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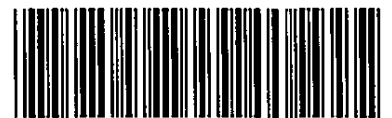
COMPANY REGISTRATION NUMBER 08040828

REAch2 LIMITED
FINANCIAL STATEMENTS
31 AUGUST 2013

Charity Number 1149000

LANDAU BAKER LIMITED
Chartered Accountants & Statutory Auditor
Mountcliff House
154 Brent Street
London NW4 2DR

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REACH2 LIMITED
FINANCIAL STATEMENTS
PERIOD ENDED 31 AUGUST 2013

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REACH2 LIMITED
TRUSTEES ANNUAL REPORT *(continued)*
PERIOD ENDED 31 AUGUST 2013

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the company for the Period ended 31 August 2013

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	REAch2 LIMITED
Charity registration number	1149000
Company registration number	08040828
Principal office	99-101 Higham Hill Road London United Kingdom E17 6ED
Registered office	99-101 Higham Hill Road London United Kingdom E17 6ED

The trustees

The trustees who served the company during the period were as follows

Mr Dean Ashton
Mr Steve Lancashire
Mrs Catherine Paine
Mr Shane Anthony Tewes
Mr Mark Elms

Mr Dean Ashton was appointed as a trustee on 3 October 2012
Mrs Catherine Paine was appointed as a trustee on 1 February 2013
Dr Louise Askew was appointed as a trustee on 1 October 2013
Mr Peter Christopher Little was appointed as a trustee on 1 September 2013
Rt Revd David Douglas James Rosedale was appointed as a trustee on 1 September 2013
Prof John Haydn West-Burnham was appointed as a trustee on 1 September 2013
Mr Mark Elms retired as a trustee on 1 October 2013

Secretary	Mr Lee Francis
Auditor	Landau Baker Limited Chartered Accountants & Statutory Auditor Mountcliff House 154 Brent Street London NW4 2DR

REACH2 LIMITED
TRUSTEES ANNUAL REPORT *(continued)*
PERIOD ENDED 31 AUGUST 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

REACH2 Ltd is a charitable company that sponsors and supports the improvement of educational standards in academies. REACH2 Ltd is often referred to by its trading name of REACH2 Academy Trust.

The Members of the Company are

Hillyfield Primary Academy, Mr Roger Pryce, Dr Rebecca McKenzie-Young, and Rev Anne Dollery

The Governance is provided through the REACH2 Ltd Board. The Board has been strengthened to ensure a balance of education, business and charity expertise secures the long-term governance of the charity. During its first year of operation, to 31st August 2013, the Board consisted of five original Directors (Steve Lancashire, Catherine Paine, Dean Ashton, Mark Elms and Shane Tewes). The original Board brought a high level of school education expertise. Membership of the new Board compliments that with charity and business expertise and will be

Steve Lancashire - Chief Executive Officer
Catherine Paine - Deputy Chief Executive Officer
Dean Ashton - Business and Finance Director
Peter Little - Chairman and Non-Executive Director
Rt. Revd David Rosedale - Non-Executive Director
Prof John West-Burnham - Non-Executive Director
Dr Louise Askew - Non-Executive Director
Shane Tewes - Non-Executive Director

The full Board meets on a monthly basis. The executive team meets on a weekly basis.

The Executive Team are supported by a management team including the Head of Human Resources, Group Business Manager, Principal Finance Officer, Projects and Relationships Manager, and School Improvement Manager. The small internal team is further supported through externally contracted services to support individual academies with accountancy support, accountancy systems, human resources, payroll, and legal support. Externally contracted services are through third party commercial suppliers that have no relationship to the ownership, governance or management of the company.

REACH2 establishes Multi-Academy Trusts (MATs) that are exempt charities as defined in the Academies Act 2010. REACH2 maintains a majority Board control of each of its MATs to ensure a clear line of accountability for the educational standards within the academies. REACH2 also puts in place an Executive Principal that acts as the line manager for the Principals or Headteachers for the academies within the MATs and acts as the Accounting Officer. The Executive Principal is a member of the MAT Board. The full membership of the MAT Board is defined through their company articles. The MAT Board delegates the day-to-day governance of each academy to a Local Governing Body through a scheme of delegation.

OBJECTIVES AND ACTIVITIES

The objective of the company is to promote or assist in the promotion of education in schools. Specifically, the company/charity establishes Multi-Academy Trusts that operate and sponsor primary academies with the aim of improving and sustaining high quality education. The company established six Multi-Academy Trusts in the period to 31st August 2013: REACH2Hertfordshire Academy Trust, REACH2Croydon Academy Trust, REACH2Warwickshire Academy Trust, REACH2Waltham Forest Academy Trust, REACH2Kent Academy Trust, and REACH2Essex Academy Trust.

REACH2 LIMITED
TRUSTEES ANNUAL REPORT *(continued)*
PERIOD ENDED 31 AUGUST 2013

These six Academy Trusts operated a total of 11 academies Garden City Academy, Robert Fitzroy Academy, Oakfield Primary Academy, Riverside Primary Academy, Woodside Primary Academy, Chapel End Junior Academy, Aerodrome Academy; Milton Court Primary Academy, Kemsley Primary Academy, Purfleet Primary Academy, and Langton Juniors Academy The company also has a very close relationship with its founding academy, Hillyfield Primary Academy

Although some of these academies are high performing schools that have chosen to join the Reach2 family and some are new provisions commissioned by Local Authorities to meet new need in their area, the majority are sponsored academies in need of high level support to turn them around rapidly to provide improved educational standards for their pupils

ACHIEVEMENTS AND PERFORMANCE

The key achievement measure for the Trust is the collective educational achievement of its pupils The performance of pupils in their moderated key stage two tests in the summer term 2013, demonstrated significantly higher rates of improvements than pupils achieved on average nationally This high level of performance was officially recognised by the Department for Education in a letter stating "You will know that, in light of the strong results your academies have achieved, we consider that REAch2 has the capacity to support more schools "

A characteristic of REAch2's approach to school improvement is the consistent approach to performance monitoring, intervention and management to ensure that intervention strategies can be rapidly deployed to meet the needs of its schools Education performance provides the focus of attention for the REAch2 Executive Directors and MAT Executive Principals This approach is underpinned by a high quality leadership development programme for all of the REAch2 Principals / Headteachers

FINANCIAL REVIEW

Each MAT retains 2 15% of each academy's General Allocation Grant in order to procure key back office services for its MATs These include an annual SLA for each academy's payroll service, HR support and accountancy support It also pays directly for each academy's financial system licences The exceptions to this are Garden City and Robert Fitzroy Academies that pay 1 15% of their GAG to the MAT These two academies were the first to join REAch2 and entered on the different arrangement Aerodrome Academy is a high performing academy that does not contribute to its MAT financially These academies pay for their back office SLAs directly These exceptional arrangements will continue during the 2013-2014 financial year but be harmonised with the arrangements for all other academies from September 2014

Each MAT also contributes 1 85% of each academy's General Allocation Grant to REAch2 Ltd to support the costs of the Education Intervention Team, Executive Principal salaries and other centrally provided services including Headteacher leadership training and School Business Manager support The relationship between the Trust and the MATs is defined through a Memorandum of Understanding

Targeted use of sponsorship grants has allowed the Trust to bring forward the employment of Executive Principals and Outstanding Teacher Mentors to specifically support sponsored academies The business plan has been designed to secure the sustainability of these posts beyond the sponsorship period

REACH2 LIMITED
TRUSTEES ANNUAL REPORT *(continued)*
PERIOD ENDED 31 AUGUST 2013

Individual academy accounts are monitored through the use of a virtual accounting system that ensures visibility of accounts from the centre. A contracted out Responsible Officer service secures a termly monitoring of academy financial transactions and procedures that is reported to each MAT Board.

REACH2 is a charity and operates on a cost recovery basis for the provision of centrally provided services.

PLANS FOR FUTURE PERIODS

The Trust will increase the number of Multi-Academy Trusts to ten during 2013-2014. In addition to the MATs established to August 31st 2013, we will also establish REACH2Staffordshire Academy Trust, REACH2Maritime Academy Trust (based in Lewisham), REACH2Thames Valley Academy Trust, and REACH2Sussex Academy Trust.

We will seek to increase the total number of academies being operated by the Trust to around 30 by September 2014. This is part of a four-year business plan designed to deliver a sustainable model of educational improvement.

Education intervention and support capacity will be increased during 2013-2014 through the recruitment of six Executive Principals and a small team of outstanding teacher mentors.

Business support capacity will be increased through the recruitment of a Head of Finance and a Contracts and Procurement Manager. A DfE Sponsor Capacity Grant will support this latter post in the first instance.

REACH2 will also develop a design, build and maintenance in-house capacity during 2013-2014 to coordinate the capital development and maintenance of its schools.

The high quality leadership development programme will be embedded and further developed during 2013-2014.

REACH2 will develop further its new provision academies from two to five by September 2015.

REACH2 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REACH2 LIMITED

PERIOD ENDED 31 AUGUST 2013

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also the directors of Reach2 Limited for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the income and expenditure of the company for that period.

In preparing these financial statements, 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 accounting estimates that are reasonable and prudent, and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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

AUDITOR

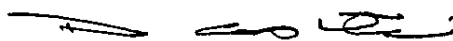
Landau Baker Limited are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a trustee at the date of approval of this report confirms that

so far as each trustee is aware, there is no relevant audit information of which the company's auditor is unaware, and
each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office
99-101 Higham Hill Road
London
United Kingdom
E17 6ED

Signed on behalf of the trustees



Dean Ashton
Trustee

7 February 2014

REACH2 LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REACH2
LIMITED
PERIOD ENDED 31 AUGUST 2013

We have audited the financial statements of Reach2 Limited for the Period ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. 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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's trustees those matters we are required to state to them in an auditor's 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 company and the company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees Annual Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements 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 FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company'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 financial statements. In addition, we read all the financial and non-financial information in the Trustees Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2013 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.

REACH2 LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REACH2
LIMITED *(continued)*

PERIOD ENDED 31 AUGUST 2013

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees Annual Report for the financial Period for which the financial statements are prepared is consistent with the financial statements

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Mountcliff House
154 Brent Street
London NW4 2DR

10 February 2014

MICHAEL DURST (Senior Statutory
Auditor)
For and on behalf of
LANDAU BAKER LIMITED
Chartered Accountants
& Statutory Auditor

REACH2 LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

PERIOD ENDED 31 AUGUST 2013

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £
INCOMING RESOURCES				
Incoming resources from generating funds				
Voluntary income	2	20,288	44,216,619	44,236,907
Activities for generating funds	3	–	194,273	194,273
Investment income	4	2,079	–	2,079
Incoming resources from charitable activities	5	–	21,021,023	21,021,023
TOTAL INCOMING RESOURCES		<u>22,367</u>	<u>65,431,915</u>	<u>65,454,282</u>
RESOURCES EXPENDED				
Charitable activities	6/7	–	(13,395,561)	(13,395,561)
Governance costs	8	–	(1,033,731)	(1,033,731)
TOTAL RESOURCES EXPENDED		<u>–</u>	<u>(14,429,292)</u>	<u>(14,429,292)</u>
NET INCOMING RESOURCES FOR THE PERIOD	9	22,367	51,002,623	51,024,990
Actuarial gains and losses on defined benefit pension schemes		–	(134,000)	(134,000)
NET MOVEMENT IN FUNDS/NET INCOME FOR THE PERIOD		22,367	50,868,623	50,890,990
RECONCILIATION OF FUNDS				
Total funds brought forward		–	–	–
TOTAL FUNDS CARRIED FORWARD		<u>22,367</u>	<u>50,868,623</u>	<u>50,890,990</u>


The Statement of Financial Activities includes all gains and losses in the year and therefore
a statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities

The notes on pages 12 to 18 form part of these financial statements

REACH2 LIMITED**BALANCE SHEET****31 AUGUST 2013**

	Note	£	2013 £
FIXED ASSETS			
Tangible assets	11		52,516,145
CURRENT ASSETS			
Stocks	12	14,669	
Debtors	13	1,222,699	
Cash at bank and in hand		2,443,149	
		3,680,517	
CREDITORS: Amounts falling due within one year	14	(1,391,672)	
NET CURRENT ASSETS			2,288,845
TOTAL ASSETS LESS CURRENT LIABILITIES			54,804,990
PROVISIONS FOR LIABILITIES			
Pensions	15		(3,914,000)
NET ASSETS			50,890,990
FUNDS			
Restricted income funds	16		50,868,623
Unrestricted income funds	17		22,367
TOTAL FUNDS			50,890,990

These financial statements were approved by the trustees and authorised for issue on the 7 February 2014 and are signed on their behalf by 

MR DEAN ASHTON
Trustee

Company Registration Number 08040828

The notes on pages 12 to 18 form part of these financial statements

REACH2 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 AUGUST 2013

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005)

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small

Fund accounting

General Funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes

Restricted Funds are funds arising from donations for use in a particular area or for a specific purpose, the use of which is restricted or specified by the donor at the time of the donation

Incoming resources

Income comprises grants, donations and other income receivable in the period

Investment income comprises of bank interest receivable

Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities are costs incurred in the charity's educational operations

Governance costs include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses

Fixed assets

All fixed assets are initially recorded at cost

REACH2 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 AUGUST 2013

1. ACCOUNTING POLICIES *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures & fittings - 4 years
Leasehold property - 125 years
Plant & Machinery - 4 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Pension commitments

Retirement benefits to employees are provided by the teachers' pension scheme ("tps") and the local government pension scheme ("lgps") These are defined benefit schemes and the assets are held separately

The tps is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll The contributions are determined by the government actuary on the basis of quinquennial valuations using a prospective benefit method The tps is a multi-employer scheme and it is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis The tps is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year

The lgps is a funded scheme and the assets are held separately in separate trustee administered funds Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities The actuarial valuations are obtained at least triennially and are updated at each balance sheet date The amounts charged to operating surplus are the current service costs and gains and losses on the settlements and curtailments They are included as part of staff costs Past service costs are recognised immediately in the statement of financial activities if the benefits have vested If the benefits have not vested immediately, the costs are recognised over the period vesting occurs The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to to interest Actuarial gains and losses are recognised immediately in other gains and losses

REACH2 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 AUGUST 2013

2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £
Donations			
Gifts and donations	20,288	–	20,288
Other income			
Assets gifted from predecessor schools	–	44,216,619	44,216,619
	<u>20,288</u>	<u>44,216,619</u>	<u>44,236,907</u>

3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Restricted Funds £	Total Funds 2013 £
Activities for generating funds	<u>194,273</u>	<u>194,273</u>

4. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2013 £
Bank interest receivable	<u>2,079</u>	<u>2,079</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted Funds £	Total Funds 2013 £
Educational activities	977,277	977,277
Grants	20,043,746	20,043,746
	<u>21,021,023</u>	<u>21,021,023</u>

6. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Restricted Funds £	Total Funds 2013 £
Educational activities	10,076,429	10,076,429
Support costs-Educational activities	3,319,132	3,319,132
	<u>13,395,561</u>	<u>13,395,561</u>

REACH2 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 AUGUST 2013

7. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly including staff costs	Depreciation	Support costs-Educational activities	Total Funds 2013
	£	£	£	£
Educational activities	<u>8,973,025</u>	<u>1,103,404</u>	<u>3,319,132</u>	<u>13,395,561</u>

8. GOVERNANCE COSTS

	Restricted Funds	Total Funds 2013
	£	£
Other financial costs	1,587	1,587
Net finance costs in respect of defined benefit pension schemes	48,166	48,166
Pre academy conversion and external costs	983,978	983,978
	<u>1,033,731</u>	<u>1,033,731</u>

9 NET INCOMING RESOURCES FOR THE PERIOD

This is stated after charging

	2013 £
Staff pension contributions	980,554
Depreciation	1,103,404
Auditors' remuneration - audit of the financial statements	<u>55,200</u>

10 STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2013 £
Wages and salaries	8,085,677
Social security costs	515,287
Other pension costs	980,554
	<u>9,581,518</u>

Other pension costs above represents the total operating charge included in resources expended in the statement of financial activities and does not include amounts included in other finance costs (see note 8)

REACH2 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 AUGUST 2013

10. STAFF COSTS AND EMOLUMENTS *(continued)*

Particulars of employees:

The average number of employees during the Period, calculated on the basis of full-time equivalents, was as follows

	2013
	No
Number of teaching staff	177
Number of support staff	247
Number of management staff	12
	<u>436</u>

The number of employee's whose remuneration for the Period fell within the following bands, were

	2013
	No
£60,000 to £69,999	<u>2</u>

11. TANGIBLE FIXED ASSETS

	Plant & Machinery £	Fixtures & Fittings £	Leasehold Property £	Total £
COST				
Additions	2,066,116	271,543	51,281,890	53,619,549
At 31 August 2013	<u>2,066,116</u>	<u>271,543</u>	<u>51,281,890</u>	<u>53,619,549</u>
DEPRECIATION				
Charge for the Period	501,409	78,605	523,390	1,103,404
At 31 August 2013	<u>501,409</u>	<u>78,605</u>	<u>523,390</u>	<u>1,103,404</u>
NET BOOK VALUE				
At 31 August 2013	<u>1,564,707</u>	<u>192,938</u>	<u>50,758,500</u>	<u>52,516,145</u>

12. STOCKS

	2013
	£
Stock	<u>14,669</u>

REACH2 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 AUGUST 2013

13. DEBTORS

	2013
	£
Trade debtors	48,187
Other debtors	429,492
Prepayments	745,020
	<u>1,222,699</u>

14. CREDITORS: Amounts falling due within one year

	2013
	£
Trade creditors	416,202
Taxation and social security	220,141
Other creditors	215,165
Accruals	540,164
	<u>1,391,672</u>

15. PENSIONS

The employees belong to two principal pension schemes the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff Both are defined benefit schemes

The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 August 2013

There were no outstanding or prepaid contributions at either the beginning or the end of the financial period

The amount of £3,914,000 as at 31 August 2013 relates to net obligations due to employees under the Local Government Pension Scheme (LGPS) The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses during the period was £134,000 under this scheme

16 RESTRICTED INCOME FUNDS

	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Aug 2013 £
Restricted Fixed Asset Funds	52,917,424	(1,103,404)	702,125	52,516,145
Restricted Funds	12,514,491	(13,459,888)	(702,125)	(1,647,522)
	<u>65,431,915</u>	<u>(14,563,292)</u>	<u>~</u>	<u>50,868,623</u>

REACH2 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 AUGUST 2013

17. UNRESTRICTED INCOME FUNDS

	Incoming resources £	Balance at 31 Aug 2013 £
General Funds	<u>22,367</u>	<u>22,367</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Defined benefit pension liability £	Total £
Restricted Income Funds:				
Restricted Fixed Asset Funds	52,516,145	–	–	52,516,145
Restricted Funds	<u>–</u>	<u>2,266,478</u>	<u>(3,914,000)</u>	<u>(1,647,522)</u>
	52,516,145	2,266,478	(3,914,000)	50,868,623
Unrestricted Income Funds	<u>–</u>	<u>22,367</u>	<u>–</u>	<u>22,367</u>
Total Funds	<u>52,516,145</u>	<u>2,288,845</u>	<u>(3,914,000)</u>	<u>50,890,990</u>

19. RELATED PARTY TRANSACTIONS

During the period, transactions took place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the financial regulations and normal procurement procedures.

The following related party transactions took place during the period -

Ashton MEC Limited - a company in which Dean Ashton, a trustee, has a majority interest. Transactions totalling £78,949 relating to consultancy fees from Ashton MEC Limited took place in the period. There were no amounts outstanding at 31 August 2013.

ARC Consulting Limited - a company in which Mark Elms, a former trustee, has a majority interest. Transactions totalling £78,031 relating to consultancy fees from ARC Consulting Limited took place in the period. There were no amounts outstanding at 31 August 2013.