

**To: Heads of higher education  
institutions in Wales**

Reference: W04/76HE  
Date: 02 December 2004  
Response By: 31 January 2005  
Further Information: Hannah Falvey  
029 2068 2240  
hannah.falvey@hefcw.ac.uk

**Transparency Review reporting for academic year 2003/04: responses by 31 January 2005**

This letter is to ask your institution to submit the Transparency Review return for 2003/04. A response is required by **31 January 2005**.

In July 2000 the HEFCW issued circular letter W00/67HE (dated 3 July 2000) which formally notified you of the Transparency Review reporting requirements. The timetable requires all institutions to report on the costs of their activities for academic year 2003/04 by 31 January 2005.

In reporting these data, institutions are asked to confirm that they have complied with the 10 costing standards established in the Transparency Review report, and developed in the Transparent Approach to Costing (TRAC) Volumes 1 and 2, issued by the Joint Costing and Pricing Steering Group (JCPSG) in July 2000, and as updated by subsequent volumes.

The annual TRAC return also asks institutions to provide details of the institutional committee responsible for confirming compliance with the process standards (costing standard 7). Guidance on meeting this standard is set out in Section C8 of the TRAC Reference manual. In providing assurance to the head of institution the relevant committee should seek assurance from the internal auditor to confirm that they have reviewed progress on meeting the Transparency Review requirements; that the processes in place comply with the TRAC Reference Manual and that the institution has introduced the original TRAC methods on a robust basis (2003/04 is the final year of the first five-year cycle).

The TRAC return form is with this letter. You will not be required to report on exceptional items this year or subsequently. This requirement was removed based on a recommendation from a review carried out by the Financial Reporting and Activity Costing Group (FRACG).

An electronic return should be completed and returned electronically through a secure web-site (the HEFCE extranet). A copy of this letter will be sent to your Director or Head of Finance together with details of how to access the secure web-site. As well as this electronic submission, a hard copy of the completed return, signed by you (as head of institution) should also be sent by 31 January 2005 to Hannah Falvey at the above postal address. We will treat the information provided as strictly confidential. We will report to the Department for Education and Skills on the sector aggregate data only, and we expect to publish the sector aggregate data.

For further information about the reporting requirements, please do not hesitate to contact me.

Yours sincerely

Hannah Falvey  
Senior Manager: HE Statistics and Funding