

Essa Foundation Academy Trust  
(previously Essa Academy)  
(a company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended  
31 August 2014

# Essa Foundation Academy Trust (previous Essa Academy)

## REFERENCE AND ADMINISTRATIVE DETAILS

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISORS

#### Essa Academy Governors (Trustees) to 31.08.14

	Mr Adam Umarji +	
	Councillor Mike Francis	
* = members of the Finance Committee	Mr Anwer Patel * +	
+ = director at Companies House	Mr Craig Fishwick * +	
	Mr Latif Jiva +	Resigned 31.08.14
	Councillor Madeline Murray	
	Mr Steve Wild * +	
	Mr Yakub Patel * +	
	Mrs Neelam Arshad	
	Miss Sarah Towers	
	Professor Iqbal Memon	

#### Essa Foundation Academies Trust Board Members (Trustees) from 01.09.14

+ = Director	Mr Ibrahim Bobat +*
* = Member of Board Finance and General Purposes Committee	Ms Kate Longworth+
	Ms Nicola Byrne +
	Mr Adam Collins +*
	Mr Anwer Patel +
	Mr Yakub Patel +*
	Ms Yasmin Quershi
	Mr Nigel Whittle *
	Mr Adam Umarji +

#### Essa Academy Senior Leadership Team

Principal	Mr Jeffrey Ellis	appointed June 2014
Principal	Mr Showkat Badat	resigned Nov 2014
Deputy Principal	Mr Andrew Peet	
Finance Director	Mr David Mole	
HR Director	Mrs Bernadette Sansome	
Director	Mr Abdul Chohan	
Director	Mrs Sandra Reid	
Director	Miss Julie Green	
Director	Mrs Lynn Cardwell	
Director	Mrs Hannah Alexander	
Exams and Information Officer	Mrs Justine Hatter	

#### Registered Office

Lever Edge Lane  
Bolton  
BL3 3HH

#### Academy Site

Lever Edge Lane  
Bolton  
BL3 3HH

#### Company Registration Number:

06731593 (England and Wales)

#### Auditors:

Baker Tilly UK Audit LLP  
2 Whitehall Quay  
Leeds  
LS1 4HG

# Essa Foundation Academy Trust (previously Essa Academy)

## TRUSTEES' REPORT

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The trustees present their annual report incorporating the Strategic Report, the financial statements and auditors' report of the charitable company for the year ended 31 August 2014.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### Constitution

The Academy was incorporated on 23 October 2008 as a company limited by guarantee with no share capital (registration no. 06731593). The Academy was registered with the Charities Commission on 8 December 2008 as a registered charity (registration no. 1127085). The charitable company's memorandum and articles of association are the primary governing documents of the Academy. The initial Members of the charitable company were nominated by Essa Foundation (subsequently Essa Academy) which is the sponsor of the Academy. Subsequent Members are appointed by unanimous decision of the existing Members. The articles of association require the Members of the charitable company to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Academy.

#### Principal Activities

The principal object and activity of the charitable company is the operation of Essa Foundation Academy Trust to provide education for pupils of different abilities between the ages of 11 and 16.

#### Multi-Academy Trust

On 1 September 2014 Essa Academy became a multi-academy trust and changed its name to Essa Foundation Academies Trust. The Trust operates via a Board of eight directors overseeing local governing bodies within each academy member of the multi-academy trust.

#### Members' liability

Each Member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a Member, or within one year after he/she ceases to be a Member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before he/she ceases to be a Member.

#### Governors

The Governors are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation.

On 1 September 2014 the Governing Body was replaced by a local governing body that is responsible to the Board of Essa Foundation Academies Trust.

The Governors who were in office at 31 August 2014 and served during the year are listed on page 1.

During the year under review the Governors held four meetings. In addition, there have been various facilitated training events for the Governors. The training and induction provided for new Governors will depend on their existing experience. Where necessary induction will provide training on charity and educational legal and financial matters. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only one or two new Governors a year, induction tends to be done informally and is tailored specifically to the individual.

# Essa Foundation Academy Trust (previously Essa Academy)

## TRUSTEES' REPORT (Continued)

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### Organisational structure

The multi-academy trust has a Board of Directors as from 1 September 2014. The Finance and General Purposes, Audit and Risk and Education and Achievement Committees all report to the Board. Each Academy within the Trust will have a Local Governing Body, which is responsible to the Board, along with the Board Committees via the Trust's Scheme of Delegation. A Chief Executive Officer reports to the Board and is the Trust's Accounting Officer.

Essa Foundation Academy's management structure consists of two levels; the Governors of the Local Governing Body, the Senior Leadership Team ('SLT') and the Strand Leadership Team (a strand is one or more related curriculum areas). The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for implementing Trust Board policy, recommending an annual plan and budget for Board approval, monitoring the Academy by the use of budgets and making decisions about the direction of the Academy within the Trust's scheme of delegation and appointing senior staff.

The SLT comprises the Principal, the Deputy Principal, five Directors, the Finance and HR Directors and the Exams and Information Officer. The SLT is responsible for the Academy at an executive level, implementing the policies laid down by the Governors and Board and reporting back to them. As a group, the SLT is responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment panels for posts within the SLT always include a member of the Governing Body. Some spending and budgetary control is devolved to the Senior Departmental Team, with limits above which, the Principal must countersign.

The Strand Leadership Team, which comprises all the Heads of Strands (curriculum areas), reports to the SLT and is responsible for the day-to-day operation of the Academy, in particular organising the teaching staff, facilities and students.

### Connected organisations, including related party relationships

Essa Foundation is sponsor to Essa Foundation Academy Trust. Essa Education Limited is a trading subsidiary undertaking of the Academy. Essa Foundation is a Trust (incorporated in November 2012) in which various Governors of Essa Foundation Academy Trust are Directors.

### Risk Management

The Academy has a formal, written Risk Register. In this Register, the Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy. The Governors have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the following statement.

## **OBJECTIVES AND ACTIVITIES**

### Objects, aims and values

The principal object and activity of the charitable company is the operation of Essa Foundation Academy Trust to provide education for pupils of different abilities between the ages of 11 and 16.

# Essa Foundation Academy Trust (previously Essa Academy)

## TRUSTEES' REPORT (Continued)

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### Objects, aims and values (continued)

In accordance with the articles of association the charitable company has adopted a "Scheme of Governance" approved by the Secretary of State for Children Schools and Families. The Scheme of Governance specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis on science and technology and their practical applications.

The main objectives of the Academy are summarised below:

- to raise achievement and aspirations for all through the use of innovation and new technologies;
- to raise the profile of Essa Foundation Academy Trust within the local, national and international communities;
- to deliver a personalised curriculum which is fit for the 21st Century through an outstanding learning infrastructure;
- to secure wellbeing for all through the development of Social Capital; and
- to secure Essa Foundation Academy Trust as a creative and vibrant multicultural learning community.

The Academy's main strategy is encompassed in its mission statement, which is 'To transform the learning and life opportunities of students'.

In setting objectives and planning activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

Essa Foundation Academy Trust is non-selective and offers all students a broad curriculum. The students who attend live mainly in South Bolton although some travel from further afield. To assist academic study, the Academy runs revision and course clinic sessions. The Academy offers its students activities and experiences beyond the academic, with coaching in various sports including cricket, football, rock-climbing and boxing. Students are also encouraged to take part in the Duke of Edinburgh Awards Scheme. Various visits and other offsite activities are organised to broaden and deepen students' life experiences and to stimulate their imagination and learning. Students will also take part in community-based activities, designed to put something back into the locality.

### Public Benefit

The governors confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Academy's aims and objectives.

In accordance with the articles of association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should be broad and balanced and relevant to the needs and aspirations of all our learners.

### Disabled persons

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Academy. The policy of the Academy is to support recruitment and retention of students and employees with disabilities. The Academy does this by adapting the physical environment, by making support resources available and through training and career development.

# Essa Foundation Academy Trust (previously Essa Academy)

## TRUSTEES' REPORT (Continued)

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### Equal opportunities policy

The governors recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

## STRATEGIC REPORT

### Key Performance Indicators

The Academy strives to improve outcomes for its young people. The percentage of pupils gaining 5 A\*-C including English and Maths decreased slightly from 55% in 2013 to 54% in 2014, which is higher than the national average (52.6%).

## FINANCIAL REVIEW

### Financial report for the year

The majority of the Academy's income is obtained from the Education Funding Agency ('EFA') in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2014 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for fixed assets from the EFA, and from other government bodies. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund.

During the year ended 31 August 2014, total resources expended of £6,022k (2013 - £6,478k) was more than covered by recurrent grant funding from the EFA together with other incoming resources. The excess of income over expenditure for the year (excluding restricted endowment and fixed asset funds) was £480k (2013 - £291k).

At 31 August 2014 the net book value of fixed assets was £13,921k (2013 - £13,981k) and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Under accounting Standard FRS17, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided for support staff, to the Unrestricted Fund. This resulted in the pension fund showing a deficit of £522k (2013 - £44k asset), which has been carried forward.

The Academy held fund balances at 31 August 2014 of £15,273k (2013 - £15,466k). A summary is shown in the table below

Funds	2014 £000	2013 £000
Restricted Funds:		
Restricted General Fund	522	382
Pension Reserve	(522)	44
Endowment Fund	590	549
Fixed Asset Fund	13,921	13,981
Total Restricted Funds	14,511	14,956
Unrestricted Funds	762	510
Total Funds	15,273	15,466

# Essa Foundation Academy Trust (previously Essa Academy)

## TRUSTEES' REPORT (Continued)

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### RESERVES POLICY AND FINANCIAL POSITION

#### Reserves Policy

The governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The governors have determined that the appropriate level of free reserves should be equivalent to 2% of GAG, approximately £107,000. The reason for this is to provide 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 Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £762,000 (2013 – £510,000).

#### Investments policy

The Governing Body have delegated authority to the Finance Director to utilise the term deposit arrangements with Lloyds in order that interest receipts are maximised in a low risk investment. Unless authorised by the Governing Body, term deposits will not exceed 12 months and the projected current account balance will not be allowed to fall below £150,000 at any point.

#### 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.

#### Plans for future periods

The Academy has provided an iPad to each student to facilitate teaching and learning. The curriculum will be further developed to help improve academic standards, using technology such as i-books, i-Tunes-U courses and other E-learning tools.

#### Appointment of principal

Mr Jeffrey Ellis was appointed Principal in June 2014.

#### Principal risks and uncertainties

The Academy has continued to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the Academy's assets and reputation. The Responsible Officer undertakes a termly internal audit inspection and oversees a programme of risk review.

A risk register is maintained at the Academy which is reviewed at least annually by the Responsible Officer and more frequently where necessary. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

Outlined below is a description of the principal risk factors that may affect the Academy. Not all the factors are within the Academy's control. Other factors besides those listed below may also adversely affect the Academy.

# Essa Foundation Academy Trust (previously Essa Academy)

## TRUSTEES' REPORT (Continued)

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### Principal risks and uncertainties (continued)

#### 1. Government funding

The Academy has considerable reliance on continued government funding through the EFA. In 2013/14, 95% of the Academy's recurrent revenue was ultimately public funded and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

This risk is mitigated in a number of ways:

- Student numbers are the key driver of EFA funding and every effort is made to ensure our current stable main school student numbers are protected. Maintaining and growing the numbers of students in our Sixth Form is a critical priority for the Academy, particularly in the light of future cuts in 16-19 funding
- Considerable focus and investment is placed on maintaining and managing key relationships with the EFA
- Protecting the Academy from reputational damage is a key component of our risk strategy and this includes an ongoing focus on achieving excellent examination results.

#### 2. Maintain adequate funding of pension liabilities

The financial statements report the share of the pension scheme asset on the Academy's balance sheet in line with the requirements of FRS 17. We will continue to carefully review the level of exposure to the pension fund deficit.

#### 3. Minimise the risk of litigation against the Academy

Management and governors are highly focused on the need to ensure that the risks of litigation from employees, customers, suppliers, parents, students and other stakeholders are minimised in order to prevent reputational damage and financial loss. Adequate insurance cover remains an absolute necessity.

#### 4. Ensure diligence in all aspects of Health and Safety compliance

Management and governors are highly focused on the need to ensure risks of damage to property and persons are minimised by adhering to a robust Health and Safety policy and by calling on expert advice in this area where required.

#### 5. Ensure ongoing cash solvency

Management work closely with the academy's external auditor, internal Responsible Officer and Audit Committee to ensure internal controls are in place to minimise the possibility of unexpected financial losses. Furthermore, scrutiny of financial information by the Finance Committee helps to ensure due diligence in all aspects of financial planning and budgeting, including cash management and forecasting.

### **AUDITORS**

Baker Tilly Audit Limited ceased to trade on 31 March 2014. The Trustees, having been notified of the cessation in trade of Baker Tilly Audit Limited, appointed Baker Tilly UK Audit LLP to fill the casual vacancy. In accordance with Companies Act 2006 a resolution to appoint Baker Tilly UK Audit LLP as Auditor will be put to the Members.

### **Statement as to disclosure of information to auditors**

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



Essa Foundation Academy Trust (previously Essa Academy)  
TRUSTEES' REPORT (Continued)

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**Statement as to disclosure of information to auditors (*continued*)**

The Trustees' Annual Report is approved by order of the board of trustees and the Strategic Report (included therein) is approved by the board of trustees in their capacity as the directors at a meeting on 16<sup>th</sup> December 2014 and signed on its behalf by:



Mr Adam Umarji  
Chair of Governors

Date:..... 26 JAN 2015 .....

# Essa Foundation Academy Trust (previously Essa Academy)

## GOVERNANCE STATEMENT

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### Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Essa Foundation Academy Trust 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 chief executive, 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 Essa Foundation Academy Trust 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 Statement of Trustees' Responsibilities. The Board of Trustees has formally met four times during the year. Attendance during the year at meetings of the Board of Trustees was as follows

<b>Governors</b>	<b>Meeting attended</b>	<b>Out of possible</b>
Mr Adam Umarji	3	4
Cllr Mike Frances	4	4
Mr Anwer Patel	4	4
Mr Craig Fishwick	3	4
Mr Latif Jiva	2	4
Cllr Madeline Murray	1	4
Mr Steve Wild	3	4
Mr Yakub Patel	3	4
Mrs Neelam Arshad	3	4
Miss Sarah Towers	4	4
Professor Iqbal Memon	1	4

The HR, Finance and Buildings Committee is a sub-committee of the main Governing Body. Its purpose is to review the financial position of the academy and to guide and monitor the use of academy resources. There has been no change in membership during the year. Attendance at meetings in the year was as follows:

<b>Board members</b>	<b>Meeting attended</b>	<b>Out of possible</b>
Mr Anwer Patel	7	7
Mr Craig Fishwick	7	7
Mr Steve Wild	6	7
Mr Yakub Patel	6	7

# Essa Foundation Academy Trust (previously Essa Academy)

## GOVERNANCE STATEMENT

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Governors also attend the Education and Welfare Sub-Committee. Attendance at meetings in the year was as follows:

<b>Board members</b>	<b>Meeting attended</b>	<b>Out of possible</b>
Mr Adam Umarji	5	7
Cllr Mike Frances	5	7
Mr Anwer Patel	7	7
Mr Craig Fishwick	7	7
Mr Latif Jiva	6	7
Cllr Madeline Murray	2	7
Mr Steve Wild	5	7
Mr Yakub Patel	6	7
Mrs Neelam Arshad	6	7
Professor Iqbal Memon	1	7

### Statement on the systems of internal finance 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.

As governors, we acknowledge we have overall responsibility for ensuring that the Academy has an effective and appropriate system of control, financial and otherwise. We are also responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Academy and enable us to ensure the financial statements comply with the Companies Act. We also acknowledge responsibility for safeguarding the assets of the Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:-

- The Academy is operating efficiently and effectively;
- Its assets are safeguarded against unauthorised use or disposition;
- The proper records are maintained and financial information used within the Academy or for publication is reliable;
- The Academy complies with relevant laws and regulations.

### Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2014 and up to the date of approval of the annual report and financial statements. The Governing Body regularly reviews this process.

### 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 Governing Body;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;

# Essa Foundation Academy Trust (previously Essa Academy)

## GOVERNANCE STATEMENT

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### The risk and control framework (continued)

- 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 Governing Body has established an Audit Committee whose terms of reference are as follows:

- to promote sound corporate governance within the Academy.
- to provide assurance over the Academy's systems of risk management and internal control.
- to consider and approve arrangements for the provision of internal audit services.
- to consider and approve internal audit strategy and plans ensuring that internal audit activity is appropriately focused, monitored and implemented.
- to receive and comment on internal audit reports and oversee the implementation of approved recommendations.
- to report to the Chair of the Governing Body and bring any matters of concern to the Governing Body.

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.


### Review of effectiveness

As Accounting Officer, 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 auditor
- The financial management and governance self-assessment process
- The work of the executive managers within the Academy Trust 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 audit committee 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 16<sup>th</sup> December 2014 and signed on its behalf by:



**Mr Adam Umarji**  
**Chair of Governors**



**Mr Steve Wild**  
**Accounting Officer**

Date:.....  
26/01/15

**Essa Foundation Academy Trust (previously Essa Academy)**  
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of Essa Foundation Academy Trust I have considered my responsibility to notify the academy trust 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 trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that no instances of material irregular, 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 Steve Wild**  
**Accounting Officer**

Date.....26/01/15.....

# Essa Foundation Academy Trust (previously Essa Academy)

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The Trustees who are also the directors of the Charitable Company for the purposes of company law, are responsible for preparing the Trustees' 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 in 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; and
- 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 the 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 16<sup>th</sup> December 2014 and signed on its behalf by:



Mr Adam Umarji  
Chair of Governors

Date.....*26 JAN 2015*.....