliminated on disposal	-
At 31 March 2015	345,870
NET BOOK VALUE	
At 31 March 2014	60,725
At 31 March 2015	48,177

9 OTHER FINANCE COSTS		
	2016	2015
	£	£
Expected loss on NILGOSC pension scheme assets	248,000	245,000
	<u>248,000</u>	<u>245,000</u>

10 INVENTORIES		
	2016	2015
	£	£
Teaching aids	2,716	2,119
	<u>2,716</u>	<u>2,119</u>

11 TRADE AND OTHER RECEIVABLES		
	2016	2015
	£	£
Trade receivables (see note below)	364,021	31,100
Provision for bad debts	(1,275)	(1,949)
Other receivables	70,867	502
Prepayments and accrued income	1,259,876	1,733,032
	<u>1,693,489</u>	<u>1,762,685</u>

ANALYSIS OF TRADE RECEIVABLES		
	£	£
Local Government	284,035	14,768
Central Government	75,500	7,845
Intra Government Balances	359,535	22,613
Bodies External to Government	4,486	8,487
	<u>364,021</u>	<u>31,100</u>

12 CASH AND CASH EQUIVALENTS		
	2016	2015
	£	£
Balance at 1 April	353,092	1,199,423
Net change in cash and cash equivalent balances	(8,009)	(846,331)
Balance at 31 March 2016	<u>345,083</u>	<u>353,092</u>
The Following balances at 31 March were held at commercial banks and cash in hand	2016	2015
	£	£
Cash and cash equivalents as in the statement of financial position	<u>345,083</u>	<u>353,092</u>

13 TRADE AND OTHER PAYABLES		
	2016	2015
	£	£
Amount falling due within one year:		
Trade payables (see analysis below)	36,273	-
Taxes and social security	458,688	324,132
Other payables	94,910	48,994
VAT	17,824	7,523
Accruals and deferred income	2,412,080	2,531,367
TOTAL	3,019,775	2,912,016

ANALYSIS OF TRADE PAYABLES		
Central Government Bodies	-	-
Local Government Bodies	-	-
Intra Government Balances		
Bodies External to Government	36,273	-
TOTAL	36,273	-

14 PROVISIONS	
	Unfunded pension liability provision £
Balance at 1 April 2015	718,000
Provided in the year	
Provisions not required written back	-
Provisions utilised in the year	(64,000)
Balance at 31 March 2016	654,000
Analysis of expected timing of discounted flows:	
Later than 1 year and not after 5 years	36,333
Later than 5 years and not after 10 years	218,000
Later than 10 years	399,667
Total	654,000

Unfunded pension liability provision

Full provision has been made for the total liability of CCEA in relation to early departures during the current year and previous years as calculated by the actuaries of the plan, AON Hewitt Limited. Annual costs relating to early departures are offset against fluctuations in the pension liability.

15 LEASE COMMITMENTS

OPERATING LEASES

Total future minimum lease payments under operating leases are given below for each of the following periods:

	2016	2015
	£	£
Obligations under operating leases for the following periods comprise		
Buildings		
Not later than one year	960,600	884,280
Later than one year and not later than five years	3,842,400	3,115,200
Later than five years	175,800	954,600
	<u>4,978,800</u>	<u>4,954,080</u>
Other		
Not later than one year	-	42,702
Later than one year and not later than five years	-	-
Later than five years	-	-
	<u>-</u>	<u>42,702</u>

16 DEPARTMENT OF EDUCATION GRANTS IN AID

	2016	2015
	£	£
Recurrent grants in aid	23,562,785	19,689,746
Capital grants in aid	551,937	507,623
	<u>24,114,722</u>	<u>20,197,369</u>

17 REVALUATION RESERVE

	2016	2015
	£	£
At 1 April 2015	(82,497)	(87,994)
Indexation	6,938	5,497
At 31 March 2016	<u>(75,559)</u>	<u>(82,497)</u>

18 GENERAL RESERVE

	2016	2015
	£	£
At 1 April 2015	(8,386,846)	(4,276,632)
Operating cost for the year	(24,913,494)	(22,603,583)
Actuarial gain/(loss)	3,445,997	(1,704,000)
Recurrent grants in aid (Note 16)	23,562,785	19,689,746
Capital grants in aid (Note 16)	551,937	507,623
At 31 March 2016	<u>(5,739,621)</u>	<u>(8,386,846)</u>

19 OTHER FINANCIAL COMMITMENTS

CCEA has not entered into any non-cancellable contracts (which are not leases or PFI contracts) for items of property, plant and equipment.

20 RELATED PARTIES

CCEA is a non-departmental public body (NDPB), established by the Education and Libraries (NI) Order 1993, which receives its core funding through grants in aid from DE.

DE is regarded as a related party. During the year, CCEA had a significant number of material transactions with DE and with other entities for which DE is regarded as the parent department, including:

- The Education Authority Northern Ireland
- Schools in Northern Ireland

In addition, CCEA has had a small number of material transactions with other government departments and other central government bodies. Most of these transactions have been with:

- (a) DFE
- (b) Northern Ireland Assembly
- (c) CCMS
- (d) DCAL
- (e) FE Colleges and Universities
- (f) NI Water Limited
- (g) Land & Property Services
- (h) Department of Finance

During the year, none of the board members, members of the key management staff, or other related parties undertook any material transactions with CCEA, other than those disclosed in the Remuneration Report. A register of members' interests is available and can be inspected on application to the Chief Executive's Office.

21 FINANCIAL INSTRUMENTS

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. As the cash requirements of CCEA are met through grants in aid provided primarily by the Department of Education, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with CCEA's expected purchase and usage requirements and CCEA is therefore exposed to little credit, liquidity or market risk.

Liquidity Risk

CCEA has no borrowings and relies primarily on grants in aid from DE and therefore is not exposed to significant liquidity risks.

Foreign Currency Risk

As CCEA has no material deposits and all of its assets and liabilities are denominated in sterling, there is no exposure to interest rate risk and foreign currency risk.

Interest Rate Risk

CCEA's financial assets and liabilities carry nil or fixed rates of interest. CCEA is not therefore exposed to significant interest rate risk.

Credit Risk

As the majority of CCEA's income comes from contracts with other Public Sector bodies, CCEA has low exposure to credit risk.

22 EVENTS AFTER THE REPORTING PERIOD

We have considered the impact of the outcome of the EU Referendum and the UK's vote to leave the EU on the 23rd June 2016, but are not in a position to assess what effect it might have on CCEA's operations or future funding.

23 DATE AUTHORISED FOR ISSUE

The Council's Accounts were approved on the 29 June 2016 by the Chairperson and Chief Executive and authorised for issue on the 15 July 2016

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