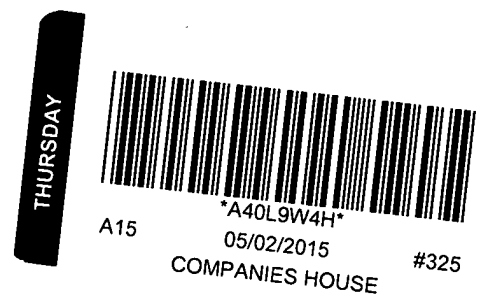


CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2014



CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

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CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

Reference and Administrative Details of the Academy, its Trustees and Advisers
For the year ended 31 August 2014

Members	Mr Mike Baker ¹ Mrs Alison Fiala ¹
Trustees	Mrs Jacqui Green, Executive Principal (resigned 1 January 2014) ¹ Miss Vikki Bonner (resigned 19 March 2014) Mrs Petra Breen (resigned 19 March 2014) Mr Stuart Ellis (appointed 1 January 2014) Mrs Sarah Garner (appointed 20 October 2014) Mrs Beth Gask Mr Bruce Hanley Mr Philip Heady (resigned 11 July 2014) Mr Allan John Mrs Pat Studd (resigned 19 March 2014) Mrs Layla Crowe (resigned 3 October 2013) Miss Jane Mower Mrs Simon Waltham Mr Alan Roebuck, Executive Director Mr Robin Whitworth

¹ Member & Trustee

Company registered number	08182064
Principal and registered office	Blickling Road Great Notley Braintree Essex CM77 7ZJ

Company secretary	Mrs A Jones
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Senior management team	Stuart Ellis, Principal, Headteacher (Notley Grenn) Simon Waltham, Headteacher (Cann Hall) Claire Russell, Deputy Headteacher (Notley Green) Sarah Hubble, Deputy Headteacher (Cann Hall)
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Independent auditors	Williams Giles Limited Chartered Accountants Registered Auditors 12 Conqueror Court Sittingbourne Kent ME10 5BH
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Bankers	Lloyds Bank Plc 2/4 Bank Street Braintree Essex CM7 1UN Barclays Bank PLC 27 Station Road Clacton on Sea CO15 1TD
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CHANGE SCHOOLS PARTNERSHIP
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Reference and Administrative Details of the Academy, its Trustees and Advisers
For the year ended 31 August 2014

Administrative details (continued)

Solicitors	Birkett Long 42 Crouch Street Colchester Essex CO3 3HH
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CHANGE SCHOOLS PARTNERSHIP
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Trustees' Report
For the year ended 31 August 2014

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2013 to 31 August 2014. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates two primary academies in Braintree (Notley Green Primary School) and Clacton-On-Sea (Cann Hall Primary School). Its academies have a combined pupil capacity of 840 and had a roll of 820 in the school census on 2 October 2014.

Structure, governance and management

a. Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of CHANGE Schools Partnership are also the directors of the charitable company for the purposes of company law. The charitable company is known as CHANGE Schools Partnership.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

b. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they ceased to be a member.

c. Method of recruitment and appointment or election of Trustees

The Articles (paragraphs 45-63) detail the allowable constitution for the Board of Trustees, which currently consists of 8 Directors including a Chair; Vice Chair; the Lead Headteacher (CEO/Accounting Officer); Headteacher (Cann Hall); plus 4 additional directors.

Directors are recruited or appointed as follows:

- Headteachers (Principals and CEO): ex-officio
- Chair & Vice Chair: annually elected from amongst the directorship
- Parent directors: two directors are parent directors, with registered children at one of the academies.
- Chairs of Local Governing Bodies: the Chairs of Local Governing Bodies become ex-officio directors
- Co-opted directors are recruited for areas of specific skill, experience and expertise and may not exceed three in number

The term of office for any trustee shall be four years, save that this time limit shall not apply to either the principals or members. Subject to remaining eligible, any trustee may be reappointed or re-elected.

d. Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new trustees will depend on their existing experience. Where necessary induction has included training on educational, legal and financial matters. All new trustees are given the opportunity of a tour of the academies, have the chance to meet with staff and students and are provided with copies of key documents, such as the Articles of Association, policies, procedures, accounts, budgets, plans and other documents they need to undertake their role as trustees.

The Board intends to review induction procedures and training opportunities further during 2014/15.

CHANGE SCHOOLS PARTNERSHIP
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Trustees' Report (continued)
For the year ended 31 August 2014

e. Organisational structure

The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Partnership by use of budgets and making major decisions about the direction of the Partnership, capital expenditure and senior staff appointments. The trustees have delegated responsibilities to local governing body committees as outlined in each committee's terms of reference. These committees are Business Management and Curriculum, Standards and Pupil Welfare.

The leadership team consisted of:

- Jacqui Green – Executive Headteacher/CEO (until 31/12/13)
- Simon Waltham – Headteacher (Cann Hall)
- Sarah Hubble – Deputy Headteacher (Cann Hall)
- Stuart Wainwright – Director of Learning/Deputy Headteacher (Notley Green) (until 31/3/13)
- Stuart Ellis – Lead Headteacher/CEO (from 1/1/14)
- Claire Russell – Acting Deputy Head/Head of School Designate from 1/4/14 (Notley Green)

The leadership team is responsible for the day to day operation of the academies, in particular organising staff, resources and children. They are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following vetting and safeguarding recruitment processes. The CEO is the Accounting Officer.

Each academy has a Leadership team including in addition to the above, Assistant Headteachers, Phase Leaders, SENCo and School Business Leader who support via distributed leadership functions senior leaders in day to day operations.

f. Connected organisations, including related party relationships

CHANGE Schools Partnership is not formally linked to any other organisations but engages with a range of organisations for the purpose of training and development and school to school support to enable school improvement:

- Chelmsford Network (training and development; school to school support;
- Primary Learning Network (training and development; school to school support; initial teacher training
- Braintree Local Delivery Group (funding for pupil wellbeing and curriculum projects; school to school support)
- Essex County Council (Local Authority) (training; external review/scrutiny; Headteacher Performance Appraisal)
- John Camp – Executive Headteacher, Compass Federation of Schools (external scrutiny/review; coaching; Headteacher Performance Appraisal)
- Tendring Primary Partnership (training and development; external scrutiny and review; school to school support)
- Clacton Local Delivery Group (funding for pupil wellbeing; speech & language; educational psychology services)
- Essex SCITT (initial teacher training)

g. Risk management

The Academy Trust has produced a risk register confirming that the major risks, to which the academy trust is exposed, as identified by the trustees, have been reviewed, and that systems or procedures have been established to manage those risks.

Trustees have reviewed the key risks to which the academy is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate these risks. The Trustees are of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year ending 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is kept under regular review. The Academy's object is to advance for the public benefit education in the United Kingdom and the provision of community facilities.

CHANGE SCHOOLS PARTNERSHIP
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Trustees' Report (continued)
For the year ended 31 August 2014

h. Trustees' indemnities

Academy insurers encompass all relevant insurance including trustees' third party indemnity provision. In accordance with normal commercial practice the Partnership has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim.

i. Principal activities

As set out in the Articles of Association, the Academy's object is to advance for the public benefit education in the United Kingdom and the provision of community facilities.

The school's core professional purpose is to develop student confidence, encourage independence and celebrate achievement, whilst ensuring all members of our school community embrace and demonstrate the Schools core values.

Objectives and Activities

a. Objects and aims

The Company's objects are laid out in the Articles (paragraph 4-11) and Funding Agreement approved by the Secretary of State for Education. The principle activity of the Academy Trust is to make arrangements to ensure a broad and balanced curriculum is delivered for pupils from ages 4 to 11 years.

The Trust seeks:

To develop a sustainable, growing organisation that is based upon mutual partnership and shared values to ensure that all children within the CHANGE Schools Partnership get the best possible provision leading to the best possible educational and wider outcomes.

The Trust is committed to the following values and associated strategies:

- **ASPIRATION** – having a culture of high aspirations and expectations for children, staff and the learning environment.
- **POSITIVITY** – having a growth, 'can do' mindset in all that we do.
- **COURAGE** – being prepared to take calculated risks in order to be innovative and bring about the best outcomes for children.
- **COLLABORATION** – working together to capitalise on our shared capacity whether this is resources or expertise in order to bring about best value for money and facilitate rapid school improvement and development.
- **FULFILMENT** – in relation to all members of the Partnership community: having a commitment to excellence and enjoyment that enables everyone to develop a life-long love of learning and equips them with the knowledge, skills and attitudes that prepares them extremely well for life, employment or the next stage of their education.
- **GROWTH** – through our structures, systems and strategies to prepare and seize the opportunities to grow the Partnership so that more children benefit from excellent provision.

The Trust has determined the following key principles:

- We will keep our children safe, secure and cared for;
- We will aim to provide first-rate teaching in all lessons and strive for excellence in everything that we do;
- We will ensure that high standards in English and Mathematics are at the heart of a broad and exciting curriculum;
- We will value children's creativity and individuality, and listen attentively to their views, opinions and feelings;

CHANGE SCHOOLS PARTNERSHIP
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Trustees' Report (continued)
For the year ended 31 August 2014

- We will support children's holistic development and work hard to overcome barriers and build their self belief and self-confidence;
- We will ensure that children leave primary education ready, willing and able to successfully take the next step in their learning and the next step in their lives.

b. Objectives, strategies and activities

The key objectives can be summarised as follows:

1. To ensure that Cann Hall Primary School is removed from 'Special Measures' and makes effective progress towards being at least a 'good' school
2. To ensure that Notley Green Primary School makes effective progress to place it in the best position to be judged at least 'good' at its next inspection
3. To narrow the gap between the achievements of those pupils entitled to the Pupil Premium and their peers.
4. To confirm and embed governance structures, policy and procedure

Strategies to achieve objectives:

- School to school support in developing high quality teaching for learning
- Strong focus on formative assessment practices
- Meta-cognitive strategies to enable children to develop a 'growth mindset' and effective learning skills
- High quality professional development
- Priority of phonics teaching to develop early reading skills
- Pupil Premium spending plans based on research and local need to address achievement gaps
- Working groups to review governance structures and create a revised scheme of delegation

c. Public benefit

The key public benefit delivered by the CHANGE Schools Partnership is to maintain and develop the high quality educational provision for children in Braintree and Clacton.

Strategic report

Achievements and performance

a. Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

b. Key financial performance indicators

The two schools within the Academy Trust received a combined sum of £3,104,379 in GAG funding for the academic year 2013/4. Of this £2,646,006 (85.2%) was spent on salaries. This amount was split 59% teaching staff/41% support staff.

As at the end of financial year 2013/14, the Academy Trust held combined reserves of £5,833,762. The reserves are held to cover any required contingencies and to fund future strategic projects.

CHANGE SCHOOLS PARTNERSHIP
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Trustees' Report (continued)
For the year ended 31 August 2014

c. Review of activities

Notley Green Primary School

The achievement at Notley Green is considered to be good because:

- The proportion of children attaining level 4 or above at the end of KS2 is broadly in line or above national averages
- Children's progress by the end of KS2 is broadly in line with national averages
- The proportion of children reaching the expected standard in the phonics screening test is in line with national averages
- Results show an upward trend
- Children entitled to the pupil premium achieve broadly in line with the peers by the end of KS2.
- Children achieve well because they demonstrate good learning behaviours

Early Years Foundation Stage

	2013	National 2013	2014	National 2014
Good Level of Development	62%	52%	54%	60%

Year 1/2 Phonics Screening

	2012		2013		2014 (unvalidated)	
	School	National	School	National	School	National
Year 1	39%	58%	48%	69%	72%	74%

Key Stage 1

		2012		2013		2014 (unvalidated)	
		School	National	School	National	School	National
Reading	Level 2+	83%	87%	83%	89%	80%	90%
	Level 3	25%	27%	22%	29%	35%	31%
Writing	Level 2+	75%	83%	81%	85%	83%	86%
	Level 3	12%	14%	17%	15%	16%	16%
Maths	Level 2+	90%	91%	83%	91%	86%	92%
	Level 3	12%	22%	22%	23%	18%	24%

Key Stage 2

		2012		2013		2014 (unvalidated)	
		School	National	School	National	School	National
Reading	Level 4+	94%	87%	84%	86%	98%	89%
	Level 5+	53%	48%	44%	45%	48%	50%
	Level 6	-	0%	0%	0%	0%	0%
Writing	Level 4+	88%	81%	90%	83%	89%	85%
	Level 5+	18%	28%	42%	30%	29%	33%
	Level 6	-	1%	2%	2%	2%	2%
Maths	Level 4+	80%	84%	77%	85%	91%	86%
	Level 5+	41%	39%	42%	41%	30%	42%
	Level 6	2%	3%	3%	7%	5%	9%
Reading, Writing & Maths		80%	80%	73%	76%	86%	79%
GPS	Level 4+	-	-	73%	74%	88%	76%
	Level 5+	-	-	40%	48%	50%	52%
	Level 6	-	-	0%	2%	5%	4%

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Trustees' Report (continued)
For the year ended 31 August 2014

Progress (Flat Levels)

	2013				2014			
	Expected progress		More than expected progress		Expected progress		More than expected progress	
	School	National	School	National	School	National	School	National
Reading	78%	88%	22%	30%	96%	91%	37%	34%
Writing	98%	91%	28%	30%	88%	93%	29%	33%
Maths	72%	88%	15%	31%	91%	89%	16%	35%

Cann Hall

The achievement at Cann Hall has shown significant improvement and is no longer considered to be inadequate but still **'requires improvement'** before it can be considered good. The school had an Ofsted inspection in June 2014 and was removed from 'Special Measures' in June 2014. A summary of strengths and improvements is as follows that is moving the school strongly towards 'good' rating:

- The proportion of children reaching the expected standard in the phonics screening test is now above national averages
- Children are making progress at broadly, in line or above national averages
- Children entitled to the Pupil Premium are making good progress
- The percentage of children achieving level 4 in reading, writing and maths shows an upward trend

Early Years Foundation Stage

	2013	National 2013	2014	National 2014
Good Level of Development	26%	52%	38%	60%

Year 1/2 Phonics Screening

	2012		2013		2014 (unvalidated)	
	School	National	School	National	School	National
Year 1	20%	58%	41%	69%	75%	74%

Key Stage 1

		2012		2013		2014 (unvalidated)	
		School	National	School	National	School	National
Reading	Level 2+	82%	87%	92%	89%	77%	90%
	Level 3	8%	27%	16%	29%	16%	31%
Writing	Level 2+	75%	83%	80%	85%	73%	86%
	Level 3	4%	14%	5%	15%	16%	16%
Maths	Level 2+	91%	91%	90%	91%	86%	92%
	Level 3	4%	22%	16%	23%	12%	24%

Key Stage 2

		2012		2013		2014 (unvalidated)	
		School	National	School	National	School	National
Reading	Level 4+	85%	87%	70%	86%	76%	89%
	Level 5+	35%	48%	30%	45%	29%	50%
	Level 6	0	0%	0%	0%	0%	0%
Writing	Level 4+	68%	81%	68%	83%	80%	85%
	Level 5+	8%	28%	12%	30%	22%	33%
	Level 6	0	1%	0%	2%	0%	2%
Maths	Level 4+	70%	84%	75%	85%	73%	86%
	Level 5+	28%	39%	28%	41%	22%	42%

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Trustees' Report (continued)
For the year ended 31 August 2014

	Level 6	0%	3%	5%	7%	5%	9%
Reading, Writing & Maths	Level 4+	60%	80%	58%	76%	66%	79%
GPS	Level 4+	-	-	60%	74%	66%	76%
	Level 5+	-	-	38%	48%	31%	52%
	Level 6	-	-	2%	2%	3%	4%

Progress (Flat Levels)

	2013				2014			
	Expected progress		More than expected progress		Expected progress		More than expected progress	
	School	National	School	National	School	National	School	National
Reading	78%	88%	22%	30%	88%	91%	37%	34%
Writing	93%	91%	23%	30%	98%	93%	35%	33%
Maths	80%	88%	25%	31%	88%	89%	24%	35%

Financial review

a. Financial and risk management objectives and policies

Notley Green Primary School and Cann Hall Primary School converted to academy status on 1 November 2012 within CHANGE Schools Partnership multi-academy trust. Both schools on conversion agreed to adopt their previous terms of reference until such times as the Trust has put in place consistent delegation across all schools.

The principal source of funding for the Academy is the General Annual Grant (GAG) funding that it receives from the EFA. For the period ending 31 August 2014 the Academy Trust received £3,104,379 in GAG funding. A high percentage of this funding is spent on wages and salaries and support costs to deliver the academies primary objective of the provision of education. In addition, the Trust received Devolved Formula Capital funding of £17,106.

b. Principal risks and uncertainties

The trustees assess the principal risks and uncertainties facing the Trust as follows:

- Staff retention and recruitment: the quality of staff (both teaching and support) is crucial in sustaining high achievement levels within the academies. An important factor in addressing this risk is the high quality, personalised professional development of all staff.
- Falling rolls: this is unlikely to have a major impact for the academy in the short to medium term as predicted numbers continue to be high. Essex County Council have approached Cann Hall about taking a further bulge year as well as considering a more permanent additional form of entry.
- Budget constraints: we are now in a period of constrained public spending on education. It will be important to balance expenditure on education provision with available funding and reserves and determine ways to maximise economies of scale and income generation.
- Business continuity: in the event of an emergency or disaster clear plans need to be in place to ensure both emergency planning and business continuity planning. The trustees are reviewing both these areas during 2014/15

CHANGE SCHOOLS PARTNERSHIP
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Trustees' Report (continued)
For the year ended 31 August 2014

c. Reserves policy

The Trust has an agreed Reserves Policy which states:

'The directors have determined that the appropriate level of reserves to be held for non-earmarked expenditure should equate to one month's operating costs of total funds, to provide sufficient working capital to cover delays in the spending and receipt of grants and to provide a cushion for unexpected emergencies.'

The trustees review the cash reserve levels of the Trust. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees have adopted a Reserves Policy and believe that the current reserve level provides sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £541,452.

d. Material investments policy

The Trust has an agreed Investment Management Policy which states:

'A return on working capital should be optimised whilst ensuring easy access of the funds. In balancing risk against return the Academy policy is clearly geared to avoiding risk rather than maximising income.'

The Academy will operate an interest bearing current account with a bank approved by the Directors and maintain a balance in that account that is sufficient to cover immediate and forthcoming financial commitments (payroll and payment runs) and sufficient contingency (cash buffer) for unexpected payments.

Monies surplus to the working requirements can be invested in an account in the name of the Academy with the approved institutions authorised by the Directors. This may be a higher interest bearing account operated by the same bank that the Academy operates its current account with, or an alternative approved institution.

The Academy will not take out any long term investments until a reliable cash flow pattern has been established; monies will only be paid into approved bank deposit accounts allowing access to funds within a term not exceeding three months.'

Plans for future periods

a. Future developments

The Trustees have agreed the following key objectives for 2014/15

1. For both schools within the Partnership to achieve at least a 'good' rating from Ofsted for overall effectiveness
2. To develop sustainable collaborative practices that promote accelerated school improvement, development, efficiency and effectiveness
3. To continue to embed governance structures, policy and procedure
4. To develop effective marketing tools to promote and grow CHANGE
5. To have the capacity to support at least one other school in 2015-16

Key Strategies/Actions:

- Ensure that all teaching over time is good or better through active performance management and professional development
- Increase leadership capacity through distributed and shared leadership
- Develop a progressive professional development curriculum

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Trustees' Report (continued)
For the year ended 31 August 2014

- Establish research and development groups and other mechanisms to develop innovative best practice
- Use School Business leaders to develop cost effectiveness measures and exploit income generation opportunities
- To update the Articles of Association to ensure they meet the on-going needs of the Trust
- To develop a clear 'brand' for CHANGE Schools Partnership and embed this within the culture of each academy.
- To develop a transformation plan that enables CHANGE Schools Partnership to support further schools and bring about rapid improvement.

The Trust will continue to improve levels of performance of all pupils at all levels. The Trustees recognise that though good financial management that they will be able to invest in and improve the quality of educational provision.

Disclosure of information to auditors

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The auditors, Williams Giles Limited, have indicated their willingness to continue in office. The Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on 15 December 2014 and signed on the board's behalf by:


Mr Bruce Hanley
Chair of Trustees

CHANGE SCHOOLS PARTNERSHIP
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Governance Statement

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Change Schools Partnership has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Change Schools Partnership and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr Mike Baker	3	6
Mrs Alison Fiala	1	6
Mrs Jacqui Green, Executive Principal	1	2
Miss Vikki Bonner	3	4
Mrs Petra Breen	4	4
Mr Stuart Ellis	6	6
Mrs Sarah Garner	6	6
Mrs Beth Gask	3	6
Mr Bruce Hanley	4	6
Mr Philip Heady	3	4
Mr Allan John	4	6
Mrs Pat Studd	3	4
Miss Jane Mower	6	6
Mrs Simon Waltham	6	6
Mr Alan Roebuck, Executive Director	1	1
Mr Robin Whitworth	6	6

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Change Schools Partnership for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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Governance Statement (continued)

The Risk and Control Framework

The academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the SBM Services Limited of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed SBM Services Limited, a Trustee, as Responsible Officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a quarterly basis, the RO reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

SBM Services Limited conducted a Responsible Officer audit during the year. Copies of the reports have been sent to the Chairs of Governors and Headteachers, and Williams Giles Accountants.


Review of Effectiveness

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Responsible Officer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Responsible Officer and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 15 December 2014 and signed on its behalf, by:



Mr Bruce Hanley
Chair of Trustees



Mr Stuart Ellis
Accounting Officer

CHANGE SCHOOLS PARTNERSHIP
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Statement on Regularity, Propriety and Compliance

As Accounting Officer of Change Schools Partnership I have considered my responsibility to notify the academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook(2012).

I confirm that I and the academy board of trustees are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook(2012).

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and EFA.



Mr Stuart Ellis
Accounting Officer

Date: 15 December 2014

CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

Trustees' Responsibilities Statement
For the year ended 31 August 2014

The Trustees (who act as governors of Change Schools Partnership and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 15 December 2014 and signed on its behalf by:



Mr Bruce Hanley
Chair of Trustees

CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

Independent Auditors' Report to the Board of Trustees of Change Schools Partnership

We have audited the financial statements of Change Schools Partnership for the year ended 31 August 2014 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the academy'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 academy's members 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 academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the 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 academy'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' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year 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 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditors' Report to the Board of Trustees of Change Schools Partnership

- 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.

Alper Howard

Date: 19 December 2014

CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

**Independent Reporting Accountants' Assurance Report on Regularity to Change Schools Partnership
and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 16 November 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Change Schools Partnership during the year 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Change Schools Partnership and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Change Schools Partnership and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Change Schools Partnership and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Change Schools Partnership's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Change Schools Partnership's funding agreement with the Secretary of State for Education dated 2 February 2012, and the Academies Financial Handbook extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

The work undertaken to draw to our conclusion includes:

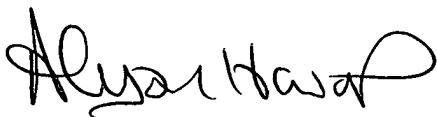
- An assessment of the risk of material misstatement and irregularity
- Testing and review of areas identified through risk assessment including enquiry, inspection and review, observation and re-performance
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime
- Consideration of evidence obtained through the work performed as part of our audit in order to support the regularity conclusion

CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

**Independent Reporting Accountants' Assurance Report on Regularity to Change Schools Partnership
and the Education Funding Agency (continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Alyson Howard FCCA CF

Williams Giles Limited

Chartered Accountants
Registered Auditors

12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date: 19 December 2014

CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

Statement of Financial Activities
For the year ended 31 August 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Incoming resources						
Incoming resources from generated funds:						
Transfer on conversion	2	-	-	-	-	7,041,715
Other voluntary income	2	1,142	55,494	-	56,636	28,861
Activities for generating funds	3	21,248	111,937	-	133,185	121,485
Investment income	4	2,305	-	-	2,305	341
Incoming resources from charitable activities	5	-	3,438,385	17,202	3,455,587	2,987,923
Other incoming resources	6	-	31,353	-	31,353	17,103
Total incoming resources		24,695	3,637,169	17,202	3,679,066	10,197,428
Resources expended						
Costs of generating funds:						
Costs of generating voluntary income	7	1,488	79,030	-	80,518	50,978
Charitable activities		-	3,463,516	195,182	3,658,698	2,979,372
Governance costs	8	-	21,024	-	21,024	43,141
Total resources expended	11	1,488	3,563,570	195,182	3,760,240	3,073,491
Net incoming / (outgoing) resources before transfers		23,207	73,599	(177,980)	(81,174)	7,123,937
Transfers between Funds	22	-	17,202	(17,202)	-	-
Net incoming resources / (resources expended) before revaluations		23,207	90,801	(195,182)	(81,174)	7,123,937
Defined benefit pension scheme transfer on conversion		-	-	-	-	(858,000)
Actuarial gains and losses on defined benefit pension schemes		-	(114,000)	-	(114,000)	(237,000)
Net movement in funds for the year		23,207	(23,199)	(195,182)	(195,174)	6,028,937
Total funds at 1 September 2013		491,245	(997,938)	6,535,630	6,028,937	-
Total funds at 31 August 2014		514,452	(1,021,137)	6,340,448	5,833,763	6,028,937

All activities relate to continuing operations.

The notes on pages 23 to 42 form part of these financial statements.

CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)
Registered number: 08182064

Balance Sheet
As at 31 August 2014

	Note	£	2014	£	2013	£
Fixed assets						
Tangible assets	18		6,340,448		6,535,630	
Current assets						
Stocks	19	2,432		-		
Debtors	20	146,352		139,111		
Cash at bank and in hand		846,566		731,427		
		<u>995,350</u>		<u>870,538</u>		
Creditors: amounts falling due within one year	21	<u>(244,035)</u>		<u>(275,231)</u>		
Net current assets			751,315		595,307	
Total assets less current liabilities			7,091,763		7,130,937	
Defined benefit pension scheme liability	28	<u>(1,258,000)</u>		<u>(1,102,000)</u>		
Net assets including pension scheme liability			5,833,763		6,028,937	
Funds of the academy						
Restricted funds:						
Restricted funds	22	236,863		104,062		
Restricted fixed asset funds	22	6,340,448		6,535,630		
Restricted funds excluding pension liability		<u>6,577,311</u>		<u>6,639,692</u>		
Pension reserve		<u>(1,258,000)</u>		<u>(1,102,000)</u>		
Total restricted funds			5,319,311		5,537,692	
Unrestricted funds	22		514,452		491,245	
Total funds			5,833,763		6,028,937	

The financial statements were approved by the Trustees, and authorised for issue, on 15 December 2014 and are signed on their behalf, by:


Mr Bruce Hanley
Chair of Trustees


Mr Stuart Ellis
Accounting Officer

The notes on pages 23 to 42 form part of these financial statements.

CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

Cash Flow Statement
For the year ended 31 August 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	24	100,937	819,743
Returns on investments and servicing of finance	25	2,305	331
Capital expenditure and financial investment	25	11,897	(88,647)
Increase in cash in the year		115,139	731,427

Reconciliation of Net Cash Flow to Movement in Net Funds
For the year ended 31 August 2014

	2014 £	2013 £
Increase in cash in the year	115,139	731,427
Movement in net funds in the year	115,139	731,427
Net funds at 1 September 2013	731,427	-
Net funds at 31 August 2014	846,566	731,427

The notes on pages 23 to 42 form part of these financial statements.

CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Company status

The academy is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the academy.

1.3 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

Investment income, gains and losses are allocated to the appropriate fund.

CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2014

1. Accounting Policies (continued)

1.4 Incoming resources

All incoming resources are included in the Statement of financial activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's policies.

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Resources expended

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.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred in the academy's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2014

1. Accounting Policies (continued)

1.6 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.7 Tangible fixed assets and depreciation

All assets costing more than £10,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy.

The valuation for leasehold property is taken from the Mouchel desktop valuation completed for the EFA. The basis of the value is Fair Value, as defined by the International Financial Reporting Standards (IFRS). No value for land had been included.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	2% Straight line
Fixtures and fittings	-	10% Straight line
Computer equipment	-	20% Straight line

1.8 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2014

1. Accounting Policies (continued)

1.11 Pensions

Retirement benefits to employees of the academy 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 from those of the academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy 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. As stated in note 28, the TPS is a multi-employer scheme and the academy 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 from those of the academy 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 interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.12 Donated services and gifts in kind

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with academy trust's policies.

2. Voluntary income

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Transfer on conversion	-	-	-	7,041,715
Donations	1,142	9,632	10,774	16,153
School Trip income	-	45,862	45,862	12,708
Subtotal	1,142	55,494	56,636	28,861
Voluntary income	1,142	55,494	56,636	7,070,576

CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2014

3. Activities for generating funds

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Letting income	8,225	-	8,225	9,315
Catering income	-	84,109	84,109	63,491
Consultancy and outreach income	-	-	-	11,721
Other income	13,023	27,828	40,851	36,958
	<u>21,248</u>	<u>111,937</u>	<u>133,185</u>	<u>121,485</u>

4. Investment income

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Bank interest	2,305	-	2,305	341
	<u>2,305</u>	<u>-</u>	<u>2,305</u>	<u>341</u>

5. Funding for Academy's educational operations

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	3,107,344	3,107,344	2,584,637
Other DfE/EFA grants	-	32,123	32,123	201,380
Pupil premium	-	221,222	221,222	109,314
	<u>-</u>	<u>3,360,689</u>	<u>3,360,689</u>	<u>2,895,331</u>
Other government grants				
SEN Funding	-	62,140	62,140	79,614
Other government grants	-	15,556	15,556	4,276
	<u>-</u>	<u>77,696</u>	<u>77,696</u>	<u>83,890</u>
Other funding				
Devolved formula capital grant	-	17,202	17,202	8,702
	<u>-</u>	<u>17,202</u>	<u>17,202</u>	<u>8,702</u>
	<u>-</u>	<u>3,455,587</u>	<u>3,455,587</u>	<u>2,987,923</u>

CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2014

6. Other incoming resources

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Insurance claim	-	31,353	31,353	17,103
	<u>-</u>	<u>31,353</u>	<u>31,353</u>	<u>17,103</u>

7. Costs of generating voluntary income

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
School trips	-	54,289	54,289	50,665
Hire of facilities	1,488	-	1,488	-
Other costs	-	24,741	24,741	313
	<u>1,488</u>	<u>79,030</u>	<u>80,518</u>	<u>50,978</u>

8. Governance costs

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Auditors remuneration	-	21,007	21,007	14,750
Legal & professional fees	-	-	-	28,391
Governance - Trustees travel reimbursed	-	17	17	-
	<u>-</u>	<u>21,024</u>	<u>21,024</u>	<u>43,141</u>

9. Direct costs

	Educational operations £	Total 2014 £	Total 2013 £
Educational supplies	61,499	61,499	45,932
Staff development	16,441	16,441	30,126
Educational consultancy	35,372	35,372	3,438
Other direct costs	40,486	40,486	27,416
Agency supply costs	111,180	111,180	100,252
Profit on disposal	(2,653)	(2,653)	-
Wages and salaries	1,847,376	1,847,376	1,364,543
National insurance	60,403	60,403	87,205
Pension cost	114,280	114,280	195,187
Depreciation	197,835	197,835	166,328
	<u>2,482,219</u>	<u>2,482,219</u>	<u>2,020,427</u>

CHANGE SCHOOLS PARTNERSHIP
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2014

10. Support costs

	Educational operations £	Total 2014 £	Total 2013 £
LGPS costs	48,000	48,000	33,000
Educational supplies	-	-	3,090
Recruitment and support	4,548	4,548	7,308
Maintenance of premises and equipment	152,024	152,024	148,157
Cleaning	32,572	32,572	17,323
Rent & rates	20,919	20,919	28,861
Light & heat	39,333	39,333	27,061
Insurance	51,459	51,459	41,735
Security & transport	6,136	6,136	10,540
Catering	59,087	59,087	46,145
Bank charges	534	534	109
Computer costs	29,979	29,979	23,742
Printing, postage and stationery	32,111	32,111	24,903
Legal & professional	-	-	10,475
Other support costs	74,107	74,107	69,294
Wages and salaries	463,866	463,866	396,322
National insurance	69,893	69,893	22,536
Pension cost	91,911	91,911	48,344
	<u>1,176,479</u>	<u>1,176,479</u>	<u>958,945</u>

11. Resources expended

	Staff costs 2014 £	Non Pay Premises 2014 £	Expenditure Other costs 2014 £	Total 2014 £	Total 2013 £
Costs of generating voluntary income	-	-	80,518	80,518	50,978
Costs of generating funds	<u>-</u>	<u>-</u>	<u>80,518</u>	<u>80,518</u>	<u>50,978</u>
Direct costs	2,022,059	197,835	262,325	2,482,219	2,020,427
Support costs	625,670	-	550,809	1,176,479	970,553
Charitable activities	<u>2,647,729</u>	<u>197,835</u>	<u>813,134</u>	<u>3,658,698</u>	<u>2,990,980</u>
Governance	<u>-</u>	<u>-</u>	<u>21,024</u>	<u>21,024</u>	<u>43,141</u>
	<u>2,647,729</u>	<u>197,835</u>	<u>914,676</u>	<u>3,760,240</u>	<u>3,085,099</u>

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12. Net incoming / (outgoing) resources

This is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets: - owned by the charity	197,835	166,328
Auditor remuneration	15,382	14,750
	<u> </u>	<u> </u>

13. Auditors' remuneration

	2014 £	2013 £
Fees payable to the academy's auditor and its associates for the audit of the academy's annual accounts	8,250	8,250
Fees payable to the academy's auditor and its associates in respect of:		
All other non-audit services not included above	7,132	6,500
	<u> </u>	<u> </u>

14. Staff

a. Staff costs

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	2,311,242	1,760,865
Social security costs	130,296	109,741
Other pension costs (Note 28)	206,191	243,531
	<u> </u>	<u> </u>
Supply teacher costs	2,647,729	2,114,137
	111,180	100,252
	<u> </u>	<u> </u>
	<u>2,758,909</u>	<u>2,214,389</u>

b. Staff numbers

The average number of persons employed by the academy during the year expressed as full time equivalents was as follows:

	2014 No.	2013 No.
Teaching staff	31	28
Support staff	75	53
Management	7	6
	<u> </u>	<u> </u>
	<u>113</u>	<u>87</u>

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14. Staff (continued)

c. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2014 No.	2013 No.
In the band £60,001 - £70,000	<u>0</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the period ended 31 August 2014, pension contribution for this member of staff amounted to £nil (2013: £9,429).

15. Trustees' remuneration and expenses

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their role as Trustees. The value of Trustees' remuneration including employer pension contributions for the year (2013 - period) fell within the following bands:

	2014 £	2013 £
J Green	15,000-20,000	75,000-80,000
P Breen	20,000-25,000	15,000-20,000
S Waltham	65,000-70,000	50,000-55,000
Stuart Ellis	45,000-50,000	
P Studd	10,000-15,000	
V Bonner	40,000-45,000	

During the year ended 31 August 2014, travel expenses totalling £17 (2013 - £NIL) were reimbursed to 1 Trustee.

16. Trustees' and officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2014 was £711 (2013 - £711). The cost of this insurance is included in the total insurance cost.

17. Other finance income

	2014 £	2013 £
Expected return on pension scheme assets	15,000	4,000
Interest on pension scheme liabilities	(63,000)	(37,000)
	<u>(48,000)</u>	<u>(33,000)</u>

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18. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 September 2013	6,379,000	174,544	148,414	6,701,958
Additions	-	-	39,607	39,607
Disposals	-	(170)	(46,499)	(46,669)
At 31 August 2014	6,379,000	174,374	141,522	6,694,896
Depreciation				
At 1 September 2013	106,317	29,091	30,920	166,328
Charge for the year	127,580	34,874	35,381	197,835
On disposals	-	(28)	(9,687)	(9,715)
At 31 August 2014	233,897	63,937	56,614	354,448
Net book value				
At 31 August 2014	6,145,103	110,437	84,908	6,340,448
At 31 August 2013	6,272,683	145,453	117,494	6,535,630

19. Stocks

	2014 £	2013 £
Uniform stock	2,432	-

20. Debtors

	2014 £	2013 £
Trade debtors	4,814	185
VAT	43,626	13,921
Other debtors	-	31,709
Prepayments and accrued income	97,912	93,296
	146,352	139,111

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21. Creditors:
Amounts falling due within one year

	2014 £	2013 £
Trade creditors	28,171	110,707
Other taxation and social security	38,439	40,612
Other creditors	33,116	31,535
Accruals and deferred income	144,309	92,377
	<u>244,035</u>	<u>275,231</u>
		£
Deferred income		
Deferred income at 1 September 2013		31,691
Resources deferred during the year		90,652
Amounts released from previous years		<u>(31,691)</u>
Deferred income at 31 August 2014		<u>90,652</u>

As at the balance sheet date the Academy Trust held funds in respect of rates fund, school trip income and free school meal funding relating to the following financial year.

22. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
Unrestricted funds	491,245	24,695	(1,488)	-	-	514,452
Restricted funds						
Restricted Funds - all funds	-	-	-	17,202	-	17,202
General Annual Grant (GAG)	104,062	3,107,344	(2,991,745)	-	-	219,661
Pupil premium	-	221,222	(221,222)	-	-	-
SEN funding	-	62,140	(62,140)	-	-	-
Other government grants	-	15,556	(15,556)	-	-	-
Other DfE/EFA grant	-	32,123	(32,123)	-	-	-
Other generated funds	-	198,784	(198,784)	-	-	-
Pension reserve	(1,102,000)	-	(42,000)	-	(114,000)	(1,258,000)
	<u>(997,938)</u>	<u>3,637,169</u>	<u>(3,563,570)</u>	<u>17,202</u>	<u>(114,000)</u>	<u>(1,021,137)</u>

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Notes to the Financial Statements
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22. Statement of funds (continued)

Restricted fixed asset funds

Assets held for depreciation	6,535,630	-	(195,182)	-	-	6,340,448
Devolved formula capital	-	17,202	-	(17,202)	-	-
	<u>6,535,630</u>	<u>17,202</u>	<u>(195,182)</u>	<u>(17,202)</u>	<u>-</u>	<u>6,340,448</u>
Total restricted funds	5,537,692	3,654,371	(3,758,752)	-	(114,000)	5,319,311
Total of funds	<u>6,028,937</u>	<u>3,679,066</u>	<u>(3,760,240)</u>	<u>-</u>	<u>(114,000)</u>	<u>5,833,763</u>

The specific purposes for which the funds are to be applied are as follows:

Unrestricted funds are applied to the general work of the academy to support activities inside and outside the curriculum.

Restricted funds are applied specifically in accordance with the rules of each grant and support the education provision delivered by the academy.

Restricted fixed asset funds are applied to the maintenance and improvement of all the academy's fixed assets.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

Analysis of academies by fund balance

Fund balances at 31 August 2014 were allocated as follows:

	Total £
Cann Hall Primary School	499,133
Notley Green Primary School	252,182
Total before fixed asset fund and pension reserve	<u>751,315</u>
Restricted fixed asset fund	6,340,448
Pension reserve	(1,258,000)
Total	<u><u>5,833,763</u></u>

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22. Statement of funds (continued)

Analysis of academies by cost

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total £
Cann Hall Primary School	1,123,325	219,637	29,600	444,368	1,816,930
Notley Green Primary School	898,734	406,033	31,899	337,854	1,674,520
	<u>2,022,059</u>	<u>625,670</u>	<u>61,499</u>	<u>782,222</u>	<u>3,491,450</u>

Summary of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds	491,245	24,695	(1,488)	-	-	514,452
Restricted funds	(997,938)	3,637,169	(3,563,570)	17,202	(114,000)	(1,021,137)
Restricted fixed asset funds	6,535,630	17,202	(195,182)	(17,202)	-	6,340,448
	<u>6,028,937</u>	<u>3,679,066</u>	<u>(3,760,240)</u>	<u>-</u>	<u>(114,000)</u>	<u>5,833,763</u>

23. Analysis of net assets between funds

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	-	-	6,340,448	6,340,448	6,535,630
Current assets	514,452	480,898	-	995,350	870,538
Creditors due within one year	-	(244,035)	-	(244,035)	(275,231)
Provisions for liabilities and charges	-	(1,258,000)	-	(1,258,000)	(1,102,000)
	<u>514,452</u>	<u>(1,021,137)</u>	<u>6,340,448</u>	<u>5,833,763</u>	<u>6,028,937</u>

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24. Net cash flow from operations

	2014 £	2013 £
Net incoming resources before revaluations	(81,174)	7,123,937
Returns on investments and servicing of finance	(2,305)	(331)
Assets received on conversion	-	(6,604,609)
Depreciation of tangible fixed assets	197,835	166,328
Profit on disposal of tangible fixed assets	2,652	-
Capital grants from DfE	(17,202)	(8,702)
Increase in stocks	(2,432)	-
Increase in debtors	(7,241)	(139,111)
(Decrease)/increase in creditors	(31,196)	275,231
FRS 17 adjustments	42,000	7,000
Net cash inflow from operations	100,937	819,743

25. Analysis of cash flows for headings netted in cash flow statement

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	2,305	331
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(39,607)	(97,349)
Return of tangible fixed assets	34,302	-
Capital grants from DfE	17,202	8,702
Net cash inflow/(outflow) capital expenditure	11,897	(88,647)

26. Analysis of changes in net funds

	1 September 2013 £	Cash flow £	31 August 2014 £
Cash at bank and in hand:	731,427	115,139	846,566
Net funds	731,427	115,139	846,566

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27. Contingent liabilities

During the period of the funding agreement, should any asset for which a capital grant was received be sold or otherwise disposed of, in the event of the Academy not reinvesting the proceeds, it will be required to pay the grant related proportion of the proceeds to the EFA.

Should the funding agreement be terminated for any reason, the Academy shall repay to the EFA the current value of the academy's land and buildings and other assets, to the extent that such assets were funded by sums received from the EFA.

28. Pension commitments

The academy's 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, which is managed by Essex County Council. 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 2012 and of the LGPS 31 August 2014.

Contributions amounting to £10,036 were payable to the scheme at 31 August 2014 (2013 - £8,620) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

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28. Pension commitments (continued)

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in from April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatting Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatting scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £155,000, of which employer's contributions totalled £118,000 and employees' contributions totalled £37,000. The agreed contribution rates for future years are 19.8% for employers and a variable percentage for employees depending on their salary level for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding local government pension scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

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28. Pension commitments (continued)

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £
Equities	6.10	235,000	6.60	111,000
Bonds	3.60	40,000	4.40	15,000
Property	5.10	42,000	5.60	19,000
Gilts	3.00	23,000	3.50	14,000
Cash	2.90	10,000	0.50	5,000
Alternative assets	3.60	14,000	4.00	6,000
Total market value of assets		<u>364,000</u>		<u>170,000</u>
Present value of scheme liabilities		<u>(1,622,000)</u>		<u>(1,272,000)</u>
(Deficit)/surplus in the scheme		<u><u>(1,258,000)</u></u>		<u><u>(1,102,000)</u></u>

The amounts recognised in the Balance sheet are as follows:

	2014 £	2013 £
Present value of funded obligations	(1,622,000)	(1,272,000)
Fair value of scheme assets	<u>364,000</u>	<u>170,000</u>
Net liability	<u><u>(1,258,000)</u></u>	<u><u>(1,102,000)</u></u>

The amounts recognised in the Statement of financial activities are as follows:

	2014 £	2013 £
Current service cost	(112,000)	(62,000)
Interest on obligation	(63,000)	(37,000)
Expected return on scheme assets	<u>15,000</u>	<u>4,000</u>
Total	<u><u>(160,000)</u></u>	<u><u>(95,000)</u></u>
Actual return on scheme assets	<u><u>31,000</u></u>	<u><u>12,000</u></u>

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28. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2014 £	2013 £
Opening defined benefit obligation	1,272,000	-
Current service cost	112,000	62,000
Interest cost	63,000	37,000
Contributions by scheme participants	37,000	26,000
Actuarial Losses	138,000	244,000
Defined benefit obligation on conversion	-	903,000
	<hr/>	<hr/>
Closing defined benefit obligation	1,622,000	1,272,000
	<hr/>	<hr/>

Movements in the fair value of the academy's share of scheme assets:

	2014 £	2013 £
Opening fair value of scheme assets	170,000	-
Expected return on assets	15,000	4,000
Actuarial gains and (losses)	24,000	7,000
Contributions by employer	118,000	88,000
Contributions by employees	37,000	26,000
Fair value of scheme assets on conversion	-	45,000
	<hr/>	<hr/>
	364,000	170,000
	<hr/>	<hr/>

The cumulative amount of actuarial losses recognised in the Statement of total recognised gains and losses was £351,000 (2013 - £235,000).

The academy expects to contribute £120,000 to its Defined benefit pension scheme in 2015.

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

	2014	2013
Equities	64.00 %	65.00 %
Gilts	6.00 %	8.00 %
Other Bonds	11.00 %	9.00 %
Property	12.00 %	11.00 %
Cash	3.00 %	3.00 %
Alternative Assets	4.00 %	4.00 %

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2014	2013
Discount rate for scheme liabilities	3.90 %	4.70 %
Rate of increase in salaries	4.50 %	4.70 %
Rate of increase for pensions in payment / inflation	2.70 %	2.90 %
Inflation assumption (CPI)	2.70 %	2.90 %
RPI Increases	3.50 %	3.70 %

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28. Pension commitments (continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2014	2013
Retiring today		
Males	22.7	22.7
Females	25.1	25.3
Retiring in 20 years		
Males	24.9	24.2
Females	27.4	26.9

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2014 £	2013 £
Defined benefit obligation	(1,622,000)	(1,272,000)
Scheme assets	364,000	170,000
Deficit	<u>(1,258,000)</u>	<u>(1,102,000)</u>
Experience adjustments on scheme liabilities	(138,000)	(244,000)
Experience adjustments on scheme assets	<u>24,000</u>	<u>7,000</u>

29. Operating lease commitments

At 31 August 2014 the academy had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Expiry date:		
Within 1 year	-	831
Between 2 and 5 years	<u>6,474</u>	<u>5,778</u>

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30. Related party transactions

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take 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 academy's financial regulations and normal procurement procedures.

During the period the academy had the following related party transactions:

•£26,111 (2013 - £16,161) was paid to Stagekey, a company in which Mrs A Jones is an owner, for drama based services provided to the Trust. £629 was also paid to the Trust by Stagekey in respect of facilities hire. Mrs A Jones is the Academy Business Manager. The balance outstanding at the year end amounted to £1,597 (2013 £nil).

These transactions were conducted on normal commercial terms without the exercise of any influence by the related party involved. There are appropriate controls and procedures in place.