

Charity Registration No. 1131991

Company Registration No. 03618159 (England and Wales)

VALUES ACADEMY

**Formerly The Collegiate Centre for Values Education for Life
TRUSTEES' REPORT AND ACCOUNTS**

FOR THE PERIOD ENDED 31 MARCH 2014



VALUES ACADEMY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Altine Topping BSC (Hons) MRICS Dr Anna Molony Bsc MSc PhD EPA CPA ETMA CPhys Derek McConnell Cert Ed TD Neville Topping MRICS Robert Warman Paul Lawrie CIPD AMINI Simon Livings BA ACA
Secretary	P Darcy
Charity number	1131991
Company number	03618159
Principal address	College House Albion Place Hockley Hill Birmingham B18 5AQ
Registered office	College House Albion Place Hockley Hill Birmingham B18 5AQ
Auditors	Trevor Jones & Co Old Bank Chambers 582-586 Kingsbury Road Erdington Birmingham B24 9ND

VALUES ACADEMY

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VALUES ACADEMY

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 MARCH 2014

The trustees present their report and accounts for the period ended 31 March 2014.

Values Academy (the Academy, the Charity or VA) is registered with the Charity Commission (charity number 1131991). It is a company limited by guarantee registered in England under number 03618159. Its registered office is at College House, Albion Place, Hockley Hill, Birmingham B18 5AQ.

On 30 May 2013 the name was changed from 'The Collegiate Centre for Values Education for Life' to 'Values Academy'.

These accounts represent the period from 1 January 2013 to 31 March 2014, 15 months, as the year end was extended. The comparative figures are for 12 months only.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The charity is membership based. Membership is open to any individual or organisation interested in promoting the objects who

1. applies to the charity in the form required by the trustees,
2. is approved by the trustees, and
3. signs the register of members or consents in writing to become a member either personally or (in the case of an organisation) through an authorised representative.

The trustees, who are also the directors for the purpose of company law, and who served during the period were:

Altine Topping BSC (Hons) MRICS

Dr Anna Molony Bsc MSc PhD EPA CPA ETMA CPhys

Derek McConnell Cert Ed TD

Neville Topping MRICS

Robert Warman

Paul Lawrie CIPD AMINI

Philip Edmundson

(Resigned 31 July 2014)

Simon Livings BA ACA

(Appointed 25 February 2014)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees may at any time co-opt any individual who is qualified to be appointed as a Trustee to fill a vacancy in their number or as an additional Trustee, but a co-opted Trustee holds office only until the next AGM.

The Chief Executive Officer, to whom day to day management of the charity is delegated is Estelle Dimelor.

VALUES ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2014

Risk Management

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

During the period, a Finance and Risks sub-committee was established to examine these issues in more detail.

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The major risk identified by the Trustees is a reduction in pupil numbers with a corresponding reduction in income. The Trustees believe that the business development and financial control procedures they have introduced provide reasonable mitigation against this risk. The Trustees believe that the current level of reserves provides a reasonable mitigation of this risk.

The Trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

Objectives and activities

The Objects for which the charity is constituted, are:

To advance the education of young people through the provision of personal, social and health education.

To act as a resource for young people up to the age of 18 by providing advice and assistance and organising programmes of physical, educational and other activities as a means of:

1. Helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals.
2. Advancing education
3. Relieving unemployment
4. Providing recreational and leisure time activity in the interests of social welfare for people living in the area of benefit who have need by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances, with a view to improving the conditions of life of such persons.

Details of our strategies, objectives and activities are set out in the Chief Executive's report on page 5.

Public Benefit

The Trustees consider that these objectives, activities and goals have a clear public benefit in enhancing the educational, economic, social and cultural well being of young people.

In drafting these statements, the Trustees have complied with the duty in Chapter 1, Section 4 of the Charities Act 2012, to have due regard to the public benefit guidance published by the Charity Commission.

Achievements and performance

Details of our Achievements and Performance are set out in the Chief Executive's Report on page 5.

VALUES ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2014

Financial review and Financial Management Policies

During the period, the charity recorded a deficit of £43,000 (2012 surplus £83,000.) The first part of the period saw a significant reduction in student numbers and consequently in income. The Trustees, on advice from the CEO, recognised that the management of business development, marketing, IT & financial control needed to be strengthened. Investment in these areas added £18,000 to operating overheads. These investments were supported by the receipt of £62,000 (2012: nil) of grant support from the Department for Education's Sponsor Capacity Fund, of which £19,000 has been deferred into 2014-15.

£30,000 was spent on redundancy (2012: nil) but staff costs and other overheads were restrained at similar levels to 2012.

A further extraordinary burden arose from legal advice needed around rebranding, property advice, and good governance which gave rise to additional legal and professional expenses of £42,000.

The investments in strengthening the business have borne fruit with a substantial increase in student referrals and numbers during 2014. The Trustees are confident of reporting a surplus during 2014-15.

Strengthened management is also apparent on the balance sheet with a substantial reduction in trade debtors and an increase in cash balances, despite the recorded deficit.

Regular management accounts and forecasts are prepared and reviewed by the Trustees.

The principal sources of income for the charity are fees receivable for the education of students for which it is responsible. The proceeds of this activity are applied to meet the key objectives through the running of the two academies.

Information on Restricted Funds is given in note 14 to the accounts.

To ensure the charity is managed efficiently and effectively, the Board of Trustees have delegated a range of day-to-day decision-making powers to the CEO, who reports directly to the Board of Trustees. The Board of Trustees has also established appropriate controls and reporting mechanisms to ensure that the charity operates within the scope of the powers delegated to it. The delegation policy is updated on an on-going basis and is formally reviewed and approved by Trustees as amendments are required.

Reserves policy

The charity's income consists almost entirely of restricted funds, being charges for the education of particular students. A proportion of these charges relates to the running costs of the charity. The charity manages its cash flows carefully with the aim of ensuring that it can continue in operation for a period of four months in the case of a fall off in student numbers.

Plans for Future Periods

The existing schools will continue to be run to the highest standards. The charity is actively searching for opportunities to open additional schools, where this can be done in a way that is financially viable and in keeping with the charity's objects.

Statement as to disclosure of information to auditors

The Trustees who were in office on the date of approval of the financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

VALUES ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2014

From the Chair of Trustees

It gives me great pleasure to report on a positive year of change and progress for Values Academy.

We remain focused on helping young people at risk of social exclusion to make the most of their opportunities. We are passionate about making sure all young people, regardless of their backgrounds or educational needs, have the same chances of success in their personal and school lives. And we remain committed to helping them build a bright future.

The Board of Trustees has been strengthened with the appointment of Simon Livings who brings a wealth of expertise and commercial experience which have already proved of great value. The remainder of the Board has served throughout the period and I am very grateful for their unstinting voluntary support and willingness to further the success of the Academy. I would like to express particular thanks to Derek McConell, who has served as a trustee since the inception of the charity and continues to do so with great foresight and enthusiasm despite reaching his 65th birthday this year. His input, and that of all my fellow trustees is invaluable.

Our hardworking management and staff do a great job in very difficult circumstances and I would like to express my appreciation for their efforts. We are always looking to improve the rewards we can offer for their efforts and I am pleased that we have taken positive steps in this direction since the end of the financial year.

We continue to invest in improving the quality of the development and education we offer to our students and the period has seen us gain the services of experienced and qualified teachers as well as enthusiastic and able mentors.

We are also revising the curriculum and delivery to ensure that we give the best possible offering to students.

All of these improvements have meant that we have attracted growing student numbers, which is testament to the success of the Academy.

The educational environment is rapidly changing and the Board is constantly reviewing the best legal structure to enable us to deliver our mission. We also keep in close contact with other education providers to be aware of opportunities that may arise for us, from whatever direction.

In summary, we have had an eventful and challenging year, but the decisions we have taken are bearing fruit and we are confident that we can continue to offer the best possible support and development to our students.

Altine Topping Chair

VALUES ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2014

From the Chief Executive Officer

In my report last year I outlined my core focus which was to develop a better understanding of Values Academy's mission and objectives, and the values education model, then build on strong foundations. I continue this focus and will do so as we grow the charity, with the backing and full strategic support of a committed, proactive professional Board of Trustees.

We were delighted to achieve Academy Sponsor status at the end of 2013, with my thanks to all of our dedicated management team and Board who made this possible. This status has given us the ability to apply for and to receive a Sponsor Capacity Fund Grant of £62,000, which will assist us in realising our ambition to grow from two school sites to three or more over the next five years.

The grant has been invested prudently, with advice from the DfE, to enable us to maximise our capacity for growth. We were able to invest in a key appointment of a School Improvement Partner, who has completely reviewed and overhauled our School Development Plan, and who is rolling out a thorough implementation programme, ensuring that we deliver the best possible education to our students and, crucially, giving them a greater voice as part of that process.

We have also invested in improving our IT infrastructure, improved financial governance and we have our corporate structure under review, with the ability to invest in improving that model to better underpin future growth.

School Improvement Partner and Development Plan

The brief on making this appointment was to ask for a full review of the strengths and weaknesses of each site, and to ask for a new School Development Plan. Management, staff and students were invited to take part and have each contributed to the plan, which is reviewed regularly to ensure targets are met, and that changing needs are recognised.

Structures and systems for every part of school life have been examined, and are now more effective, supporting the strategic planning for the school. Of particular significance are the changes to meetings, reporting structures, the four week assessment profile, and rewards and sanctions for our students. There is more commonality and interaction enabling us to develop the ethos and delivery of us having one school - two sites, to enable co-ordinated future growth. Working parties of staff from both sites have worked well together.

Staff appraisal and observations are better structured and inform personal development and training in a more holistic way, supporting our approach to invest in our people. Guidance documents and induction procedures have been updated. All new appointees can demonstrate improved academic qualifications, and all staff are encouraged to obtain further qualifications and we assist with that where possible. Work has also taken place on improving the learning environment, and we would like to do more.

Our new academic curriculum reflects national changes, and new resources have been purchased to support teaching and learning. To reflect the changing profile of students, a cross curricular scheme, Cornerstones, has been implemented at both sites. Students will have a richer learning experience. There is better use of ICT to motivate students, for example DreamWorks, an online Mathematics and English programme. New Functional Skills and Vocational training is also being explored.

Assessment strategies, both on entry and during the school year, have been improved, and support student development.

The Values Curriculum is being taught more systematically, and resources have been purchased to address new issues, and to engage students.

VALUES ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2014

Special Educational Needs Co-ordinators at both schools have done excellent work in adapting to the SEND changes and are to be congratulated. New documentation is user friendly, and students are involved in the process.

There has been an emphasis on student voice, and an improved consultation and discussion with them. I am pleased to report that many suggestions made by students have already been implemented.

Future ambitions and aspirations - Fundraising Campaign

Underpinning everything we want to achieve is a plan to expand our fundraising and communications campaigns and improve our online presence. We want to reach more young people through parents, referral agencies, and local communities.

The communications campaign and the commitment of our school leaders in engaging with referrers has already paid enormous dividends. There has been a buoyant demand for our services which has meant that we have been able to reach even more young people and to do so at an earlier age, where we can maximise our impact on their individual development. I am pleased to report that our school sites have operated close to capacity throughout 2014. We are confident that a modest financial surplus will be delivered in 2014-15, us having invested where most needed.

Our fundraising campaign has a clear focus and mandate from the Board and has begun in earnest. Values Academy is determined to find a suitable flagship school building in Birmingham.

We want our students to receive their education in the best possible environment - in a streamlined building with modern surroundings that they can be proud to call 'my school', where they can enjoy those facilities that most students can take for granted but that our school in Birmingham is currently unable to offer.

Our plan and aspiration is to raise funds, through the launch of a fundraising campaign with a target of £1million, to provide a new purpose built school. High on the list of priorities and to encourage our students to lead healthier life styles, will be shower rooms, an attractive communal dining area and most importantly, an open air sports area where the students will be able to enjoy taking exercise and playing sports. A new school will make an enormous difference and impact on their daily school lives, and to the lives of the dedicated team of teachers and mentors who support them on a one to one basis.

We sincerely hope that the Birmingham community and businesses will assist us to reach our ambitious target and help students from the most deprived areas of the City on their way to a far better future.

We are extremely grateful for the magnificent sum of £17,000 donated by 'Property for Kids', a Birmingham fundraising group founded by members of the property industry. The wonderful fundraising evening they organised has helped our overall fundraising campaign to get off to a flying start and will make a huge difference to the facilities for the students attending our Birmingham school.

I take this opportunity to extend our sincere thanks and appreciation for the continued support of a number of charitable trusts that have made it possible for the students to take part in sessions at the Lighthouse Project, as well as to enjoy the benefits of books and many items of equipment that it would not otherwise be possible for us to provide.

Our students are looking forward to attending the Ingestre arts project in the coming year, which has been made possible through a grant of £10,000 from the National Lottery Awards for All.

VALUES ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2014

This has been a challenging but rewarding year. We have made excellent progress and we are all excited about looking forward to a better future. I would like to thank our School Improvement Partner, School leaders and all of our hard-working staff for their continuing support. My particular thanks to our Trustees who give up valuable personal time to help us achieve our ambitions. I look forward to another year of growth both from an educational perspective, and in achieving a better environment in which to work with our students.

Estelle Dimelor
Chief Executive Officer

VALUES ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2014

Statement of trustees' responsibilities

The trustees, who are also the directors of Values Academy for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

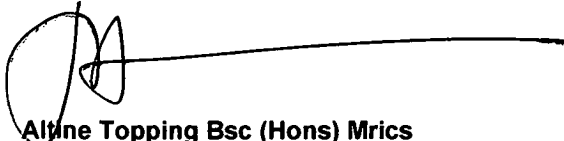
The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Trevor Jones & Co were appointed auditors to the company, a resolution proposing that they be re-appointed will be put to the members.

On behalf of the board of trustees



Althea Topping Bsc (Hons) Mrics

Trustee

Dated: 8 Dec 2014

VALUES ACADEMY

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF VALUES ACADEMY

We have audited the accounts of Values Academy for the period ended 31 March 2014 set out on pages 11 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of Values Academy for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

The trustees have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

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

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in note 17 to the accounts.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

VALUES ACADEMY

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE TRUSTEES OF VALUES ACADEMY

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the accounts; or
- the charitable company has not kept adequate accounting records; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Trevor Jones sb

Stephen Lewis (Senior Statutory Auditor)
for and on behalf of Trevor Jones & Co

Chartered Accountants
Statutory Auditor
Old Bank Chambers
582-586 Kingsbury Road
Erdington
Birmingham
B24 9ND

Dated: *10/12/14*

Trevor Jones & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

VALUES ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 MARCH 2014

	Notes	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2012 £
<u>Incoming resources from generated funds</u>					
Donations and legacies	2	-	9,917	9,917	2,126
Investment income	3	-	3	3	35
		-	9,920	9,920	2,161
Incoming resources from charitable activities	4	-	1,168,617	1,168,617	952,548
Other incoming resources	5	-	-	-	1,180
Total incoming resources		-	1,178,537	1,178,537	955,889
<u>Resources expended</u>					
Costs of generating funds					
Costs of generating donations and legacies	6	-	15,320	15,320	7,736
Net incoming resources available		-	1,163,217	1,163,217	948,153
Resources expended		-	1,206,667	1,206,667	864,655
Total resources expended		-	1,221,987	1,221,987	872,391
Net income/(expenditure) for the year/ Net movement in funds		-	(43,450)	(43,450)	83,498
Fund balances at 1 January 2013		2,914	172,031	174,945	91,448
Fund balances at 31 March 2014		2,914	128,581	131,495	174,946

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

VALUES ACADEMY

BALANCE SHEET

AS AT 31 MARCH 2014

	Notes	2014 £	£	2012 £	£
Fixed assets					
Tangible assets	9	176,381		183,140	
Current assets					
Debtors	10	36,060		57,612	
Cash at bank and in hand		168,050		92,377	
		<u>204,110</u>		<u>149,989</u>	
Creditors: amounts falling due within one year	11	<u>(157,343)</u>		<u>(79,051)</u>	
Net current assets		<u>46,767</u>		<u>70,938</u>	
Total assets less current liabilities		<u>223,148</u>		<u>254,078</u>	
Creditors: amounts falling due after more than one year	12	<u>(91,653)</u>		<u>(79,132)</u>	
Net assets		<u><u>131,495</u></u>		<u><u>174,946</u></u>	
Income funds					
Restricted funds	14	128,581		172,032	
Unrestricted funds		<u>2,914</u>		<u>2,914</u>	
		<u><u>131,495</u></u>		<u><u>174,946</u></u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the period ended 31 March 2014, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

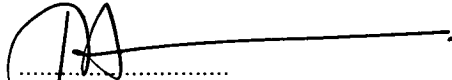
These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

VALUES ACADEMY

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2014

The accounts were approved by the Board on 8 Dec 2014


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Altine Topping BSC (Hons) MRICS
Trustee

Company Registration No. 03618159

VALUES ACADEMY

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31 MARCH 2014

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

1.2 Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

1.3 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	20% reducing balance
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1.5 Pensions

The regular cost of providing retirement pensions and related benefits is charged to the statement of financial activities over the employees' service lives on the basis of a constant percentage of earnings. Any difference between the charge to the statement of financial activities and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

1.6 Accumulated funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

2 Donations and legacies

	2014 £	2012 £
Donations and gifts	<u>9,917</u>	<u>2,126</u>

VALUES ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2014

3 Investment income

	2014 £	2012 £
Interest receivable	3	35

4 Incoming resources from charitable activities

	2014 £	2012 £
Student fees - special needs	1,096,781	777,742
Student fees - Other	42,981	159,694
School meals	24,521	11,382
Pupil premium	4,334	3,730
	<u>1,168,617</u>	<u>952,548</u>

5 Other incoming resources

	Total 2014 £	Total 2012 £
Other income	-	1,080
Sundry income	-	100
	<u>-</u>	<u>1,180</u>

VALUES ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2014

6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2014 £	Total 2012 £
Costs of generating funds					
Costs of generating donations and legacies	-	-	15,320	15,320	7,736
Governance costs	944,328	17,131	245,208	1,206,667	864,655
	944,328	17,131	260,528	1,221,987	872,391

Governance costs includes payments to the auditors of £3,000 (2012: £1,850) for audit fees.

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the period. Trustees expenses were paid totalling £120.

VALUES ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2014

8 Employees

Number of employees

The average monthly number of employees during the period was:

	2014 Number	2012 Number
Management	5	7
Teaching	6	7
Administration	4	6
Mentors	26	31
Other	4	5
	<u>45</u>	<u>56</u>

Employment costs

	2014 £	2012 £
Wages and salaries	886,468	640,859
Social security costs	51,053	34,723
Other pension costs	6,807	15,358
	<u>944,328</u>	<u>690,940</u>

There were no employees whose annual remuneration was £60,000 or more.

VALUES ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2014

9 Tangible fixed assets

	Land and buildings	Improve - ments to property	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2013	150,000	6,881	91,713	41,512	290,106
Additions	-	-	8,707	1,665	10,372
At 31 March 2014	150,000	6,881	100,420	43,177	300,478
Depreciation					
At 1 January 2013	3,000	6,881	68,504	28,581	106,966
Charge for the period	3,750	-	-	-	3,750
Charge for the period	-	-	9,085	4,296	13,381
At 31 March 2014	6,750	6,881	77,589	32,877	124,097
Net book value					
At 31 March 2014	143,250	-	22,831	10,300	176,381
At 31 December 2012	147,000	-	23,209	12,931	183,140

10 Debtors

	2014 £	2012 £
Trade debtors	12,705	53,394
Other debtors	11,858	-
Prepayments and accrued income	11,497	4,218
	36,060	57,612

VALUES ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2014

11 Creditors: amounts falling due within one year	2014	2012
	£	£
Bank loans	9,085	8,247
Trade creditors	30,156	2,213
Taxes and social security costs	9,865	118
Payroll Liabilities	-	12,090
Accruals	108,237	56,383
	<u>157,343</u>	<u>79,051</u>
12 Creditors: amounts falling due after more than one year	2014	2012
	£	£
Bank loans	67,548	79,132
Other creditors	24,105	-
	<u>91,653</u>	<u>79,132</u>
Analysis of loans		
Wholly repayable within five years	76,633	87,379
Included in current liabilities	(9,085)	(8,247)
	<u>67,548</u>	<u>79,132</u>
Loan maturity analysis		
Debt due in one year or less	9,085	8,247
In more than one year but not more than two years	9,561	8,236
In more than two years but not more than five years	31,796	25,218
In more than five years	26,191	45,678
	<u>76,633</u>	<u>87,379</u>
13 Pension and other post-retirement benefit commitments		
Defined contribution		
	2014	2012
	£	£
Contributions payable by the company for the period	<u>6,807</u>	<u>23,013</u>

VALUES ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2014

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2013	Movement in funds		Balance at 31 March 2014
	£	Incoming resources £	Resources expended £	£
Education	172,031	1,178,537	(1,221,987)	128,581
	<u>172,031</u>	<u>1,178,537</u>	<u>(1,221,987)</u>	<u>128,581</u>

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2014 are represented by:			
Tangible fixed assets	-	176,381	176,381
Current assets	2,914	201,196	204,110
Creditors: amounts falling due within one year		(156,958)	(157,343)
Creditors: amounts falling due after more than one year		(92,038)	(91,653)
	<u>2,914</u>	<u>128,581</u>	<u>131,495</u>

16 Related parties

The Charity is connected to Vales Education for Life (charity no. 1000241) as one trustee was also a trustee of this connected charity in the previous year and there is an ongoing dispute with J Eyre one of the Trustees.

Rent was paid by Values Academy of £24,771 to Values Education for Life (£24,771 - 2012).

There was a balance due to John Eyre at the year end of £24,273 (£24,273 - 2012) which was paid after the year end, although there is an ongoing dispute.

17 Auditors' Ethical Standards

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standard - Provisions Available for Small Entities are that, in common with many charities of our size and nature we use our auditors to assist with the preparation of the accounts.