

Value for Money Statement

Academy trust name: Essa Academy

Academy trust company number: 06731593

Year ended 31 August 2013

I accept that as accounting officer of **Essa Academy** I am responsible and accountable for ensuring that the academy trust delivers good value in the use of public resources. I am aware of the guide to academy value for money statements published by the Education Funding Agency and understand that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

I set out below how I have ensured that the academy trust's use of its resources has provided good value for money during the academic year.

The Governing Body of Essa Academy consists of representatives of the Sponsors, the local authority, teachers and parents. Two sub-committees with written terms of reference report to the Governing body on educational and HR, finance and buildings issues. There are three qualified accountants on the HR, Finance and Buildings Sub-Committee, all with commercial experience.

During term time there are monthly meetings of both sub-committees and a full governing body meeting at least once a term. At each meeting the HR, Finance and Buildings Sub-Committee receives a report on the financial position to date and other reports on financial matters affecting the Academy.

An Audit Committee was established in May 2013 with a written brief to promote sound corporate governance within the Academy and to provide assurance over the Academy's systems of risk management and internal control.

Bolton MBC has provided an Internal Audit service to the Academy since it opened in 2009. Auditors with a sound knowledge of education have helped improve the financial controls within the Academy and continue to do so.

In 2013 the Essa Academy finance manual was reviewed and re-written, using the structure and content of the revised Academies Finance Handbook, providing additional guidance or regulation as appropriate.

The recommendations of the 2012 external audit management letter have been implemented in full and signed off by the auditor. Implementation of the recommendations of the 2013 management letter is under way.

The Academy has a robust procurement policy and finance staff will advise budget holders and senior staff on procurement issues to ensure procedures are followed. Essa is a member of the Crescent Purchasing Consortium and has procured goods and services through its framework contracts. To make use of economies of scale Essa procures gas and electricity through borough-wide contracts managed by Bolton MBC.

The Academy maintains a risk register and reviews risk periodically, using Insurance to mitigate risk where appropriate – the levels of insurance are reviewed annually with the Academy's insurance advisor.

Cash balances are managed by use of cashflow estimates and cash surpluses are placed on deposit with the Academy's bank to earn interest.

The budget is reviewed on a regular basis and budget planning for the following financial year is an on-going process. The staffing structure is reviewed in-year and changes are made where necessary to make best use of staffing resources.

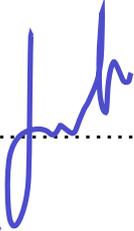
Essa has recently reviewed and amended the educational support structure within the school to better align resources to need. One to one and small group tuition provides support to students with additional need and the Academy has invested in additional literacy resources to help improve literacy rates within a cohort, where many students speak English as an additional language.

The Academy is passionate about the opportunities ICT offers to enrich and reinforce teaching and provides an Ipad to each student. These are refreshed cyclically. This measure also helps to address the lack of access to technology suffered by many Essa families (the Academy serves some of the poorest wards in the country).

In the five years that Essa Academy has been open, academic attainment has steadily improved, with GCSE pass rates rising from 28% 5A*-C including English and Maths in the predecessor school to 55% in 2013. During that time, the Academy has managed its usable reserves to provide a healthy buffer against unplanned or unforeseen expenditure, to provide resources to refresh ICT equipment, to provide a life cycle fund and to provide resources for capital expenditure.

A commercial subsidiary was set up to provide additional resources for the Academy, and started trading in September 2012. It provides the Academy with supply staff at a market-tested rate and provides staff to another school in the area. In addition, the sports facilities are hired out to the public in the evenings and at weekends and a number of conferences have been held onsite. Just over £90k has been gift-aided to the Academy for the year ended 31 August 2013.

During this financial year a number of contracts, including audit, coach travel, ICT and minibus leasing will be re-procured and a number of other areas will be reviewed. It is hoped to make greater use of CPC framework contracts to improve value for money and more support will be provided to budget holders to ensure resources are properly targeted at need.

Signed: 

Name: Jeff Ellis

Academy Trust Accounting Officer

Date: 23/12/2013