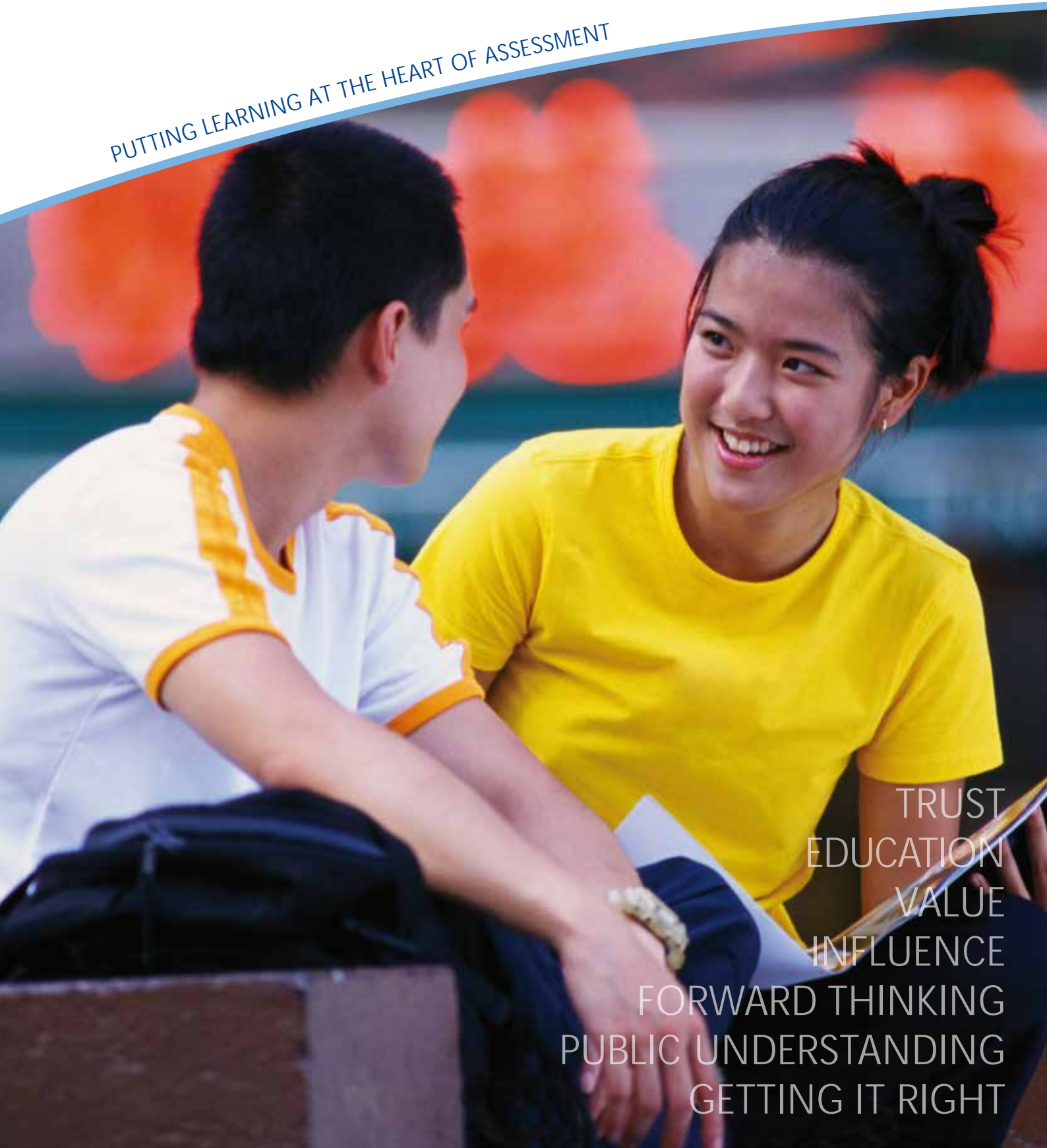




CAMBRIDGE ASSESSMENT

Annual Review 2012–2013

PUTTING LEARNING AT THE HEART OF ASSESSMENT



TRUST
EDUCATION
VALUE
INFLUENCE
FORWARD THINKING
PUBLIC UNDERSTANDING
GETTING IT RIGHT

INTRODUCTION | SIMON LEBUS, GROUP CHIEF EXECUTIVE

It has been a busy year for the Cambridge Assessment Group. We have maintained strong international growth and overseen continued high levels of investment in our technological infrastructure.



Our strategic change programme, Project Threshold, has now moved into delivery phase. Threshold, which is designed to deliver business transformation through the replacement of legacy technology and processes with a common set of up-to-date software solutions, is making significant progress. IT is a crucial part of our Group infrastructure and it is right that we continue to invest heavily in it.

The year also saw an important development in the growth of the Group as we decided to proceed with proposals to develop a new purpose-built HQ on a site in Cambridge known as 'The Triangle' which is owned currently by Cambridge University Press. It is an opportunity for the Group to bring together under one roof staff that are located in several offices around the city and, subject to planning permission, it is scheduled for completion in 2018. The proposals also reflect our continuing high levels of international growth and our confidence in the future.

In April we welcomed Michael O'Sullivan as the new Chief Executive for Cambridge International Examinations. Michael has long and varied experience both in the UK and Asia, a background with the British Council and was formerly Director of the Cambridge Commonwealth, European and International Trust. He joins at an important time for our international exam board as it embraces new opportunities for growth. We are delighted to have him on board.

In the UK the past year saw a continuing rapid rate of qualification reform. In February, the UK Secretary of State for Education made a statement in the House of Commons outlining proposed reforms to GCSEs in which he acknowledged that his original proposal for a single exam board for each subject – the English Baccalaureate Certificate – was a "bridge too far".

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The announcement means that there is still a large GCSE reform programme in place in which we will continue to play a full role, prepared, as always, to deliver research-led, rigorous and fair qualifications.

The year also saw the UK Government announce its intention to reform A Levels in England, with a more influential role for higher education in particular. Our UK exam board has been an active participant in the discussions that followed and is fully committed to developing new A Levels that prepare students for university study and engage and enthuse students and teachers alike.

In the UK, the year also saw a High Court challenge to GCSE English results from the 2012 summer session. Our UK exam board was not directly involved but named as an interested party. The ruling found in favour of the regulator for England and the exam boards, demonstrating an important principle: exam results should not be decided in court rooms.

There was growing recognition both at home and abroad of the value of a vocational and technical education. Our Group Director of Assessment Research and Development, Tim Oates, wrote a major paper in January which said there was no 'magic bullet' such as new qualifications, but instead called for "sophisticated, diverse, balanced and coherent policy, using insights from research".

Meanwhile our UK exam board OCR continues to innovate in this area, drawing on its RSA heritage. In May 2013 it launched a pilot traineeship project, the first by an awarding body, designed to help young people in areas of high UK unemployment gain the skills and experience needed to secure places on apprenticeships or find sustainable work. Nearly all of the trainees were offered employment or places on apprenticeships or FE courses.

In February, the UK Secretary of State for Education made a statement in the House of Commons outlining proposed reforms to GCSEs in which he acknowledged that his original proposal for a single exam board for each subject – the English Baccalaureate Certificate – was a "bridge too far". The announcement means that there is still a large GCSE reform programme in place in which we will continue to play a full role, prepared, as always, to deliver research-led, rigorous and fair qualifications.

Finally, it has been an important year historically for our English language exam board. Cambridge English Language Assessment has been celebrating its centenary with a series of events at home and abroad. The story began in 1913 when three candidates sat down to a 12-hour English proficiency test. Now four million candidates around the world take Cambridge English exams. Testament indeed to the quality and calibre of our assessments, and a tribute to the Group's position as an organisation recognised and respected the world over.

Simon Lebus
Group Chief Executive
Cambridge Assessment



Mark Dawe,
Chief Executive,
Oxford Cambridge and
RSA Examinations (OCR)

Simon Lebus,
Group Chief Executive,
Cambridge Assessment

Dr Michael Milanovic,
Chief Executive,
Cambridge English
Language Assessment

Michael O'Sullivan,
Chief Executive,
Cambridge International
Examinations

AFRIQUE : Hydrographie



★ WE CONTINUE TO SUPPORT EDUCATION REFORM OVERSEAS

1. TO REINFORCE OUR POSITION AS A GLOBALLY RECOGNISED AND RESPECTED AUTHORITY ON ASSESSMENT

In the past year we saw a continuing rapid rate of qualification reform in the UK. Proposals for English Baccalaureate Certificates were abandoned in February after the UK Secretary of State for Education, Michael Gove, acknowledged they were “one reform too many”. The proposal for a single exam board for each subject was also abandoned. Instead the UK Government said it would concentrate on reforming existing GCSEs.

Consultations followed on the content and structure of GCSEs in England, and our UK exam board responded extensively, drawing on its wealth of expertise and experience. We are active participants in the ongoing discussions with key stakeholders about new GCSEs and fully committed to the task of developing new qualifications that prepare students for university study, and engage and enthuse aspiring students and teachers alike.

We also offered our expertise and shared our experience in response to a great number of consultations over the past year, including A Level reform, apprenticeships, GCSE English, the National Curriculum review and 16–19 vocational reform.

We also helped advise the UK Government on its International Education Strategy, which was published in July. Having exported high quality academic and English language qualifications for the last 130 years, the Group can draw on significant experience and expertise. We welcome the long term vision and look forward to working with the Government as it seeks to support exporters of education products and services.

As further testament to the Group's expertise, our Director of Assessment Research and Development, Tim Oates, continued to act as an adviser to the National Curriculum Review and as a member of the Review's Advisory Committee. He also presented an overview and critique of the Qualifications and Credit Framework in England to the board of the regulator for England, Ofqual.

In a major paper published in April, Mr Oates called for GCSE results to be reported on a numerical scale score rather than using the existing A-G grade scale. In a separate paper on tiering at GCSE in England, he also called for the introduction of a Level 1/Level 2 model like that used in Singapore, with no ‘cap on aspiration’.

It has been a busy year on the regulatory front. Following the confirmation of a number of grade changes as a result of the discovery of clerical errors made in 2011, Ofqual issued our UK exam board, OCR, with a Direction in September 2012. OCR formed an action group to address and manage the issues raised in the Direction, which was formally lifted in March 2013. That work has now been completed, but the group will continue to meet regularly to ensure that OCR is able to operate at the very best and highest level within regulatory requirements.

As experts in assessment and a body independent of government, the Group continues to seek to influence debate on education strategy and policy. The Group attended both the Conservative and the Labour Party conferences in autumn 2012, which provided us with an important platform to discuss educational issues with policy makers. We held fringe debates entitled ‘*How do we get value for money out of a world class education system?*’ and ‘*The future of GCSEs: another day, another*



Mark Dawe, OCR Chief Executive, speaking at our education event at the Conservative Party conference



Influencing debate: delegates discuss ideas raised at the Group's event on how to construct a better maths curriculum for England

solution'. Both events saw lively and frank debates about the current and future educational landscape.

Over the past year we held two well-attended events: *'Teaching and assessing 21st century skills'* and *'It doesn't add up: what's wrong with maths?'*. At the first, a panel of experts debated the idea that 21st century skills might not actually be that new, and it was agreed that it was ever more important that all – and not just a privileged few – possessed such skills. The second debate considered how to construct a better maths curriculum for England. The panel agreed that every child can succeed at maths, but action is needed now to make that vision a reality.

October 2012 saw the Group's sixth biennial conference, which had the title *'Examining risk: deeper analysis of the pressures on assessment in England'*.

Keynote speakers included Cambridge International Examinations' Isabel Nisbet, and Glenys Stacey, Chief Executive of the exams regulator for England, who warned about the pace of change in England's exam system.

We also held timely roundtables on GCSE reform which provided an opportunity for teachers, businesses, students and parents to discuss and put forward their views on the future of GCSEs. Our final report was submitted to the Government and published in the autumn. We hope the findings enabled policy makers to make valid and informed choices based on sound evidence.

In June, Cambridge English Language Assessment hosted the Cambridge Global Schools Forum, which brought together education ministries, policy makers and education professionals from all over the world to discuss case studies on language learning in the

compulsory education sector. This event is part of a thought leadership programme which will help to position our English language exam board as the world's leading name in language teaching, learning and assessment.

NEW CHIEF EXECUTIVE

In April we welcomed Michael O'Sullivan as the new Chief Executive for Cambridge International Examinations. Michael took over the role from Ann Puntis who stepped down after eight years in the post.

A fluent Mandarin speaker, Michael has long and varied experience both in the UK and Asia, and spent a significant part of his career with the British Council, most recently as Director, China.

RECOGNITION

In 2013 we celebrated an important milestone: the 100 year anniversary of Cambridge English exams. To coincide with the development, the exam board also changed its name to Cambridge English Language Assessment.

The Cambridge English story began in 1913 when three candidates in the UK took the first exam, which lasted for more than 12 hours and included translation, dictation and phonetic transcription. Now Cambridge English exams are taken by more than four million candidates around the world and they focus on the real-life communication skills candidates need for success in their studies, the workplace or the global society. A series of events has now been held to mark the centenary around the world.

Michael Milanovic, Cambridge English Language Assessment's Chief Executive, co-authored a new illustrated history of Cambridge English exams, from its humble beginnings to the current day. *Cambridge English Exams – the First Hundred Years* charts how important independent research is to the exam board's decision-making.

The Cambridge English Global Network programme was launched in July with the largest ever conference for the organisation's managers around the world. The programme will radically change the way the

organisation works by establishing hub offices in key countries and regions around the world, each headed by a Regional Director supported by specialist heads of Assessment, Network Services, Marketing and Business Development. The objective is to make Cambridge English much more responsive to local requirements while at the same time ensuring consistency of standards and processes worldwide.

In May 2013, our international exam board entered into a ground-breaking collaboration with the fourth largest school district in the United States, Miami-Dade County Public Schools. Over the next three years, Cambridge programmes and qualifications will be rolled out in 70 schools in Miami-Dade County, Florida, including Cambridge Primary in elementary schools, Cambridge Secondary 1 in middle schools, and Cambridge IGCSE and the Cambridge AICE Diploma in senior high schools.

In the US, 32 schools are piloting Cambridge programmes as part of the National Center on Education and the Economy *Excellence for All* programme, an increase from 16 in 2012.

The US Higher Education Advisory Council (HEAC) is now in its fifth year. It meets twice a year and currently has 12 members (Columbia, Duke, Florida State, Maryland, Michigan, MIT, Penn State, Texas, University



Michael O'Sullivan, Chief Executive, Cambridge International Examinations

of Southern California, Virginia, Washington and Yale). The Council continues to support our research programme of impact and predictive validity studies. It is influential and the Cambridge profile is becoming better known thanks to an increasing number of presentations being accepted at key US conferences with HEAC members as panel members. This group will be key in developing our international exam board's work in the US.

A Cambridge English test was used to assess the English of over 200,000 students in Chile to provide a comprehensive picture of the language skills of students in their final year of compulsory education throughout the country. The results were published in April 2013 and the test will be repeated in 2014 to measure progress in the country's ambitious programme to improve English teaching and learning in schools.

In March, our English language exam board and the Australian further education provider Box Hill established a joint venture to develop and administer the Occupational English Test (OET), a long-established test for medical professionals which is widely recognised in Australia, New Zealand and Singapore. The joint venture will allow the test to benefit from Cambridge's quality management and customer services systems and the OET will be made available by Cambridge English's global centre network.

In October Cambridge English Language Assessment held a major event in the European Parliament to encourage greater focus on language learning in European Union education strategy. For the past five years we have been working with MEPs in the European Parliament's Culture Committee and the European Commission's Directorate General for Education, Culture and Sport to focus attention on EU language policy. During this year, we provided advice on prioritising language learning, which was adopted as part of the Parliament's response to the EU 'Rethinking Education' strategy.



Delegates from 13 countries including Oman, Kazakhstan, Lesotho and Portugal attend the Cambridge Assessment Network International Study Programme

May saw two important adoptions for Cambridge English exams, which are now formally recognised by more than 14,000 universities, employers, government agencies and other organisations around the world. The Brazilian Ministry of Education recognised Cambridge English: Advanced exams as part of its 'Science Without Borders' programme which provides grants for Brazilian science students to study at leading universities in other countries. The International English Language Testing System (IELTS) is also recognised for this important initiative to strengthen the country's economic future. In the same month, Turkey's largest university, Anadolu University, announced the adoption of the Cambridge Teaching Knowledge Test.

In the same month it was announced that more than two million candidates had taken IELTS in the past year, following several years of sustained growth for this world-leading test for higher education and immigration.

The first Europe-wide quality auditing system for language exams, the Association of Language Testers in Europe (ALTE) Q-mark, was launched at the beginning of October, developed largely by researchers from Cambridge English Language Assessment. All of the Cambridge English exams submitted for audit successfully obtained this prestigious accreditation.

Recognition of the Cambridge English: Advanced exams in Australia continued to grow in the past year. The University of Sydney and the University of Adelaide joined an increasing number of top universities in saying they would recognise the exam as proof of language ability. A growing number of universities in Finland is also using the qualification, which is important as Finland is increasingly becoming a top destination for English medium degrees.

SHARING KNOWLEDGE

Our International Study Programme proved to be yet another success, bringing together assessment experts from around the world to share best practice in public examinations development and administration. This year the course welcomed delegates from 13 countries including Oman, Kazakhstan and Portugal. Launched in 2006, the two-week programme provides a comprehensive insight into the development and delivery of public examinations for a multi-national audience. The course draws on the strength and depth of expertise of staff from across the Group, each speaker bringing a specialist understanding of their field with sessions on Item writing and test construction, mark scheme development and e-assessment proving particularly popular.

We developed a bespoke blended learning course in assessment and education for the Netherlands' Institute for Curriculum Development. The course, attended by 30 delegates, focused on the principles of assessment and how they can be applied in the contexts of schools and the curriculum. The delegates were particularly keen on the topics of reliability and validity as well as exploring the distinction between standardisation and moderation which they believe will have the greatest influence on their future work.

Our annual Cambridge Teachers' Conference continued to be popular. Nearly 200 teachers from 40 countries gathered in Cambridge to engage in high-quality discussion, compare experiences and develop their skills and practice. This year's theme was '*Confident learners, confident teachers: new ways of looking at leadership*', and delegates challenged the idea that the school principal is the sole agent of change.

The Group demonstrated how its exam boards effectively use and deploy modern technology when it attended the 2013 BETT show, one of the largest education technology exhibitions in the world. It gave our UK exam board the chance to demonstrate the suite of teaching and learning resources it has developed to map Raspberry Pi – the new credit card-sized computer for schools – to the curriculum.

IN SUMMARY A LEADING AUTHORITY ON ASSESSMENT

- ◆ Drawing on its wealth of expertise and experience, our UK exam board OCR responded extensively to consultations on the content and structure of new GCSEs in England
- ◆ As experts in assessment, the Group continues to influence debate on education and held its sixth biennial conference, two well-attended events on the future of maths and 21st century skills, as well as party conference forums
- ◆ Cambridge International Examinations entered into a ground-breaking collaboration with the fourth largest school district in the US, Miami-Dade
- ◆ As Cambridge English celebrates 100 years, its assessments continue to grow and are now formally recognised by more than 14,000 universities, employers, government agencies and other organisations
- ◆ Our International Study Programme proved to be yet another success, bringing together assessment experts from around the world

TO REINFORCE OUR POSITION AS A GLOBALLY RECOGNISED AND RESPECTED AUTHORITY ON ASSESSMENT

★ WE CONTINUE TO INVEST HEAVILY IN NEW IT INFRASTRUCTURE



2. TO EFFECTIVELY USE AND DEPLOY MODERN TECHNOLOGY

Millions of exam papers are marked online every year and technology plays a key role in examination administrative processes. Computer-based testing (CBT) is also growing rapidly, providing benefits to students, learners and those involved in the administration of assessment.

We continue to invest heavily in new IT infrastructure, recognising that modern technology is at the heart of everything we do.

PROCESS EXCELLENCE

The year saw the introduction of a programme focused on ensuring the quality of our applications and IT management processes. Under the Process Excellence programme our applications are proactively monitored to prevent service failure.

A new test facility has been created so that our IT testing teams can use different browsers and operating systems to simulate the real-life experience of schools and colleges. The programme will continue into 2013–14 with an ambitious schedule of work that is being agreed with the management team.



The increasing use of on-screen marking technology for both paper and computer-based assessments has made it possible to introduce significant improvements

Our technology teams are also providing real value to the organisation by capacity planning – predicting times of high demand, giving staff at our warehouse and distribution centre, DC10, a real understanding of what is going to be coming through the door.

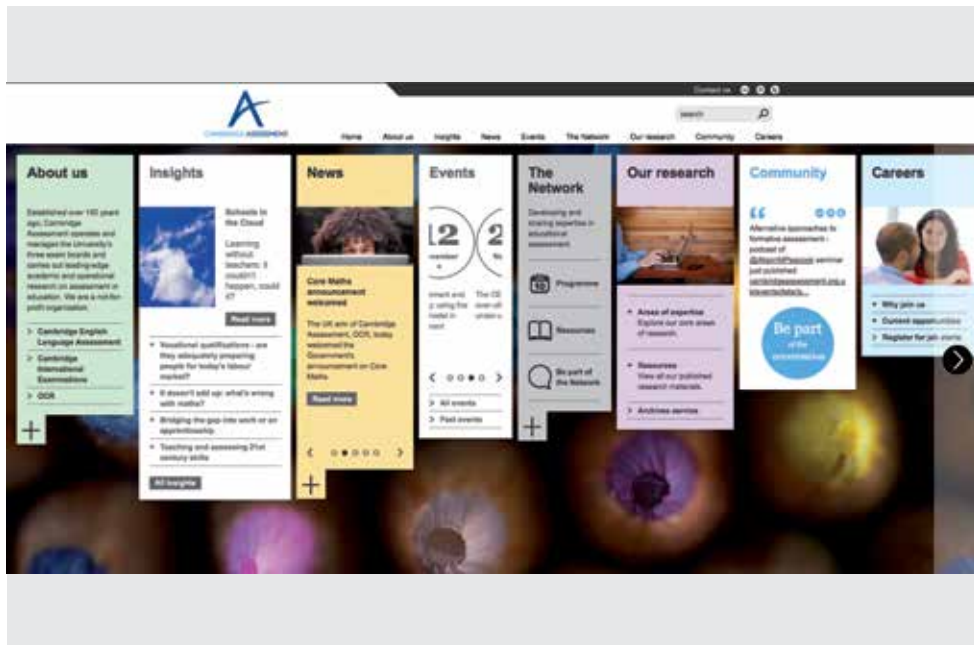
E-LEARNING SUPPORT

A new e-learning platform is being developed by Cambridge International Examinations to support teaching and learning of its Global Perspectives qualifications. The first of its kind within the Group, the platform enables teachers and learners to share resources and store research securely. The cross-curricular Global Perspectives qualifications develop critical thinking and research skills by asking learners to explore issues from different viewpoints. Initially the new platform has supported IGCSE and use is high, with 35 per cent of the entire cohort accessing it at its peak. General feedback is that both teachers and learners found the platform motivating, and that it made it easy to collaborate with other schools.

E-MARKING

The increasing use of on-screen marking technology for both paper and computer-based assessments has made it possible to introduce significant improvements. It brings the ability to monitor the quality of marking of each examiner against a set of common, 'definitively' marked scripts on an ongoing basis. It also means scripts can be randomly and anonymously allocated and more detailed evidence is available of any 'aberrant' marking, with the ability to allocate re-marking immediately without the need to despatch paper scripts.

Our UK exam board remains committed to its target of marking 100 per cent of long-essay style answers online by 2014. On-screen marking brings with it many benefits and will help to reduce opportunities for human error. It increases the visibility of the whole marking process, allowing much closer monitoring and improving the quality of marking.



The year also saw the strategic design and re-launch of the Group's websites. Inspired by the best and most modern designs, they are intended to be easier to use for students, teachers and stakeholders around the world

We are increasingly developing the use of Electronic Return of Marks, a system under which examiners return marks electronically for scripts which have been marked on paper. Using ERM improves the accuracy of the recording of marks, reduces the time between examiners completing their marking and the marks being loaded onto the marks database, and reduces the chances of marks being delayed in the post.

E-TESTING

In September 2012 we signed an agreement to enhance computer-based testing in China and elsewhere. Entries for Cambridge English computer-based testing have increased rapidly over the last few years and the series of agreements with Chinese computer-based testing specialists ATA will provide an increasingly sophisticated system for delivering these tests, both in China and more widely.

March 2013 saw a group of children from Hong Kong sit the first ever computer-based Cambridge English: Young Learners test. It uses the latest technology to measure English language skills in listening, reading, writing and even speaking.

Our international exam board has been investigating the use of online tools for recording, marking and moderating oral examinations, receiving positive results and feedback. Participating teachers and examiners said they found the system easy to use, and that it significantly reduced administration times.

E-PROFESSIONAL DEVELOPMENT

Two new services to support the professional development of teachers and examiners were launched by our international exam board in the period covered by this report. A new online events booking system streamlines the process for delegates interested in attending either face-to-face or online events, and supports online payment. New video web conferences were also launched, which allow events to be more easily accessed by delegates across the world, and provide archived recordings for those unable to attend.

E-PROCESSING AND ADMINISTRATION

In line with other UK awarding bodies, our international exam board rolled out support for the Yellow Label traceable script collection service in the UK from the June 2013 series onwards. The developments made to its systems allow it to offer schools the same level of script return service for accredited IGCSEs as other UK awarding bodies offer for GCSE.

ONLINE LEARNING

Our English language exam board continues to pioneer online learning initiatives. This year it launched its first online game, Academy Island, and this was followed by the launch of the Monkey Puzzles game designed to help children around the world practise their reading skills when learning English.

In October 2012 Cambridge English Language Assessment also launched a safe, cost-free resource that allows schools around the world to exchange virtual postcards in English. Cambridge English Pen Friends was quickly adopted by hundreds of schools in more than 40 countries.

SOCIAL MEDIA AND WEBSITES

The year saw the strategic design and re-launch of the Group's websites. Inspired by the best and most modern designs, they are intended to be easier to use for students, teachers and stakeholders around the world. They feature a fresh, new, modern look with improved navigation and quick access to key materials.

Building on the increased use of social media by students, parents and guardians, teachers and news agencies, OCR added to its results day support in 2012 by successfully implementing a pre-planned digital engagement strategy through Twitter, Facebook, LinkedIn and Storify.

TECHNOLOGICAL INNOVATION

Cambridge English Language Assessment announced the establishment of the Automated Language Teaching and Assessment (ALTA) institute, a joint programme with other departments of the University. Professor Ted Briscoe of the University's Computer Laboratory will be the Director of the Institute. The ALTA Institute forms part of the Cambridge Language Sciences Strategic Initiative and will provide a focus for the development of technological innovation in language teaching and learning.

IN SUMMARY TECHNOLOGY

- ◆ We continue to invest heavily in new IT infrastructure, recognising that modern technology is at the heart of everything we do
- ◆ The Process Excellence programme was introduced, meaning our applications are proactively monitored to prevent service failure
- ◆ Our UK exam board remains committed to its target of marking 100 per cent of long-essay style answers online by 2014
- ◆ March 2013 saw a group of children from Hong Kong sit the first-ever computer-based Cambridge English: Young Learners test, which uses the latest technology to measure English language skills
- ◆ Cambridge English Language Assessment announced the joint establishment of the Automated Language Teaching and Assessment institute which will provide a focus for the development of technological innovation in language teaching and learning

TO EFFECTIVELY USE AND DEPLOY MODERN TECHNOLOGY

★ OUR DIVERSE QUALIFICATIONS INSPIRE EIGHT MILLION LEARNERS IN MORE THAN 170 COUNTRIES



3. TO CONTINUE TO EXPAND THE ORGANISATION BY PROVIDING AND INVESTING IN A BROAD, ATTRACTIVE AND INNOVATIVE PORTFOLIO OF ASSESSMENTS, QUALIFICATIONS AND RELATED SERVICES

PRIMARY

Our international exam board is collaborating with Cambridge University Press (CUP) and NRICH (a University of Cambridge project designed to enrich mathematical study) on a new web-based initiative called Cambridge Primary Maths, which provides new support for its primary maths curriculum based on a problem-solving approach. This was developed by researching the most effective pedagogies used in high-performing jurisdictions and contextualising these for learners.

The Cambridge Primary Maths website will link the Curriculum Framework for Primary Maths with CUP and NRICH resources. NRICH is tagging a selection of its own highly-regarded online activities to the Cambridge Primary Maths Curriculum Framework. The first phase of the website is scheduled to go live in early 2014.

GCSEs AND IGCSEs

This year saw the UK Government and the English exams regulator announce consultations on proposed changes to the content and structure of GCSEs taken by students in England. The new GCSEs will be taught in schools from September 2015 with first exams in summer 2017.

Current plans are for new GCSEs in English language, English literature and mathematics being ready for first teaching in September 2015, with new GCSEs in the sciences, history and geography, as well as languages, scheduled for first teaching in September 2016. Maths and English are the foundation of our education system, and we agree it makes sense to deal with these subjects first. Our UK exam board OCR continues to keep schools and colleges informed of developments.

Since the launch of OCR's pilot GCSE Computing qualification three years ago, the exam board has been at the forefront of development in this new and exciting area. In February the UK Secretary of State for

Education announced that computer science would form part of the English Baccalaureate, one of the measures used in school league tables in England. It is one of just two such qualifications that will count in EBacc performance tables.

Over the past year, we have seen significant growth for Cambridge IGCSE in the UK, with exam entries more than doubling, rising from 52,000 in 2012 to 115,000 in 2013, and the number of schools offering it almost doubling.

We have seen a threefold rise in English language entries – 18,000 in 2012 rising to 63,000 in 2013 – and the number of schools rising from 394 to 1030. Science entries, while fewer in number than English language, have more than doubled from 4,000 to 9,000.



Cambridge International Examinations is collaborating on a new web-based initiative which provides support for its primary maths curriculum based on a problem-solving approach



Around 10 per cent of all UK students who sat exams for IGCSE or GCSE English language in June 2013 took Cambridge IGCSE English language. Five hundred additional examiners were recruited and inducted in the UK to mark the increased Cambridge IGCSE entry, particularly in respect of IGCSE English.

This year also saw the launch of Cambridge IGCSE World Literature, an innovative new qualification that encourages learners to explore literature from different countries and cultures.

Following a commitment to the Indonesian Ministry of Education, we also have been developing a Cambridge IGCSE Bahasa Indonesia. The new qualification will focus on certifying students' language skills in Bahasa Indonesia, providing them with excellent preparation for the next stage of their education and university, both in Indonesia and overseas.

GCE AND CAMBRIDGE PRE-U

The reform of A Levels in England progressed with government plans to bring in new A Levels to be taught in schools from September 2015. The focus is on reforming A Levels in 13 subject areas – 'facilitating' subjects (as defined by the Russell Group) such as English and the sciences and popular subjects such as business studies and psychology. One of the key proposals is that the AS becomes a stand-alone qualification, and no longer contributes to the final A Level grade.

The UK Government has sought input from Higher Education into the subject content of new A Levels. Our UK exam board has been ideally placed to consult with academics and contribute to the debate on A Level reform, as it has nearly 200 representatives from a broad range of universities on its forums. In particular OCR took part in a post-session review with Cambridge University in August 2012, held a 'pop-up' forum in spring 2013 looking at post-16 maths for non-specialist users, and provided key evidence to Professor Mark E Smith's criteria review conducted in the summer of 2013.

Cambridge Pre-U is now well established in the UK admissions landscape and we continue to receive positive feedback from universities. More than 2,000 Cambridge Pre-U students applied using UCAS to 155 different universities. In addition, significant numbers are gaining places in US universities – including the Ivy League – and making successful applications in other countries.

We have been redeveloping Cambridge Pre-U over the past year, in more than 20 subjects, preparing for re-submission to the regulator for England, Ofqual. This work has entailed wide consultation with colleagues in Higher Education, examiners and schools. The rigour that Cambridge Pre-U provides is clearly valued by its loyal following of schools. The scale of the work varies from subject to subject but we have kept to the vision of providing the best possible preparation for university.

Students who took the first Cambridge Pre-U exams in June 2010 graduated from university this year, marking a significant milestone for the qualification. They have commented how the qualification, with its emphasis on self-directed learning and critical thinking, helps close the gap between school and university so that students feel prepared when they arrive on campus.

VOCATIONAL QUALIFICATIONS

In May 2013 our UK exam board launched a pilot traineeship project – the first by an awarding body – which was designed to help young people in areas of high UK unemployment gain the skills and experience needed to secure places on apprenticeships or find sustainable work. The success of the project was celebrated at a special event in the UK Parliament which was attended by Skills Minister Matthew Hancock MP.

The pilot has enabled OCR to roll out its own 'Cambridge Traineeships', tried and tested by the experience. Of the 25 trainees, 12 were offered employment or places on apprenticeships. A further 12 started FE courses. One trainee was offered a job at an estate agents where he showed real promise by selling a house in his first week.

In September 2012 our UK exam board broadened its apprenticeship portfolio by offering its first Higher Apprenticeship, in Professional Services. More than 40 employers were actively involved in the detailed design of the new Level 4 framework, which was developed to fit across all sectors and employers – not just specialist professional services firms. We believe it shows how apprenticeships are now able to offer young people a viable professional alternative to university education.

This year also saw the launch of OCR's Cambridge Progression qualifications in English and maths, designed to fill the gap left by the ending of Basic and Key Skills. Available from Entry Level to Level 2, the qualifications focus on the fundamentals of adult learning in English and maths and demonstrate a commitment to building respected qualifications in basic skills.

Work is also underway to extend the ladder of the Cambridge Technicals vocational range in order to meet the needs of those aged 19 or over. The Technicals range was originally intended for 16 to 19-year-olds, but has now been rolled out for post-19 learners studying full or part-time.

We believe it is our role, as experts in assessment and as a body independent of government, to influence and offer advice on education policy and strategy around the world. In January 2013 Tim Oates, Cambridge Assessment's Director of Assessment Research and



Development published a paper calling for an evidence-based analysis of vocational and technical education in Britain and Europe.

'Towards a new VET: Effective Vocational Education and Training' was written as part of a major collaborative project between Cambridge Assessment and UK think tank Policy Exchange.

PARTNERSHIPS

January saw the launch of a partnership between our UK exam board and Google to distribute thousands of free mini computers. The Raspberry Pi, developed to inspire a generation of learners, went to thousands of schools, clubs and organisations around the UK.

It was also announced that the first ever online GCSE Computing course was to be developed as a result of a partnership between our UK exam board, the Raspberry Pi Foundation and Cambridge University Press. Cambridge GCSE Computing Online is based on the OCR qualification and will be made up of a series of 10 to 15-minute videos, written and presented by computing experts.

Through a focus on priority countries, our international exam board has beaten its target for registration of new schools. The 2012/13 target of 900 new schools was exceeded in March, driven by further growth in the UK. The outturn for the end of the financial year is approximately 1,350 new schools, 500 of which will be outside the UK. The rate of increase in the number of new Cambridge International Schools registered has risen each year since 2009/10. Whilst the UK has seen the largest year-on-year increase, many other countries are contributing to overall growth.

In Kazakhstan, Cambridge International Examinations has developed and supported the implementation of a new curriculum for Grades 1–12. It is also developing and supporting the implementation of new external summative assessments in Grades 5, 10, 11 and 12, the implementation of a new system for ongoing classroom-based assessment and a system for school evaluation. The Nazarbayev Intellectual Schools (NIS) group has requested further extensions and growth of

its collaborative programme into 2014 and beyond. Together with colleagues at the Faculty of Education of the University of Cambridge, we look forward to building on the work of nearly three years and continuing with support for the long-term goal of enhancing the wider education system in Kazakhstan.

Our international exam board's 2012 work with Mongolia was successfully completed in December and, since then, it has been working with the new government to determine the most valuable ways it can support the new policies. The Mongolian nation is undergoing significant change and has high aspirations for state education providing access to all. Initial work focuses on supporting curriculum and assessment development and school and teacher evaluation and appraisal.

In Egypt, Cambridge International Examinations has been supporting Nile Egyptian Schools (NES) since 2009. The aim is to successfully develop and pilot a bespoke education system in a number of new state schools in Egypt. This system will be benchmarked to Egyptian and international standards. The continued turbulence in Egypt presented a challenging context and travel to and within the country has proved difficult for the project. Despite this, work has progressed very well in all key areas and our international exam board has collaborated closely with partners in Egypt, particularly teachers and staff in schools, to find innovative ways of ensuring continuity of support. We have begun formal discussions regarding the nature and scope of a post-pilot relationship beyond 2015.

In Bahrain, our international exam board has completed handover of National Examinations at Grades 3, 6 and 9 to the Directorate of National Examinations (DNE) and will complete handover of Grade 12 assessments in 2014. The aim of the project was to drive improvements in the education system and provide information for monitoring of standards over time. The DNE is well established and they continue to look to Cambridge for support and training. We fully expect this to continue beyond 2014.



January saw the launch of a partnership to distribute thousands of free Raspberry Pi computers, seen here being demonstrated on the Cambridge Assessment stand at the 2013 BETT show

During this year Cambridge International Examinations was invited by the Government of Macedonia to contribute to their plans to enhance national provision for resources, standards and teaching and learning in mathematics and science. It expects to start on this in the latter half of 2013, working alongside Cambridge University Press and the Macedonian Bureau for Development of Education.

TEACHER SUPPORT

Our international exam board's strategy for Cambridge Professional Development, as an integrated framework of syllabus-focused, general, and accredited professional development, has been agreed and is being implemented. Teachers engaging with Cambridge programmes around the world will be able to access introductory, intermediate and advanced level courses relevant to their needs, whilst Cambridge schools will benefit from improved courses, resources and qualifications to support the professional development of their teachers.

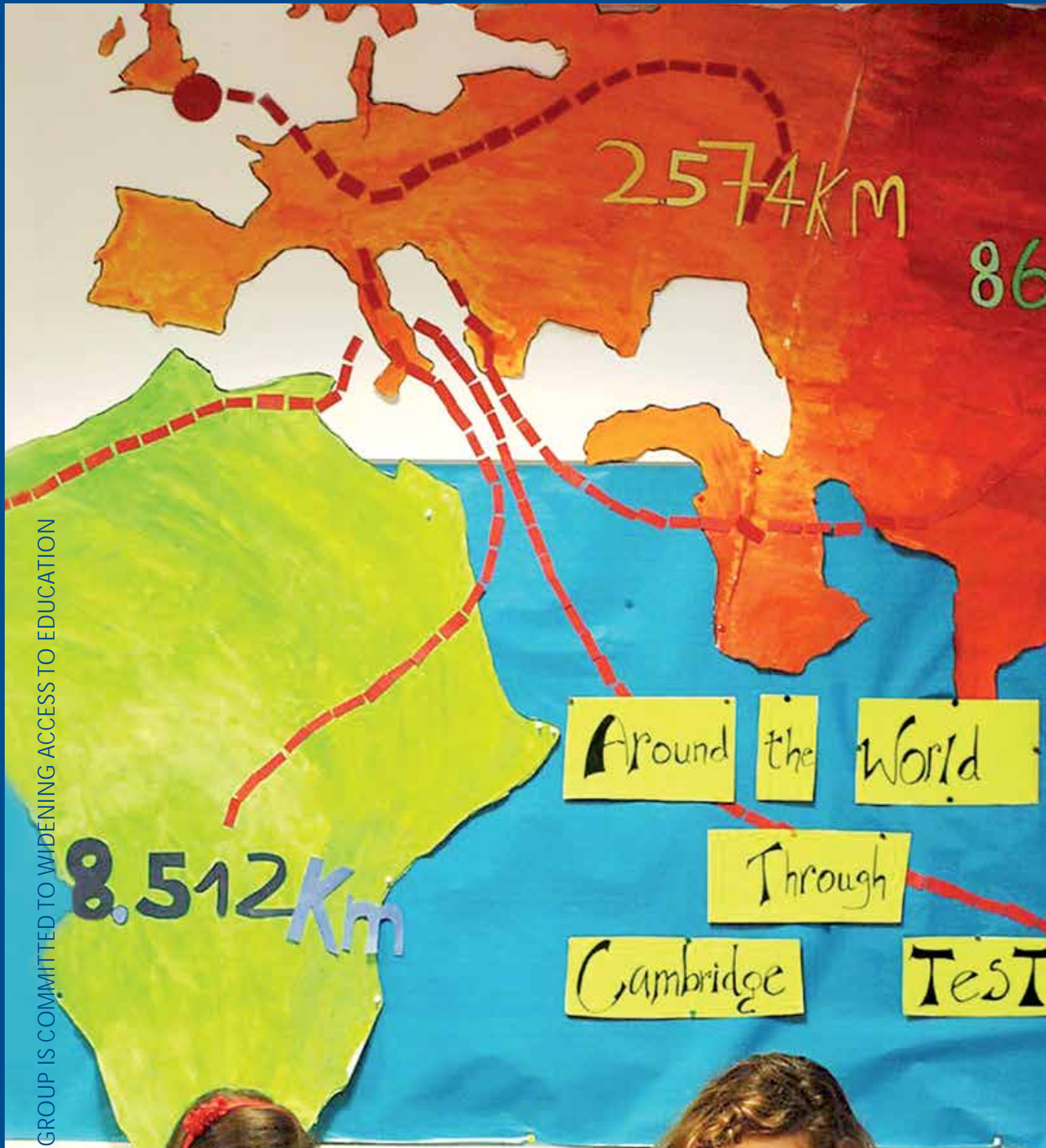
Meanwhile our UK exam board continues to offer a popular series of Continued Professional Development. The 2012–13 programme included sessions in which history teachers were able to enhance knowledge and debate topical issues in their subject area. One teacher remarked how welcome it was to attend a course that focused on subject and “not just mark schemes”.

IN SUMMARY INNOVATION

- ◆ Our UK exam board OCR is busy developing new GCSEs in English language, English literature and maths – the foundation of the education system in England
- ◆ The popularity of the Cambridge IGCSE continues to grow, internationally and at home. The year saw the launch of a new qualification in World Literature and work to develop an IGCSE Bahasa Indonesia
- ◆ OCR was ideally placed to contribute to the debate on UK A Level reform, holding forums with nearly 200 representatives from a broad range of universities
- ◆ Cambridge Pre-U has been redeveloped over the past year and the rigour the qualification provides is clearly valued by its loyal following of schools
- ◆ Our UK exam board launched a pilot traineeship project, the first by an awarding body, designed to help young people in areas of high unemployment in the UK gain skills and experience for work or further training
- ◆ A partnership was launched between OCR and Google to distribute thousands of free Raspberry Pi credit card-sized computers, while a partnership enabled the first ever online GCSE Computing course to be introduced

TO CONTINUE TO EXPAND THE ORGANISATION BY PROVIDING AND INVESTING IN A BROAD, ATTRACTIVE AND INNOVATIVE PORTFOLIO OF ASSESSMENTS, QUALIFICATIONS AND RELATED SERVICES

★ OUR GROUP IS COMMITTED TO WIDENING ACCESS TO EDUCATION



4. TO MAINTAIN EFFICIENT AND ECONOMIC PROCESSES TO SUPPORT WORLDWIDE DELIVERY OF EXAMINATIONS AND MAXIMISE ACCESSIBILITY

Cambridge Assessment and its exam boards have a long record of involvement in Asia Pacific countries, in curriculum development and in the creation, design and operation of examinations. It works with over 2,000 schools in the region who offer Cambridge international qualifications and in partnership with governments, carrying out leading edge and operational research on assessment in education.



Cambridge International Examinations is seeing strong worldwide growth, and is stepping up expansion of its in-country teams. It established a new Singapore office, including more staff to support schools, universities and policymakers, and has plans to grow teams in other countries, including the US, India and China. The Singapore model of a main hub office will be followed in some cases; in others, the regional team may be distributed across several locations. The benefit of this investment will be higher sustainable growth through enhanced ability to identify and respond to opportunities, and better support to existing schools and ministry partners.

SCHOLARSHIPS AND BURSARIES

As a not-for-profit body, our Group is committed to widening access to education and maximising accessibility. Our UK exam board's Bursary Scheme continues to provide valued support to talented students from the West Midlands region. Ten awards were made this year of £3,000 a year to help support students during their undergraduate degrees at Cambridge University. One recipient moved to the UK from war-torn Somalia just over 10 years ago with no formal education.

OCR also continues to support the Helena Kennedy Foundation, which helps disadvantaged students from FE and adult education to transform their lives by providing financial support, mentoring, skills training and work placement opportunities. The Foundation awarded nearly 100 students with £1,500 bursaries towards their studies.

Our Best Young Speaker from Asia competition continues to reward talented language students from across Asia. This year's winner was awarded an MBA scholarship at the London School of Business and Finance, one of the event's sponsors.





Supporting worldwide delivery of examinations: Students at the International School of Querétaro, Mexico

In Malaysia, a programme for the Council of Trust for the Indigenous Peoples (commonly abbreviated as MARA) is using the Cambridge IGCSE to implement a bilingual dual-certification programme at secondary level. We are working with the Council to help integrate Cambridge programmes into the Malaysian curriculum and to train teachers. We have an important relationship with MARA, a government agency which promotes educational and economic opportunity for Malays and other indigenous peoples, especially in rural areas.

In 2012, Cambridge International Examinations embarked on a localisation project with the Examinations Council of Lesotho (ECOL), building

its capacity to produce its own qualification, the Lesotho GCSE (LGCSE), in place of the Cambridge O Levels which currently make up its School Certificate. The project spans four years of intensive training and consultancy and includes 20 syllabuses. In the first year, LGCEs were developed in six subjects and in 2013 training and development started on seven more subjects. The LGCSE is benchmarked against the Cambridge IGCSE and will be quality controlled and accredited by Cambridge. This brings Lesotho in line with Cambridge's other partners in Southern Africa – Botswana, Namibia and Swaziland – whose qualifications are also accredited by Cambridge.



IN SUMMARY EFFICIENCY

- ◆ Our international exam board is seeing strong worldwide growth, establishing a new Singapore office and developing plans to grow teams in other countries including the US, India and China
- ◆ Ten awards of £3,000 a year were made to talented students from the West Midlands region under our UK exam board's Bursary Scheme
- ◆ Our Best Young Speaker from Asia competition continues to reward talented language students from across Asia
- ◆ In Malaysia, a programme for the Council of Trust for the Indigenous Peoples is using Cambridge IGCSE to implement a bilingual dual-certification programme at secondary level
- ◆ Cambridge International Examinations embarked on a localisation project with the Examinations Council of Lesotho building its capacity to produce its own qualification, the Lesotho GCSE

TO MAINTAIN EFFICIENT AND ECONOMIC PROCESSES TO SUPPORT WORLDWIDE DELIVERY OF EXAMINATIONS AND MAXIMISE ACCESSIBILITY

★ STAFF CONTINUE TO MAKE THE MOST OF TRAINING AND DEVELOPMENT OPPORTUNITIES



5. TO ENSURE THAT STAFF HAVE THE RIGHT SKILLS AND PROVIDE TRAINING AND DEVELOPMENT OPPORTUNITIES

We are committed to providing opportunities for learning, development and training to help everyone fulfill their potential through the acquisition and sharing of knowledge and skills. We seek to create a culture of continual professional development, from training through to mentoring, secondments and work attachments.

In particular we seek to develop and share our management skills. We have invested in our future managers with an Aspiring Managers programme designed to provide an insight into what being a manager means and an opportunity to learn and practise line management skills. In a testament to the value of the course, the majority of those who attended last year were either seconded or promoted.

This year for the first time we ran courses designed for people in more specialist roles who are keen to explore line management. The *Specialist to Manager* course enabled a number of employees to take the step up to management roles.

Staff also continue to make the most of the wealth of training and development opportunities on offer, with more than 2,000 training days held across the Group over this past year. The most popular courses included Time Management, Building Personal Confidence and Project Management.

In January we launched desktop training which enabled new and existing staff to access information about their role and the wider Group at their fingertips. The Training and Development Portal addresses a host of areas from learning and development through to performance and standards.

The capacity to adapt to change is vital in the world of education and our courses in this area proved particularly popular. The *Leading and Managing Change* course for managers and the *Change and Me* course for staff at all levels attracted a high degree of interest.

In addition to regular training events on assessment principles and practice, delivered by the Cambridge Assessment Network, we continue to build the expertise of Cambridge Assessment staff through bespoke training, online and face-to-face events, ensuring staff remain in tune with the latest developments in assessment.

In 2013 we also welcomed a new Group HR Director. Liz Allan comes with a wealth of experience, and joined after seven years with Danaher Corporation. She replaces Sue Durham who retired in July after 12 years as Group HR Director.

IN SUMMARY OPPORTUNITY

- ◆ For the first time, this year we ran courses designed for people in more specialist roles who are keen to explore line management and launched desktop training for all new and existing staff
- ◆ We are committed to providing opportunities for learning, with more than 2,000 training days held across the Group over the year
- ◆ We staged regular training events on assessment principles and practice, delivered by the Cambridge Assessment Network

TO ENSURE THAT STAFF HAVE THE RIGHT SKILLS AND PROVIDE TRAINING AND DEVELOPMENT OPPORTUNITIES

★ OUR EXAM BOARDS CONTINUE TO WORK COLLABORATIVELY



6. TO PURSUE INTERNAL SYNERGIES TO ACHIEVE ECONOMIES OF SCALE AND MAXIMISE EDUCATIONAL IMPACT

Our strategic change programme, Project Threshold, has made significant progress and has now moved into delivery phase. Threshold is designed to deliver business transformation through the replacement of legacy technology and processes with a common set of the latest software solutions to support our core exam processing activities as well as central functions.

The foundation of this is SAP, the primary business application to manage the Group's operation and administrative activity. The past year saw the achievement of a key milestone as our finance and procurement processes were fully integrated into the SAP system. From December 2012, the processing of invoices and the raising of orders became fully embedded and fully automated. Now the focus shifts to preparing for the implementation of the SAP system in exam processing for the first time.

Staff training remains a key focus for Project Threshold, and some 600 staff across the Group received training in the new processes. As Threshold continues through its delivery phase, training will continue to be vital.

Importantly, the year saw the launch of our new Content Creation and Management System (CCMS). This demonstrates how the Group is moving to common tools and modernising its approach. A secure online environment for creating and reviewing content speeds up the process, cuts down on paper use, and allows the Group to make better use of rich data.

Significant economies of scale have been achieved by the introduction of permanent shift teams at DC10, which deliver a responsive and flexible operation for our growing international customer base. The formation of a dedicated continuous-improvement team has ensured we get the best out of our Sitma machines which count, verify and securely bag exam papers. There has been an uplift in output of between 10 and 30 per cent, while still maintaining high standards of safety and accuracy. Now, to cater for

growing demand, the Group has approved the investment in a third Sitma machine which is scheduled for delivery in late November 2013.

The importance of close collaboration was demonstrated in July when the Group Collations team and the Logistics team at DC10 collated and despatched more than 7,000 Raspberry Pi computers to schools throughout England, Wales and Northern Ireland. Working closely with their OCR colleagues, the teams assembled and despatched the mini computers and packages accurately and on time.

Work is also ongoing to achieve an internationally-recognised safety standard, OHSAS 18000, at our modern warehouse and distribution centre, DC10, and the aim is to achieve this in the next few months.

PROJECTS

Our exam boards continue to work collaboratively. Cambridge International Examinations has been working with Nazarbayev Intellectual Schools (NIS) in Kazakhstan since 2011 to provide new curriculum documents, new assessments and wider support for their implementation underpinned with new pedagogical approaches. Cambridge International Examinations leads on the contract and provides subject specialist knowledge across a wide range of subjects and partners with Cambridge English to support the work on English. Representatives from the Cambridge University Faculty of Education are also involved as the Faculty is a partner on this project.

Progress is being made on a pilot project in which Cambridge International Examinations and OCR are working together to develop a new version of the Mauritius Examination Syndicate's Higher School Certificate (HSC). The HSC Professional is intended to increase secondary retention post-16 by providing an employment-related course of studies including at least one of OCR's Cambridge Technical subjects alongside

Cambridge AS and A Levels. The first stage of the pilot is now scheduled to begin in January 2015, with an initial pilot group of 250 students. Training of teachers is being planned for 2014, to ensure that Mauritian teachers can manage the new requirements for pedagogy and assessment in the HSC Professional.

PROPERTY

The year saw an important development in the growth of the Group as we decided to proceed with proposals to develop a new purpose-built HQ on a site in Cambridge known as 'The Triangle'. It is an opportunity for the Group to bring together our several existing offices located around the city together under one roof and, subject to planning permission, it is scheduled for completion in 2018.

In the meantime, however, our international exam board is growing and its UK home at 72 Hills Road is proving too small. As a result, nearly a hundred staff will be relocated to 1 Hills Road towards the end of the year. This will have the benefit of making it less likely that further moves will be needed soon, and of creating space for better meeting room facilities at both buildings. The move to 1 Hills Road will also enable the design of a better working environment for the Customer Services Team.

ENVIRONMENTAL

The year saw us conclude negotiations over energy contracts in which environmental priorities formed a key part of the agenda. Our main supplier is now providing us with green energy from renewable sources.

We are undertaking a major programme of maintenance work at our offices at 1 Hills Road, replacing the roof, insulation and air conditioning. We anticipate this will enable us to make significant improvements in energy efficiency.

The introduction of Dry Mixed Recycling and the installation of energy efficient hand driers enabled us to remove general waste from all our sites. Cardboard and paper recycling is significant, running at an average of 16 tonnes per month of paper offcuts from our printing processes and an average of nearly five tonnes

per month of cardboard. Work is now underway to introduce a new skip waste disposal process to ensure that none of our waste goes to landfill.

Energy efficient lighting was installed in a number of areas, allowing us to reduce our power consumption without impacting on the business. Energy management systems were installed at our offices in 9 Hills Road, also allowing us to reduce energy use.

Our annual Travel for Work survey was held and it showed once again that as a business we have a higher than average ratio of people cycling, walking or using public transport to get to work. This is testament to the commitment of staff and management to sustainable travel to work.

IN SUMMARY SYNERGY

- ◆ A key milestone in our strategic change programme, Project Threshold, was achieved when our finance and procurement processes were fully integrated into the SAP system
- ◆ The year saw an important development in the growth of the Group as we acquired a new site in Cambridge known as 'The Triangle'
- ◆ Significant economies of scale have been achieved by the introduction of permanent shift teams at our warehouse and distribution centre DC10

TO PURSUE INTERNAL SYNERGIES TO ACHIEVE ECONOMIES OF SCALE AND MAXIMISE EDUCATIONAL IMPACT

