

# REGISTRAR OF COMPANIES

## Chobham School Academy (Stratford)

### Annual Report and Financial Statements

31 August 2015

Company Limited by Guarantee  
Registration Number  
06846720 (England and Wales)

SATURDAY



\*A54KUVOK\*

A30

09/04/2016

#125

COMPANIES HOUSE

## **Contents**

### **Reports**

Reference and administrative information	1
Trustees' report	3
Governance statement	10
Statement on regularity, propriety and compliance	15
Statement of trustees' responsibilities	16
Independent auditor's report on the financial statements	17
Independent accountant's report on regularity	19

### **Financial statements**

Statement of financial activities	21
Balance sheet	22
Cash flow statement	23
Principal accounting policies	24
Notes to the financial statements	27

## Reference and administrative information

<b>Members</b>	Lendlease Europe Limited Alan Bates Lord Harris of Peckham William Hugill Gordon Edington Victoria Quinlan Ian Crockford
<b>Trustees</b>	Alan Bates Joanne Brown Natalie Cramp Rev Jeremy Fraser Duncan Gray Rebecca Hickey William Hugill
<b>Governors</b>	Alan Bates (Chair) Rebecca Hickey (Principal and Accounting Officer) Karen Asker Joanna Brown Natalie Cramp Omar Elshouly Angela Forbes Rev Jeremy Fraser Duncan Gray Rosie Hardie William Hugill Sir Dan Moynihan (Chief Executive of Harris Federation) John Osibote Phil Saunders Jason Vincent
<b>Company Secretary</b>	SK Secretary Limited
<b>Registered address</b>	4 <sup>th</sup> Floor Norfolk House Wellesley Road Croydon CR0 1LH
<b>Company registration number</b>	06846720 (England and Wales)

## Reference and administrative information

**Auditor** Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

**Bankers** Barclays  
Level 21  
1 Churchill Place  
London  
E14 5HP

Natwest Bank PLC  
30 Tooting High Street  
London  
SW17 0XN

## **Trustees' report Year to 31 August 2015**

The trustees of Chobham School Academy (Stratford) ('the Academy') present their statutory report together with the financial statements of the charitable company for the year to 31 August 2015. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 24 to 26 of the attached financial statements and comply with the Academy's Memorandum and Articles of Association, applicable laws and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" ('SORP 2005').

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

#### **Constitution**

Chobham School Academy (Stratford) 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. Lend Lease Europe Limited is the principal sponsor and William Hugill is the junior sponsor of the Academy. The members of the Academy as defined in the Articles of Association are:

- ♦ the principal sponsor;
- ♦ up to four persons appointed by the principal sponsor;
- ♦ the junior sponsor;
- ♦ one person appointed by the Secretary of State;
- ♦ the chairman of the governors; and
- ♦ any other person appointed by the members.

#### **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 they cease to be a member, such amounts as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

#### **Principal activities**

The Academy's objects are specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad curriculum with a strong emphasis on, but in no way limited to Performing Arts and English and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

**STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

**Governors**

The following governors were in office at 31 August 2015 and served throughout the year except where shown.

<b>Governor</b>	<b>Position</b>	<b>Appointment/ Resignation</b>
Karen Asker	Parent Governor	
Alan Bates *	Chair, Sponsor Governor	
Anthony Bayon *	Sponsor Governor	Resigned 10 July 2015
Joanne Brown *	Sponsor Governor	
Natalie Cramp *	Sponsor Governor	
Mark Dickinson *		Resigned 1 September 2014
Omar Elshouly	Support Staff Governor	
Rev Jeremy Fraser *	Sponsor Governor	
Lisa Gledhill	Sponsor Governor	Appointed 3 November 2014 and resigned 10 July 2015
Duncan Gray *	Sponsor Governor	
Rosie Hardie	Teaching Staff Governor	
Rebecca Hickey *	Principal and Accounting Officer	Appointed 1 April 2015
Simon Hipperson *		Resigned 1 September 2014
William Hugill *	Sponsor Governor	
Lisa Kattenhorn	Acting Principal	Appointed 1 September 2014 and resigned 31 March 2015
Keith Morley *	Vice Chair	Resigned 10 July 2015
Sir Dan Moynihan	Sponsor Governor	
John Osibote	Parent Governor	
Peter Reay *	Sponsor Governor	Resigned 3 November 2014
Phil Saunders	Sponsor Governor	
Dianne Walls	LBN Governor	Resigned 10 July 2015

\* These governors are also trustees of the academy trust.

Since the year end Jason Vincent and Angela Forbes were appointed as governors on 1 October 2015.

The governance structure at the academy trust was reviewed during the year. The academy trust's governing body reports to the Harris Federation, which is in line with the structure adopted by other schools run by the Harris Federation. As Chobham School Academy (Stratford) operates as a separate legal entity, the ultimate responsibility for decision making at the academy trust rests with the board of trustees. The trustees will meet at least twice a year to approve a range of matters including the budget and approval of the accounts.

**Method of recruitment and appointment or election of governors**

The articles of association provide for the appointment or election of at least three governors, as follows:

- ◆ up to 9 Sponsor Governors;
- ◆ 1 Sponsor Governor appointed by the Junior Sponsor;
- ◆ 1 LA Governor;
- ◆ three parent governors;

**STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

**Method of recruitment and appointment or election of governors** (continued)

- ◆ three staff governors;
- ◆ the Principal; and
- ◆ any governors appointed by the Secretary of State.

**Policies and procedures adopted for the induction and training of governors**

We expect all governors to undertake training as appropriate to their work at the Academy. New governors will be provided with an induction programme delivered partly in-house and partly through external sources as required. A log is kept of all governor training and reviewed on a regular basis at governor meetings.

**Organisational structure**

The trustees of the Academy are appointed by the members of the charitable company. The trustees are responsible for strategic oversight of the Academy and are ultimately responsible for decision making.

The Academy is governed by a Governing Body constituted under a Memorandum of Association and Articles of Association. The Governing Body is responsible for ensuring that high standards of governance are maintained. It exercises its powers and functions with a view to fulfilling a largely strategic leadership role in the running of the Academy, addressing such matters as:

- ◆ Policy development and strategic direction;
- ◆ Ensuring compliance with legal requirements;
- ◆ Ensuring sound management and administration;
- ◆ Establishing and maintaining effective internal controls;
- ◆ Management of all resources;
- ◆ Monitoring of the Academy's performance; and
- ◆ Assessing and managing risk.

Governors are responsible for setting general policy, adopting an annual School Development Plan and Budget and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments, subject to approval by the trustees.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Organisational structure** (continued)

The Principal is directly responsible for the day to day running of the Academy. The Senior Leadership Team controls the Academy at an executive level implementing the policies laid down by the governors and reporting back to them and providing evidence, reports and data analysis to Governing Body meetings, enabling governors to monitor effectively.

The Principal is the Accounting Officer.

### **Risk management**

The governing body has developed a risk register during the year in order to limit the Academy's exposure to risk.

### **Connected organisations, including related party relationships**

The Academy works with the Department of Education and the EFA and maintains links with the London Borough of Newham.

The Academy is run by the Harris Federation and is sponsored by Lend Lease and William Hugill.

## **OBJECTIVES AND ACTIVITIES**

### **Objects and aims**

The sole activity of the charitable company is the operation of Chobham School Academy (Stratford); an Academy School providing education for pupils aged 3 to 18.

### **Public Benefit**

In setting the Academy's objectives and planning its activities, the governing body have given careful consideration to the Charity Commission's general guidance on public benefit. The trustees have complied with their duty to have due regard to the guidance on public benefit, published by the Charity Commission, in exercising their powers or duties.



## **STRATEGIC REPORT**

### **Achievements and performance**

#### ***Review of activities***

During the 2014-15 academic year Chobham Academy was oversubscribed and pupil numbers increased to 1550. The Academy was inspected for the first time and was judged by Ofsted to be Outstanding in every aspect.

In their report, inspectors praised every aspect of the Harris academy's performance including its leadership and management, achievement of pupils, behaviour and safety and the quality of teaching.

Inspectors said that

- ◆ "Pupils make outstanding progress from their starting point";
- ◆ "The principal, leaders and governors have extremely high expectations for pupils' achievement and personal development";
- ◆ "The most able learners are provided with activities that stretch and challenge them";
- ◆ "Children in the early years provision are provided with a highly engaging curriculum which motivates them, challenges their curiosity and allows them to develop very good attitudes towards learning";
- ◆ "Pupils behave in an exemplary manner both inside and outside the academy buildings";
- ◆ "Sixth form students benefit from an extensive range of highly effective teaching and learning opportunities".

Our primary results (Phonics and KS2) and secondary results (AS and A2) were very commendable, reaching or exceeding national averages. The progress and attainment in all year groups was praised highly by OFSTED, a testament to the excellent teaching and learning at the academy.

Chobham Academy provides a rich and varied extra-curricular offer and a strong range of Performing Arts is offered alongside a broad and balanced curriculum. Provision for sport is world class with projects involving London Youth Rowing, West Ham Community Trust, UK Athletics and local Universities. This ensures that students grow in confidence and develop well rounded interpersonal skills.

The Academy has sought to position itself at the heart of the new community in the East Village and build a reputation for excellence locally and nationally. Valuable links have been established with The International Quarter, as well as the community development branch of Lend Lease, the Theatre Royal Stratford East, Barbican Centre, Guildhall and the Newham Music Hub among others.

**STRATEGIC REPORT** (continued)

**Achievements and performance** (continued)

***Review of activities*** (continued)

***Going concern***

After making appropriate enquiries, the governing body has a reasonable expectation that the Academy has adequate resources to continue its 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.

**Financial review**

***Financial report for the period***

The Academy's total incoming resources for the year to 31 August 2015 amounted to £9,952,000 (2014 - £7,625,000). The Academy held fund balances of £34,515,000 at 31 August 2015 (2014 - £36,080,000).

The results for the year are shown on page 21.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Academy's principal risks have been identified and there is a risk register in place to mitigate these risks. The risks fall into the following classifications; compliance, financial, operational, and strategic and reputational.

**Reserves policy**

The trustees are developing a reserves policy for the Academy in order to provide sufficient working capital to cover delays between spending and receipts of grants and to provide resources to deal with unexpected emergencies.

**Investment policy**

The trustees are working towards developing an investment policy which would enable the Academy to make better use of surplus funds, whilst maintaining adequate account balances to meet cash flow fluctuations.

**FUTURE ACTIVITIES AND PLANS**

In Summer 2016 the Academy will report its first set of GCSE results.

## **Trustees' report** Year to 31 August 2015

### **STRATEGIC REPORT** (continued)

#### **AUDITOR**

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.

Trustees' report, incorporating a strategic report, approved by order of the members of the board of trustees on 18/12/15 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Alan Bates', written over a horizontal line.

Alan Bates  
Chair of trustees

## Governance statement 31 August 2015

### Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that the Chobham School Academy (Stratford) 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 have 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 the Academy and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the board of governors 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 governors has formally met 3 times during the year. Attendance during the year at meetings of the governing body was as follows:

Governor	Meetings attended	Out of a possible
Karen Asker	3	3
Alan Bates *	3	3
Anthony Bayon *	3	3
Joanne Brown *	0	3
Natalie Cramp *	3	3
Omar Elshouly	2	3
Rev Jeremy Fraser *	3	3
Lisa Gledhill	3	3
Duncan Gray *	2	3
Rosie Hardie	1	3
Rebecca Hickey	1	1
William Hugill *	0	3
Lisa Katterhorn *	2	2
Keith Morley *	1	2
Sir Dan Moynihan	2	3
John Osibote	2	3
Phil Saunders	2	3
Dianne Walls	0	3

\* These governors are also trustees of the academy trust. Two trustees' meetings took place during the year immediately following the governors' meetings.

## Governance statement 31 August 2015

### Governance (continued)

#### Governance reviews

The Academy follows the Federation Finance Handbook for 2014-15, which contains the following in the Financial Planning section:

Each year the Governors must agree a planning cycle and timetable which allows for:

- ◆ A review of past activities, aims and objectives – “did we get it right?”
- ◆ Definition or redefinition of aims and objectives – “are the aims still relevant?”
- ◆ Development of the plan and associated budgets – “how do we go forward?”
- ◆ Implementation, monitoring and review of the plan – “who needs to do what by when to make the plan work and keep it on course”;
- ◆ Feedback into the next planning cycle – “what worked successfully and how can we improve?”

The first of these objectives constitutes a review of effectiveness. This phase of the planning timetable will be undertaken at the end of the Spring Term when Governors will be able to review the year to date and to incorporate the results of their review into plans for the forthcoming year.

The governance structure at the academy trust was reviewed during the year. The academy trusts governing body reports to the Harris Federation, which is in line with the structure adopted by other schools run by the Harris Federation. As Chobham School Academy (Stratford) operates as a separate legal entity, the ultimate responsibility for decision making at the academy trust rests with the board of trustees. The trustees will meet at least twice a year to approve a range of matters including the budget and approval of the accounts.

The Finance and General Purposes Committee is a sub-committee of the main board of governors. Its purpose is to assist the Governors with financial oversight and risk management.

Governor	Meetings attended	Out of a possible
Lisa Kattenhorn	2	2
Alan Bates	3	3
Anthony Bayon (Chair)	3	3
Joanne Brown	1	3
Rebecca Hickey	1	1
Sir Dan Moynihan	3	3
Phil Saunders	2	3

**Review of value for money**

As accounting officer the Principal has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during the academic year, and reports to the board of trustees where value for money can be improved, including the use on benchmarking data where available. The accounting officer for the academy trust has delivered and improved value for money during the year by:

*In Summer 2015 The Chobham Academy was inspected by Ofsted and was judged to be providing an Outstanding education. In providing a new community with an outstanding school, the academy is making a significant contribution to creating community cohesion in new East Village area. This represents very good value for money. Places at the academy are sought after and the academy is oversubscribed both at primary and secondary level indicating a strong level of confidence by the community in the school and showing that the investment made in building it was very good value.*

Cost saving and value management initiatives undertaken in the year include:

- ◆ Combining the Information Technology requirements of all the academy with those of the Harris Federation through their IT procurement team and then inviting suppliers to tender for larger quantities thereby obtaining better unit costs through economies of scale and better terms and conditions for maintenance and repair.
- ◆ Continuing negotiations with major suppliers of school equipment which resulted in increased discounts being made available because of the association with the Harris Federation.
- ◆ Benchmarking reprographics costs against information obtained from a central government sponsored framework which resulted in a reduction of both equipment leasing and cost per copy charges.
- ◆ The group catering contract continuous to provide savings and investment to individual Academies and represents good value for money

**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 the Academy's 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 at the Academy for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

## **Governance statement 31 August 2015**

### **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 ended 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

### **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:

- ◆ periodic financial reports which are reviewed and agreed by the board of trustees;
- ◆ regular reviews by the trustees 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 trustees have considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the internal audit function is carried out by the Harris Federation's internal auditor in line with other member academies of the Harris Federation. The trustees have also established a programme of Responsible Officer ('RO') visits. As permitted by the Academies Financial Handbook, this task has been outsourced to the external auditors. On a periodic basis, the external auditors will report to the RO on the operation of the systems of control and on the discharge of the RO's financial responsibilities.

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

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 external auditor;
- ◆ work performed by the RO;
- ◆ work performed by Harris Federation and Lend Lease; and

**Governance statement** 31 August 2015

**Review of effectiveness** (continued)

- ♦ the work of the Senior Management Team within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer will advise the board of trustees of the implications of her review of the system of internal control and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the trustees and signed on their behalf by:

  
ALAN BATES  
(Chair of trustees)

  
REBECCA HICKEY  
(Accounting Officer)

Approved on: 18/12/15



**Statement on regularity, propriety and compliance 31 August 2015**

As accounting officer of Chobham School Academy (Stratford), 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.

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.

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.



Rebecca Hickey  
Accounting Officer

Date: 18/12/15

## Statement of trustees' responsibilities 31 August 2015

The trustees (who act as trustees for the charitable activities of Chobham School Academy (Stratford) and are also the directors of the Academy for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with 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 Academy 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:

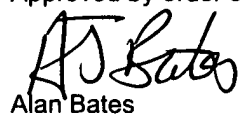
- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' Statement of Recommended Practice (the Charities' SORP);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting 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 Academy will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Academy 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 Academy 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 Academy 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 have been applied for the purposes intended.

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

Approved by order of the trustees on 18/12/15 and signed on its behalf by:



Alan Bates

Chair of trustees

**Independent auditor's report to the members of Chobham School Academy (Stratford)**

We have audited the financial statements of Chobham School Academy (Stratford) for the year ended 31 August 2015 which comprise the statement of financial activities, the balance sheet, the principal accounting policies 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).

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditor**

The trustees act as trustees for the charitable activities of Chobham School Academy (Stratford) and are also the directors of the charity for the purpose of company law.

As explained more fully in the statement of trustees' responsibilities set out in the Trustees' report, including the strategic report, the trustees 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 (APB'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 charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' report, including the strategic report, to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect, 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.

**Independent auditor's report 31 August 2015**

**Opinion**

In our opinion:

- ◆ the financial statements give a true and fair view of the state of the charity's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ◆ the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ the financial statements have been prepared in accordance with the Companies Act 2006.

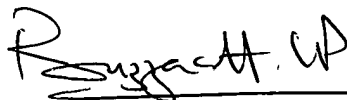
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the trustees' report, including the strategic report, for the financial period for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

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

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



Avnish Savjani, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

22 December 2015

## **Independent accountant's report 31 August 2015**

### **Independent reporting accountant's assurance report on regularity to Chobham School Academy (Stratford) and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 3 October 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Chobham School Academy (Stratford) during the period from 1 September 2014 to 31 August 2015 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 Chobham School Academy (Stratford) and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Chobham School Academy (Stratford) and the 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 the Chobham School Academy (Stratford) and the EFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Chobham School Academy (Stratford) Accounting Officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Chobham School Academy (Stratford) funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2014, 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 2014 to 2015. 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 period from 1 September 2014 to 31 August 2015 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 2014 to 2015 issued by the 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.

**Independent accountant's report 31 August 2015**

**Approach (continued)**

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.

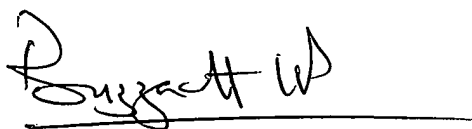
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the Academy's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

**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 period from 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London  
EC2V 6DL

22 December 2015

**Statement of financial activities** Year to 31 August 2015  
(including the income and expenditure account)

		Restricted funds					
	Notes	Un-restricted funds £'000	Restricted general £'000	Restricted other £'000	Fixed assets fund £'000	2015 Total funds £'000	2014 Total funds £'000
<b>Incoming resources</b>							
Income resources from generated funds							
. Voluntary income	1	—	—	—	—	—	3
. Activities for generating funds	2	55	—	—	—	55	17
Incoming resources from charitable activities							
. Funding for the Academy's educational operations	3	—	9,395	492	(7)	9,880	7,570
Other incoming resources		—	—	17	—	17	35
<b>Total incoming resources</b>		<b>55</b>	<b>9,395</b>	<b>509</b>	<b>(7)</b>	<b>9,952</b>	<b>7,625</b>
<b>Resources expended</b>							
Charitable activities							
. Academy's educational operations	6	—	9,007	498	1,986	11,491	9,076
Governance costs	7	—	26	—	—	26	30
<b>Total resources expended</b>	5	<b>—</b>	<b>9,033</b>	<b>498</b>	<b>1,986</b>	<b>11,517</b>	<b>9,106</b>
<b>Net incoming (outgoing) resources before transfers</b>							
		55	362	11	(1,993)	(1,565)	(1,481)
Gross transfers between funds	13	—	(374)	—	374	—	—
<b>Net movement in funds</b>		<b>55</b>	<b>12</b>	<b>11</b>	<b>(1,619)</b>	<b>(1,565)</b>	<b>(1,481)</b>
Fund balances carried forward at 1 September 2014		5	15	—	36,060	36,080	37,561
<b>Fund balances carried forward at 31 August 2015</b>		<b>60</b>	<b>3</b>	<b>11</b>	<b>34,441</b>	<b>34,515</b>	<b>36,080</b>

All of the charitable company's activities derived from continuing operations during the above two financial periods.

The charitable company has no recognised gains and losses other than those shown above and therefore no separate statement of recognised gains and losses is presented.

# **Balance sheet 31 August 2015**

	Notes	2015 £'000	2015 £'000	2014 £'000	2014 £'000
<b>Fixed assets</b>					
Tangible fixed assets	10		<b>34,441</b>		36,060
<b>Current assets</b>					
Debtors	11	<b>1,146</b>		1,794	
Cash at bank and in hand		<b>2,564</b>		538	
		<b>3,710</b>		2,332	
<b>Creditors: amounts falling due within one year</b>	12	<b>(3,636)</b>		(2,312)	
<b>Net current assets</b>			<b>74</b>		20
<b>Net assets</b>			<b>34,515</b>		<b>36,080</b>
<b>Funds of the Academy</b>					
Restricted funds					
. Fixed assets fund	13	<b>34,441</b>		36,060	
. EFA fund		<b>3</b>		15	
. Other restricted funds	13	<b>11</b>		—	
			<b>34,455</b>		36,075
Unrestricted funds					
General fund			<b>60</b>		5
<b>Total funds</b>			<b>34,515</b>		<b>36,080</b>

The financial statements on pages 21 to 35 were approved by the Trustees, and authorised for issue on \_\_\_\_\_ and are signed on their behalf by:



Alan Bates  
Chair of trustees

Chobham School Academy (Stratford)  
Company Limited by Guarantee  
Registration Number: 06846720 (England and Wales)



# **Cash flow statement** Year to 31 August 2015

	Notes	2015 £'000	2014 £'000
<b>Net cash inflow from operating activities</b>	18	<b>2,399</b>	537
Capital expenditure and financial investment	19	(373)	(6)
<b>Increase in cash in the year</b>		<b>2,026</b>	531
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net funds at 1 September 2014		538	7
<b>Net funds at 31 August 2015</b>	20	<b>2,564</b>	538

## **Principal accounting policies 31 August 2015**

### **Basis of preparation**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

### **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 company 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.

### **Incoming resources**

All incoming resources are recognised when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

#### *Grants receivable*

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.

### **Resources expended**

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

#### *Charitable activities*

These are costs incurred in relation to the Academy's development.

#### *Governance costs*

These include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

## **Principal accounting policies 31 August 2015**

### **Tangible fixed assets**

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 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.

All IT equipment costing more than £500 and all other assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost/valuation of each asset on a straight-line basis over its expected useful economic life.

Depreciation is charged on a straight line basis beginning in the year in which the asset is brought into use at the following annual rates:

♦ Freehold and long leasehold buildings	2% p.a.
♦ Furniture and equipment	25% p.a.
♦ Computer equipment	33% p.a.
♦ Motor vehicles	25% p.a.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

### **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.

**Pensions Benefits**

Retirement benefits to teachers employed at of the Academy are provided by the Teachers' Pension Scheme ('TPS'). This is a defined benefit scheme, contracted out of the State Earnings-Related Pension Scheme ('SERPS'), 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 teachers' 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 17, 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.

**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 the Education Funding Agency, Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted EFA funds comprise all other grants received from the Education Funding Agency.

**Agency Arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the Academy does not have control over the charitable application of the funds. The Academy can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 21.

# Notes to the Financial Statements Year to 31 August 2015

## 1 Voluntary income

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Donations	—	—	—	3

## 2 Activities for generating funds

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Letting and other income	55	—	55	17

## 3 Funding for the Academy's educational development

	Unrestricted funds £'000	Restricted general funds £'000	2015 Total funds £'000	2014 Total funds £'000
<b>DfE / EFA grants</b>				
. Capital funding	—	(7)	(7)	429
. General Annual Grant (GAG)	—	8,335	8,335	5,603
. Start Up	—	251	251	1,041
. Other DfE grants	—	809	809	322
<b>Other grants</b>				
. LEA and other grants	—	492	492	175
	—	9,880	9,880	7,570

## 4 Other incoming resources

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Rebates and insurance claims	—	3	3	6
Other income	—	14	14	29
	—	17	17	35

**Notes to the Financial Statements** Year to 31 August 2015

**5 Resources expended**

	Staff costs £'000	Depreciation £'000	Other costs £'000	<b>Total 2015 £'000</b>	<b>Total 2014 £'000</b>
Academy's educational operations (note 6)					
. Direct costs	5,072	1,986	720	<b>7,778</b>	5,706
. Allocated support costs	1,896	—	1,567	<b>3,463</b>	2,329
. Implementation costs	—	—	250	<b>250</b>	1,041
	<b>6,968</b>	<b>1,986</b>	<b>2,537</b>	<b>11,491</b>	<b>9,076</b>
Governance costs including allocated support costs (note 7)	—	—	26	<b>26</b>	30
	<b>6,968</b>	<b>1,986</b>	<b>2,563</b>	<b>11,517</b>	<b>9,106</b>

Outgoing resources for the year include:

	<b>2015 £'000</b>	<b>2014 £'000</b>
Operating leases:		
. Plant and machinery	<b>2</b>	3
Auditor's remuneration		
. Current year financial statements audit	<b>9</b>	10
. Other services	<b>6</b>	5

## Notes to the Financial Statements Year to 31 August 2015

### 6 Charitable activities – Academy's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
<b>Direct costs</b>				
Teaching and educational support staff costs	—	5,072	5,072	3,483
Depreciation	—	1,986	1,986	1,951
Technology costs	—	129	129	104
Education supplies	—	442	442	106
Examination fees	—	95	95	45
Staff development	—	14	14	5
Other direct costs	—	40	40	12
	—	7,778	7,778	5,706
<b>Educational support costs</b>				
Support staff costs	—	1,896	1,896	780
Pupil recruitment and support	—	111	111	123
Maintenance of premises and equipment	—	322	322	316
Occupancy costs	—	405	405	415
Catering	—	299	299	124
Technology costs	—	23	23	18
Other support and admin costs	—	407	407	553
	—	3,463	3,463	2,329
<b>Implementation costs</b>				
Staff costs	—	—	—	409
Other	—	250	250	632
	—	250	250	1,041
	—	11,491	11,491	9,076

### 7 Governance costs

	Unrestricted general funds £'000	Restricted general funds £'000	2015 Total funds £'000	2014 Total funds £'000
Legal and professional fees	—	11	11	15
Auditor's remuneration	—	15	15	15
	—	26	26	30

## Notes to the Financial Statements Year to 31 August 2015

### 8 Staff costs

#### (a) Staff costs

Staff costs during the period were:

	2015 Total funds £	2014 Total funds £
Wages and salaries	5,053	3,632
Social security costs	423	311
Pension costs	562	415
	6,038	4,358
Supply staff costs	561	151
Recruitment and other costs	369	164
	6,968	4,673

#### (b) Staff numbers

The average numbers of persons (including senior management team) at the Academy during the year expressed as a full time equivalents was as follows:

	2015 Number	2014 Number
<b>Activities</b>		
Teachers	77	47
Administration and support	57	39
Management	9	10
	143	96

#### (c) Higher paid staff

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2015 No	2014 No
£60,001 - £70,000	3	—
£70,001 - £80,000	—	2
£80,001 - £90,000	1	—
£150,001 - £160,000	—	1

All of the above employees earning more than £60,000 per annum participated in either the Teachers' Pension Scheme or the Local Government Pension Scheme.



## 9 Trustees' remuneration and expenses

The Principal only receives remuneration in respect of services provided undertaking the role of Principal and not in respect of their services as trustees. Other trustees did not receive any payments from the School. The value of trustees' remuneration and other benefits during whilst trustee was as follows:

	2015 £	2014 £
Lisa Kattenhorn, Acting Principal and trustee		
. Remuneration	£50,000 - £55,000	—
. Employer's pension contributions	£5,000 - £10,000	—
Rebecca Hickey, Principal and trustee		
. Remuneration	£15,000 - £20,000	—
. Employer's pension contribution	£0 - £5,000	—

During the year ended 31 August 2015, no travel and subsistence expenses were reimbursed to trustees (2014 - £nil).

Other related party transactions involving the trustees are set out in note 16.

## 10 Tangible fixed assets

	Leasehold land and buildings £'000	Furniture, fittings and equipment £'000	Computer and office equipment £'000	Total funds £'000
<b>Cost/valuation</b>				
At 1 September 2014	33,761	1,597	2,653	38,011
Additions	258	76	33	367
At 31 August 2015	34,019	1,673	2,686	38,378
<b>Depreciation</b>				
At 1 September 2014	673	396	882	1,951
Charge in period	680	411	895	1,986
At 31 August 2015	1,353	807	1,777	3,937
<b>Net book value</b>				
At 31 August 2015	32,666	866	909	34,441
At 31 August 2014	33,088	1,201	1,771	36,060

The land on which the Academy building is situated has not been included in these financial statements because the site is designated for educational purposes and has no open market value.

# Notes to the Financial Statements Year to 31 August 2015

## 11 Debtors

	2015 £'000	2014 £'000
Trade debtors	197	132
Prepayments	82	65
Other debtors	5	11
VAT recoverable	484	1,248
Accrued income	378	338
	<b>1,146</b>	<b>1,794</b>

## 12 Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Trade creditors	2,132	1,264
Other creditors	629	558
Accruals and deferred income	875	490
	<b>3,636</b>	<b>2,312</b>

### Deferred income

	2015 £'000
Deferred income at 1 September 2014	267
Resources deferred in the year	53
Amounts released from previous years	(267)
Deferred income at 31 August 2015	<b>53</b>

At the balance sheet date, the Academy was holding funds for the year ended 31 August 2016 in relation to Universal Infant Free School Meals.

## 13 Funds

	At 1 September 2014 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses and transfers £'000	At 31 August 2015 £'000
<b>EFA revenue grant fund</b>					
. General Annual Grant	15	8,335	(7,974)	(374)	2
. Start up	—	251	(250)	—	1
. Other DFE	—	809	(809)	—	—
	<b>15</b>	<b>9,395</b>	<b>(9,033)</b>	<b>(374)</b>	<b>3</b>
<b>Other</b>					
. LEA and other grants	—	506	(498)	—	8
. Other restricted funds	—	3	—	—	3
	<b>15</b>	<b>9,904</b>	<b>(9,547)</b>	<b>(374)</b>	<b>14</b>
<b>Fixed assets fund</b>					
. EFA capital grants	36,060	(7)	(1,986)	374	<b>34,441</b>
<b>Total restricted funds</b>	<b>36,075</b>	<b>9,897</b>	<b>(11,517)</b>	<b>—</b>	<b>34,455</b>
<b>Unrestricted funds</b>	<b>5</b>	<b>55</b>	<b>—</b>	<b>—</b>	<b>60</b>
<b>Total funds</b>	<b>36,080</b>	<b>9,952</b>	<b>(11,517)</b>	<b>—</b>	<b>34,515</b>

## Notes to the Financial Statements Year to 31 August 2015

### 13 Funds (continued)

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

#### *General Annual Grant (GAG)*

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

#### *Other funds*

Other grants include funding received from the DfE and Local Education Authorities for specific purposes.

#### *Fixed asset fund*

The fixed asset fund includes grants received from the DfE and other sources to finance the development and building of the new academy and other tangible fixed assets.

#### *Transfers between funds*

Transfers from the EFA General Annual Grant Fund and from general funds to the fixed asset fund relate to fixed assets purchases from these funds.

### 14 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted general Funds £'000	Restricted fixed asset fund £'000	Total 2015 £'000
<b>Fund balances at 31 August 2015 are represented by:</b>				
Tangible fixed assets	—	—	34,441	<b>34,441</b>
Current assets	60	3,650	—	<b>3,710</b>
Current liabilities	—	(3,636)	—	<b>(3,636)</b>
<b>Total net assets</b>	<b>60</b>	<b>14</b>	<b>34,441</b>	<b>34,515</b>

### 15 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.

## Notes to the Financial Statements Year to 31 August 2015

### 16 Related party transactions

The principal sponsor of Chobham School Academy (Stratford) is Lend Lease Europe Limited. There were no cash transactions between Lend Lease Europe Limited and the company during the year ended 31 August 2015 (2014 – none).

The academy trust is run by the Harris Federation, through its subsidiary company, Harris Professional Services Limited. The staff at the academy trust are employed by the Harris Federation and the cost of the staff and the cost of running the academy trust is invoiced through Harris Professional Services. In addition, part of the School's ICT was provided by Harris Academies Project Management Limited, a subsidiary of the Harris Federation. The staff costs are invoiced at cost and the running costs are invoiced in line with the agreed rates for the other member schools of the Harris Federation.

The transactions between Chobham Academy (Stratford) and the Harris Federation and its subsidiaries were as follows:

2015				
	Income during the year £'000	Expenditure during the year £'000	Owed at 31 August £'000	Due at 31 August £'000
Harris Federation	151	287	247	150
Harris Professional Services Limited	13	6,755	1,548	13
	<b>164</b>	<b>7,042</b>	<b>1,795</b>	<b>163</b>
2014				
	Income during the year £'000	Expenditure during the year £'000	Owed at 31 August £'000	Due at 31 August £'000
Harris Federation	88	106	128	105
Harris Professional Services Limited	—	4,889	806	1
Harris Academies Project Management Limited	402	—	—	—
	<b>490</b>	<b>4,995</b>	<b>934</b>	<b>106</b>

The trust complied with the requirements of the EFA's Academies Financial Handbook when entering into the above transactions.

## Notes to the Financial Statements Year to 31 August 2015

### 17 Pension and similar obligations

The School's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the London Borough of Newham. Both are defined-benefit schemes.

The staff are employed on Harris Federation contracts and make contributions into the LGPS along with Harris Federation staff. The pension obligation is therefore recorded in the Harris Federation Financial Statements.

### 18 Reconciliation of net expenditure to net cash inflow from operating activities

	2015 £'000	2014 £'000
Net expenditure	(1,565)	(1,481)
Depreciation	1,986	1,951
Capital grants from DfE / EFA	7	(429)
Decrease (increase) in debtors	648	(1,434)
Increase in creditors	1,324	1,930
<b>Net cash inflow from operating activities</b>	<b>2,399</b>	<b>537</b>

### 19 Capital expenditure and financial investment

	2015 £'000	2014 £'000
Purchase of tangible fixed assets	(366)	(435)
Capital grants from DfE / EFA	(7)	429
<b>Net cash outflow from capital expenditure and financial investments</b>	<b>(373)</b>	<b>(6)</b>

### 20 Analysis of changes in net funds

	At 1 September 2014 £'000	Cash flows £'000	At 31 August 2015 £'000
Cash at bank and in hand	538	2,026	2,564

### 21 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2015 the trust received £36,897 and disbursed £16,441 from the fund. An amount of £18,611 is included in other creditors relating to undistributed funds that will be dispersed to students in 2015/16.