

REGISTRAR OF COMPANIES

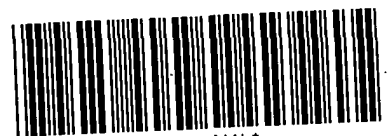
**The Howard Partnership
Trust**

**Annual Report and Financial
Statements**

31 August 2014

Company Limited by Guarantee
Registration Number
07597068 (England and Wales)

THURSDAY



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COMPANIES HOUSE

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Reference and administrative information

Members

In office at date of approval of financial statements

Founder members

R J Barnfield

C Williamson

G Walker

Nominated by Howard of Effingham School

P Entwistle

S Williams

Nominated by Thomas Knyvett College

S Smith

J Cheetham

Nominated by Kenyngton Manor School

G Hicks

Trustees

R J Barnfield

P Bush

T Crombie

J K Ripley

M Swyny

G Walker (Vice Chair)

C Williamson (Chair)

Company Secretary

J Moore

Executive Leadership Team

CEO / Executive Head (Secondary)

Executive Head (Primary)

Director of Business & Finance

R J Barnfield

J Roddick

J Moore

Reference and administrative information

Registered address	Lower Road Effingham Surrey KT24 5JR
Company registration number	07597068 (England and Wales)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC 18 North Street Leatherhead Surrey KT22 7AR
Solicitors	Stone King LLP 16 St John's Lane London EC1M 4BS

Trustees' report 31 August 2014

The Trustees of The Howard Partnership Trust present their statutory report together with the financial statements of the Charitable Company for the year to 31 August 2014. These consolidated financial statements include the results of Howard of Effingham School for the year ended 31 August 2014, the results of Thomas Knyvett College for the ten months ended 31 August 2014 and the results of Kenyngton Manor School for the nine months ended 31 August 2014. The results for the year ended 31 August 2013 were for Howard of Effingham School only. 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 26 to 29 of the attached financial statements and comply with the Trust's memorandum and articles of association, applicable laws and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 ('SORP 2005').

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The Memorandum and Articles of Association are the primary governing documents of the Trust. The Trust was incorporated on 8 April 2011 and took over the activities of Howard of Effingham School from 1 July 2011.

The Trust was known as Howard of Effingham School up until 7 October 2013.

On 8 October 2013 the Trust changed its name from Howard of Effingham School to The Howard Partnership Trust.

On 1 November 2013 The Howard Partnership Trust became a Multi Academy Trust and Howard of Effingham School and Thomas Knyvett College became academies within The Howard Partnership Trust. On 1 December 2013 Kenyngton Manor Primary School became an academy within The Howard Partnership Trust.

The Trust's revised Memorandum and Articles of Association reflect the conversion to Multi Academy Trust status. Following this, a Local Governing Body (LGB) was established as a committee of The Howard Partnership Trust for each Academy within the Multi Academy Trust. LGB members do not act as Trustees or Directors of the Charitable Company unless directly appointed to do so.

Details of the Trustees who served throughout the period except as noted are included on page 4.

Members' liability

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

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Principal activities

The Trust's principal activities in accordance with its objectives for the year ended 31 August 2014 were advancing education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum. In addition, the Trust promoted the use of recreational facilities and provided public lectures and educational events for the benefit of local residents and their families.

Trustees

In the year under review Trustees, who are also Directors of the Charitable Company for the purposes of the Companies Act 2006, were as follows and served throughout the period except where shown:

Trustee	Appointed/Resigned
Mrs R J Barnfield	
Mr P Bush	
Ms T Crombie	Appointed 1 November 2013
Mrs J Dickinson	Resigned 31 October 2013
Mr P Entwistle	Resigned 31 October 2013
Mrs J Field	Resigned 31 October 2013
Dr K Halsey	Resigned 31 October 2013
Mrs S Maddox	Resigned 31 October 2013
Mr J K Ripley	
Mr A M Smith	Resigned 31 October 2013
Mr S Snashall	Resigned 31 October 2013
Mr P Stephen	Resigned 31 October 2013
Mr M Swyny	
Mrs G Walker	
Mrs K White	Resigned 31 October 2013
Mrs S Williams	Resigned 31 October 2013
Mr C Williamson	
Dr T Wood	Resigned 31 October 2013

On 31 October 2013 the Governors of Howard of Effingham School stood down as trustees but continued as members of the local governing body.

Method of recruitment and appointment or election of Trustees from 1 November 2013

For the period under review the Trust Board was constituted with:-

- ♦ CEO
- ♦ Four Member Appointed Trustees,
- ♦ Two Trust Appointed Trustees

The CEO would have been selected by the Trust Board should there have been a vacancy. Member Appointed Trustees were appointed in accordance with the Articles of Association. Trust Appointed Trustees were recommended by the Local Governing Body of each successful school and ratified by the Trust Board.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Governors

Method of recruitment and appointment or election of Governors until 31 October 2013

Up until 31 October 2013 the Governing Body was constituted with:-

- ◆ Six Foundation Governors,
- ◆ Six Parent Governors,
- ◆ Two Community Governors,
- ◆ Two Staff Governors,
- ◆ The Executive Head.

Foundation Governors were appointed by the Howard Partnership Education Trust (HPET) and Community Governors were appointed by the Governing Body. Parent Governors were elected by parents of registered pupils at the School. A Parent Governor must be a parent of a pupil at the School at the time when elected. Staff Governors were elected by staff members at the School. Should there have been a vacancy, the Executive Head would be selected by HPET with the recommendation endorsed by the Governing Body.

Policies and procedures adopted for the induction and training of Trustees

The Trust Board has an informal process for the induction and training of new Trustees and Governors.

An induction pack is maintained by the Vice-Chair of the Trust Board. An informal induction is held with all new Trustees and Governors, typically a morning meeting where various topics are discussed with the Chair, Vice-Chair and Executive Head. All new Trustees and Governors are strongly encouraged to participate in the induction training provided termly by Babcock 4S under the Trusts' Service Level Agreement. All new Governors are provided with a mentor to assist in their development. As Governor turn-over is low, bespoke induction programmes are able to be provided to individuals.

Organisational structure

The CEO, Executive Head (Primary), Heads of School, and Director of Business & Finance are appointed by the Trust Board. The CEO is the Accounting Officer.

Responsibility is delegated from the Trustees to individual Local Governing Bodies via an appropriate Scheme of Delegation.

The Governors and Trustees fulfil a largely strategic role. They are responsible for setting general policy, adopting an annual development plan and budget, monitoring the school by the use of budgets and making major decisions about the direction of the school, capital expenditure and senior staff appointments.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure (continued)

Schools within The Howard Partnership Trust have a unified structure to ensure they are run in an efficient way. The Executive Leadership Team meets regularly with Heads of School.

As at 31 August 2014:

Head of School (Howard of Effingham School) H Pennington

Head of School (Thomas Knyvett College) J Marillat

Head of School (Kenyngton Manor School) K Scott

Head of School (seconded to Oxted School) N Euridge

Each Head of School is supported by a Senior Leadership Team. These professionals lead the school at a senior level implementing the policies ratified by the Trust. As a group the SLT are responsible for the authorisation of spending within approved budgets and the appointment of staff (having regard to the Executive Head's advice), although appointment boards for senior posts including the SLT are supported by at least one Governor.

The leadership structure consists of three levels: the Local Governing Body, the Senior Leadership Team (SLT) and middle leadership within the school. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The middle leadership team within each school includes the Year Leaders and the Heads of Faculty. These leaders are responsible for the day to day operation of the school, in particular organising and developing the teaching staff, facilities and students' well-being at the school.

Connected organisations, including related party relationships

Up until 31 October 2013, Howard of Effingham School had a formal arrangement with the Howard Partnership Education Trust (HPET) to be a member of The Howard Partnership. A Memorandum of Agreement detailed the terms and conditions of the arrangement and the range of support to be offered by the HPET for the benefit of the School. HPET was a charitable company limited by guarantee which acted as an overarching "umbrella" Trust for schools in the partnership. HPET was dissolved on 23 September 2014.

Up until 31 October 2013, Howard of Effingham School had a soft federation arrangement with Thomas Knyvett College (TKC), a secondary school in Ashford and also a member of The Howard Partnership with a Memorandum of Agreement with the HPET. Services were provided to TKC by some staff employed at Howard of Effingham School.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Connected organisations, including related party relationships (continued)

Up until 31 October 2013, Howard of Effingham School also provided services and support for Kenyngton Manor Primary School (KMS), a primary school in Sunbury-on-Thames. These included services provided to KMS by some staff employed at Howard of Effingham School. From 1 November 2013 to 30 November 2013 these services were provided by The Howard Partnership Trust.

On 1 December 2013 Kenyngton Manor School, previously a Local Authority Maintained School, became a Sponsored Academy within The Howard Partnership Trust.

During 2013-14 the Trust has provided leadership solutions for Oxted School and St Lawrence Primary School, Effingham. St Lawrence Primary School became a Sponsored Academy within The Howard Partnership Trust on 1 November 2014.

The Howard Partnership Advisory Trust (HPAT), Company Number: 07131641 and previously known as The Howard Partnership Trust, was formed in January 2010 when Howard of Effingham School and Thomas Knyvett College became foundation schools within a shared Trust. Its role was changed in July 2011 when both schools converted to academy status; the governance activities were transferred to the HPET, to which HPAT could nominate one trustee. On 3 July 2014 The Howard Partnership Advisory Trust was dissolved.

The Howard of Effingham School Charitable Trust exists to support Howard of Effingham School by providing enhancements for students which would not otherwise be affordable.

Howard of Effingham School belongs to and works closely with the Effingham Learning Partnership (ELP), a confederation of 11 local schools linked to Howard of Effingham School.

Thomas Knyvett College and Kenyngton Manor School belong to and work closely with Spelthorne Schools Together, a confederation of 26 schools in the Borough of Spelthorne.

These confederations work for the benefit of local children and young people, including managing the provision of children's services in support of education and promoting collaboration in learning.

OBJECTS AND AIMS

Up until 31 October 2013, the Trust's objects were specifically restricted to the advancement for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

From 1 November 2013 the objects have been revised and expanded to incorporate activities undertaken as a Multi Academy Trust.

Objectives, Strategies and Activities

The objectives, strategies and activities of academies within The Howard Partnership Trust are fully outlined in the School Development Plans, renewed annually and monitored on a regular basis, typically termly.

Public Benefit

The public benefit provided by the Trust is outlined in the Objects and Aims above. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting appropriate policies for the year.

STRATEGIC REPORT

Achievements and performance of Howard of Effingham School

The School is in its third year of operation as an academy and once again achieved the forecast number of students. Total students in the year ended 31 August 2014 numbered 1,562 and the School had more than a full complement in all years but one. The total number of registered pupils of compulsory age on roll was 1,215 with an additional 347 students in the Sixth Form.

The School will continue to admit 240 students in each year.

The summer 2014 results continue to demonstrate academic excellence.

A Level

- ◆ From a cohort with significantly weaker prior attainment than the previous year, 51.7% of all grades were A*-B (compared to 59.4% in 2013).
- ◆ 78.2% of all grades were A* to C (compared to 80.6% in 2013).
- ◆ 98.1% pass rate (matching the 2013 national figure).
- ◆ Average points score: 345.

STRATEGIC REPORT (continued)

Achievements and performance of Howard of Effingham School (continued)

GCSE

- ◆ 79.5% of Year 11 students gained 5 or more A*-C grades including English and Maths.
- ◆ 89% of Year 11 students achieved 5 or more A*-C grades or equivalent.
- ◆ 94.8% of students studying sciences achieved the equivalent of 2x A*-C grades (2013, 95.1%), an excellent outcome given the changes in GCSE equivalences for OCR and BTEC courses.
- ◆ 46% of students achieved the EBacc Qualification. The national figure for 2013 was 16%.
- ◆ 35.7% of all grades were at A/A* (23.1% national).
- ◆ 38% students exceeded their challenging Fischer Family Trust Type D (FFTD) capped 8 estimates.
- ◆ Five students gained 10 or more A* grades.
- ◆ Average points score: 44.9.

Achievements and performance of Thomas Knyvett College

The School is in its third year of operation as an academy. The total number of registered pupils of compulsory school age on roll was 508 students in the year ended 31 August 2014. The School will continue to admit up to 150 students in each year.

The summer 2014 examination results exceeded their FFT D target by 11%.

GCSE Results

- ◆ 60% of Year 11 students achieved 5 or more A*-C grades including English and Maths.
- ◆ 78% of Year 11 students achieved 5 or more A*-C grades or equivalent.
- ◆ 67% achieved A* - C in Maths.
- ◆ 76% achieved A* - C in English.
- ◆ 76% achieved A* - C in Science.

In order to assure quality and secure continual improvement, both Schools undertake regular monitoring and evaluation. All teachers are observed at least twice a year. Points for improvement are identified from all observations, including the very best lesson deliveries.

There is an increasingly tight focus on monitoring performance data to identify how much progress is being made by students. This allows the School to highlight individuals or groups who may need additional support because they are not progressing as fast as they could.

STRATEGIC REPORT (continued)

Achievements and performance of Thomas Knyvett College (continued)

GCSE Results (continued)

Every year each faculty and year group undertakes a review of previous performance and plans for improvement. This culminates in a discussion with senior leaders. Outcomes from these discussions provide the basis for the whole school improvement priorities.

The School engages external consultants to review particular areas as necessary.

Achievements and performance of Kenyngton Manor School

Kenyngton Manor is a two-form entry primary setting with a total of 314 pupils on roll for the year ended 31 August 2014. Following the conversion to Academy Status within The Howard Partnership Trust in December 2013, the school has made a rapid recovery and was removed from Special Measures. Pupil outcomes are improving across all key stages, although outcomes for combined English and maths at L4 are currently below the floor target. The introduction of new processes for pupil progress tracking, monitoring the quality of teaching, staff CPD and leadership development have combined for a rapid improvement in the quality of provision across the school.

By the end of the academic year 2013/14 pupil outcomes had improved in Early Years, Key Stage 1 and Key Stage 2. The percentage of pupils achieving a 'good level of development' in reception rose from 0% to 54%.

At Key Stage 1 pupils reaching L2+ in reading and writing were the highest levels for three years. In maths the results at L2+ were the highest in five years. The proportion of pupils achieving a L3 in writing increased from 2013 levels.

At Key Stage 2 pupil progress accelerated in reading, writing and maths from September 2013 enabling most pupils to make progress in line with at least expected levels with a number making more than expected progress in reading. The progress of pupils accessing Pupil Premium funding made better progress than the national figure. The progress of SEN pupils was also higher than the national average.

Going concern

After making appropriate enquiries, the Trust Board has a reasonable expectation that The Howard Partnership Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Trust 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.

STRATEGIC REPORT (continued)

Financial review

Financial report for the year

Most of the schools' income is obtained from the Education Funding Agency (EFA) in the form of the General Annual Grant (GAG), the use of which is restricted for education purposes. The grants received from the EFA and other government bodies during the period and the associated expenditure are shown as restricted funds in the statement of financial activities.

The schools also received grant funding for capital investment and maintenance from the EFA. In accordance with the Statement of Recommended Practice (SORP 2005), Accounting and Reporting by Charities, such a grant is shown in the statement of financial activities if spent during the period as restricted income within the fixed assets funds. The balance sheet restricted fixed assets fund is reduced by expenditure equivalent to any depreciation charges over the expected useful life of the assets concerned.

The total income for the year was £26,754,217 (2013 - £9,085,503). This included transfers to the Trust of £11,559,050 (2013 - £nil) upon schools joining the trust. Also included within this balance was the General Annual Grant of £11,424,159 (2013 - £7,650,066) (see note 1).

The excess of income over expenditure for the year, excluding the fixed assets fund, the pension reserve and the transfer into the Trust was £1,161,198 (2013 - £500,260).

At 31 August 2014, the Trust had total funds of £21,177,791 (2013 - £10,185,881). This was comprised of £19,470,319 (2013 - £9,123,706) of restricted funds and £1,707,472 (2013 - £1,062,175) of unrestricted general fund balances. The pension reserve balance, relating to the Local Government defined benefit scheme for non-teaching staff, was in deficit by £3,332,000 at 31 August 2014 (2013 - £1,256,000).

The results for the period are shown on page 23.

Risk management

The Trustees and Governors have assessed the major risks to which each school is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the School, and its finances. The Governors have monitored the effectiveness of school procedures implemented to mitigate risks that the School faces, especially in the operational areas; recruitment, Health & Safety (including safeguarding) and financial controls. Where significant financial risk still remains they have ensured where possible that they have adequate insurance cover.

A dedicated Audit Committee has responsibility for internal control; this is delegated from the Board of Trustees. The Audit Committee comprises three Trustees with the Director of Business and Finance acting in an advisory capacity.

STRATEGIC REPORT (continued)

Financial review (continued)

Financial and Risk Management Objectives and Policies

The principal risk management objective of the Trust as stated in the Risk Management Policy is to minimise all identified risks as outlined in the risk register by frequent review and remedial actions where required.

PRINCIPAL RISKS AND UNCERTAINTIES

The major risks to which the Trust is exposed are:-

- ◆ Infrastructure / Capacity challenges resulting from The Partnership expansion programme
- ◆ Financial risks of funding rapid growth in the Trust membership
- ◆ Risk profile of potential members
- ◆ Changes in Government / EFA Policy regarding academies
- ◆ Changes to Educational Funding

Reserves Policy

The Trustees have agreed a Reserves Policy. Trustees believe that it is appropriate to hold a minimum of 1% of budgeted expenditure as a reserve, and this is subject to annual review.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) was £1,707,472 at 31 August 2014 (2013 - £1,062,175) and is in accordance with the Trustees' policy whereby the Trustees' agree to set aside funds for significant planned projects that cannot be met by future income alone. Projects are detailed and prioritised in the schools' Site Development Plans.

The Trust had a consolidated pension scheme liability of £3,332,000 as at 31 August 2014 which forms part of restricted reserves. The disclosure does not mean that liability is already committed and is no longer available to the Trustees to further the Trust's objectives. Parliament has agreed, at the request of the Secretary of State for Education, in the event of academy closure, outstanding Local Government Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013. In the short term, the cash flow impact of having a pension scheme liability may be that employer contributions may increase in order to reduce the liability.

Investment Policy

The Trust does not have any material investments.

PLANS FOR FUTURE PERIODS

The Trust is intending to expand its membership to bring about increased life-chances for young people in Surrey. The Trust's priority is to continue to improve the performance of its students in all partnership schools as reflected in the mission statement "bringing out the best" and through activities in each School's Development Plan. Increased membership of the Trust will be managed in such a way as to ensure the realisation of the values and ethos of The Trust at all stages of development.

As lead school in The Trust, Howard of Effingham School is a designated National Support School and a registered academy sponsor. Members of the Leadership Team across the Partnership are regularly requested by Surrey County Council and the Department for Education to undertake local improvement support for schools in challenging circumstances in the Surrey area.

The Trust is working in partnership with Berkeley Homes to rebuild and expand Howard of Effingham School on a significantly larger site opposite the existing school. Funding for the project will be provided through enabling residential development.

The Trust is working in partnership with Brooklands College with the objective of leasing land to provide new facilities, some of which could be available for use by Thomas Knyvett College students.

AUDITOR

In so far as the Trustees are aware:-

- ◆ relevant audit information has been disclosed to The Trust's auditors; 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 15 December 2014 and signed on its behalf by:



C Williamson
Chair of Trustees

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Howard Partnership 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 CEO, 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 Trust and the Secretary of State for Education. The CEO is also responsible for reporting to the 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 Governing Body who were also the Trustees up until 31 October 2013, formally met twice with attendance as follows:

Governor	Number of Governing Body meetings attended	Out of a possible
Mrs R J Barnfield	2	2
Mr P Bush	1	2
Mrs J Dickinson	2	2
Mr P Entwistle	1	2
Mrs J Field	2	2
Dr K Halsey	1	2
Mrs S Maddox	2	2
Mr J K Ripley	2	2
Mr A M Smith	2	2
Mr S Snashall	1	2
Mr P Stephen	1	2
Mr M Swyny	2	2
Mrs G Walker	2	2
Mrs K White	1	2
Mrs S Williams	1	2
Mr C Williamson	2	2
Dr T Wood	1	2

The Trust Board met twelve times from 1 November 2013 to 31 August 2014. Attendance at these meetings was as follows:

Trustee	Number of meetings attended	Out of a possible
Mrs R J Barnfield	12	12
Mr P Bush	10	12
Ms T Crombie	11	12
Mr J K Ripley	10	12
Mr M Swyny	11	12
Mrs G Walker	10	12
Mr C Williamson	12	12

Governance (continued)

The Audit Committee is a sub-committee of the main Trust Board and comprises three Trustees with the CEO and Director of Business & Finance attending in an advisory capacity.

The Trust Board has responsibility for long-term planning, resourcing and monitoring to ensure the delivery of the overall strategic plan and for the review of financial policies. The Audit Committee is responsible for the review of the management of internal financial controls, risk management and corporate governance within The Howard Partnership Trust.

Monitoring the implementation and effectiveness of all matters relating to School Health and Safety falls within the terms of reference of the main Trust Board.

The Audit Committee met twice during the year.

Trustee	Number of meetings attended	Out of a possible
Ms T Crombie	2	2
Mr J K Ripley	2	2
Mr M Swyny	2	2

Governance reviews

The Trust established new governance arrangements for the MAT, after extensive consultation with the schools. These set up the Trust Board and Local Governing Bodies – with clear division of responsibilities. Although these areas are discussed with each potential new member, no full review is planned for 2014-15.

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 on-going process designed to identify and prioritise the risks to the achievement of The Howard Partnership Trust'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 Trust for the year ended 31 August 2014 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Trustees have reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustees are of the view that there is an on-going process for identifying, evaluating and managing the 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. This process is regularly reviewed by the Trustees.

The risk and control framework

The Trust'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 Trustees;
- ◆ regular reviews by the main Trust Board 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; and
- ◆ identification and management of risks.

The Trustees considered the need for a specific internal audit function and decided not to appoint an internal auditor during the period under review. However, the Trust Board has engaged its external auditors to perform a range of checks on the Trust's financial systems. On a termly basis, the external auditor reported to the Trustees on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

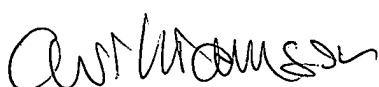
Review of effectiveness

As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question, the review has taken account of:

- ◆ the work of the external auditors;
- ◆ the financial management and governance self-assessment process; and
- ◆ the work of the Senior Leadership Team within each school who have responsibility for the development and maintenance of the internal control framework.

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

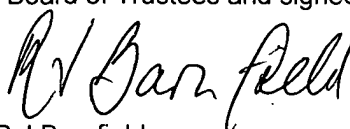
Approved by order of the members of the Board of Trustees and signed on their behalf by:



C Williamson
Chair of Trustees

Approved on:

15/12/14



R J Barnfield
CEO and Accounting Officer

Statement of regularity, propriety and compliance 31 August 2014

As Accounting Officer of The Howard Partnership Trust, I have considered my responsibility to notify the 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 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 Board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust'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.



R J Barnfield

Accounting Officer

Date: 15th December 2014

Statement of Trustees' responsibilities 31 August 2014

The Trustees (who are also the Directors of the Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Requirements 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 Trust 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:

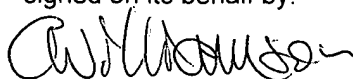
- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in the Charities' Statement of Recommended Practice (the Charities' SORP);
- ♦ make judgments and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust 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 Trust 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 corporate and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 15 December 2014 and signed on its behalf by:



C Williamson
Chair of Trustees

Independent auditor's report on the financial statements to the members of The Howard Partnership Trust

We have audited the financial statements of The Howard Partnership Trust for the year ended 31 August 2014 which comprise the statement of financial activities, the balance sheet, the cash flow statement, 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) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the Trust'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 Trust'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 Trust and the Trust'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 are also the Directors of the Trust 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 Trust'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 based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent auditor's report 31 August 2014

Opinion

In our opinion:

- ♦ the financial statements give a true and fair view of the state of the Trust's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ♦ the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ♦ the financial statements have been prepared in accordance with the Companies Act 2006; and
- ♦ the financial statements have been prepared in accordance with the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' report for the financial year 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.



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

17/12/14

Independent reporting accountant's assurance report on regularity to The Howard Partnership Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 4 September 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Howard Partnership Trust during the period from 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Howard Partnership Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Howard Partnership Trust 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 Howard Partnership Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Howard Partnership Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Howard Partnership Trust's funding agreement with the Secretary of State for Education dated 27 June 2011 and the Academies Financial Handbook, extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by 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.

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.

Independent reporting accountant's report on regularity 31 August 2014

Approach (continued)


Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Trust'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 Trust'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 2013 to 31 August 2014 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

17/12/14

Statement of financial activities Year to 31 August 2014
(Including income and expenditure account and statement of recognised gains and losses)

		Unrestricted general fund £	Restricted funds			2014* Total funds £	2013** Total funds £
			EFA £	Other £	Fixed assets fund £		
Incoming resources							
Incoming resources from generated funds							
Voluntary income	2	19,968	—	54,718	—	74,686	120,770
Voluntary income - transfers into Multi Academy Trust	25	230,264	4,323	—	9,526,636	9,761,223	—
Voluntary income – transfer on conversion	25	198,041	(547,000)	—	2,146,786	1,797,827	—
Activities for generating funds	3	1,014,046	—	—	—	1,014,046	690,166
Incoming resources from charitable activities							
Funding for the Trust's educational operations	4	—	12,394,258	1,635,914	76,263	14,106,435	8,274,567
Total incoming resources		1,462,319	11,851,581	1,690,632	11,749,685	26,754,217	9,085,503
Resources expended							
Cost of generating funds:							
Cost of activities for generating funds	5	34,055	—	—	—	34,055	—
Charitable activities							
Trust's educational operations	6	782,967	12,121,039	1,017,727	607,601	14,529,334	8,645,466
Governance costs	7	—	57,918	—	—	57,918	18,794
Total resources expended	5	817,022	12,178,957	1,017,727	607,601	14,621,307	8,664,260
Net incoming (outgoing) resources before transfers		645,297	(327,376)	672,905	11,142,084	12,132,910	421,243
Gross transfers between funds	15	—	(112,039)	26,645	85,394	—	—
Net income (expenditure) for the year		645,297	(439,415)	699,550	11,227,478	12,132,910	421,243
Other recognised gains and losses							
Actuarial (losses) gains on defined benefit pension scheme	23	—	(1,141,000)	—	—	(1,141,000)	50,000
Net movement in funds		645,297	(1,580,415)	699,550	11,227,478	10,991,910	471,243
Reconciliation of funds							
Fund balances brought forward at 1 September 2013	15	1,062,175	(929,672)	62,290	9,991,088	10,185,881	9,714,638
Fund balances carried forward at 31 August 2014		1,707,472	(2,510,087)	761,840	21,218,566	21,177,791	10,185,881

All of the Trust's activities derive from continuing operations during the above financial periods.

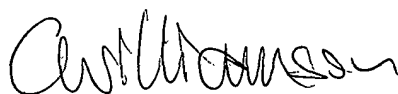
* These 2014 figures include the results of Howard of Effingham School, Thomas Knyvett College and Kenyngton Manor School.

** These 2013 figures include the results of The Howard of Effingham School only.

Balance sheet 31 August 2014

	Notes	2014 £	2014 £	2013 £	2013 £
Fixed assets					
Tangible fixed assets	12		21,136,253		9,960,037
Current assets					
Debtors	13	2,026,974		422,593	
Cash at bank and in hand		2,698,037		1,432,003	
		<u>4,725,011</u>		<u>1,854,596</u>	
Creditors: amounts falling due within one year	14	<u>(1,351,473)</u>		<u>(372,752)</u>	
Net current assets			<u>3,373,538</u>		<u>1,481,844</u>
Total assets less current liabilities			<u>24,509,791</u>		<u>11,441,881</u>
Pension scheme liability	23		<u>(3,332,000)</u>		<u>(1,256,000)</u>
Net assets including pension scheme liability			<u>21,177,791</u>		<u>10,185,881</u>
Funds of the Trust					
Restricted funds					
. Fixed assets fund	15		21,218,566		9,991,088
. EFA fund	15		821,913		326,328
. Pension reserve	15		(3,332,000)		(1,256,000)
. Other funds	15		<u>761,840</u>		<u>62,290</u>
			<u>19,470,319</u>		<u>9,123,706</u>
Unrestricted funds					
. General fund	15		1,707,472		1,062,175
Total funds			<u>21,177,791</u>		<u>10,185,881</u>

The financial statements on pages 23 to 45 were approved by the Trustees, and authorised for issue on 15 December 2014 and are signed on their behalf by:



C Williamson
Chair of Trustees

The Howard Partnership Trust
Company Limited by Guarantee
Registration Number: 07597068 (England and Wales)

Cash flow statement Year to 31 August 2014

	Notes	2014 £	2013 £
Net cash inflow from operating activities	18	535,538	384,618
Cash transferred on academy conversion		777,183	—
Capital expenditure	19	(46,687)	(93,339)
Increase in cash in the period	20	1,266,034	291,279
Reconciliation of net cash flow to movement in net funds:			
Net funds at 1 September 2013		1,432,003	1,140,724
Net funds at 31 August 2014		2,698,037	1,432,003

Principal accounting policies 31 August 2014

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 2013 to 2014 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 Trust 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 Trust 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 year is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations

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

Other income

Other income is recognised in the period it is receivable.

Incoming Resources (continued)

Gifts in kind

The value of gifts in kind provided to the Trust are recognised at a valuation attributed by the Trustees in the period in which they are receivable as incoming resources, where the benefit to the Trust can be reliably measured.

The conversion of Kenyngton Manor School from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Kenyngton Manor School to an academy trust have been valued at their fair value being a reasonable estimate of the current market value that the trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for the Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed assets funds. The Academy has been granted a 125 year lease on the land and buildings of the predecessor school. Further details of the transaction are set out in note 25.

Resources Expended

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

Costs of generating funds

These are costs incurred in attracting voluntary income.

Charitable activities

These are costs incurred on the Trust's educational operations.

Governance Costs

These include the costs attributable to the Trust's compliance with constitutional and statutory requirements, including audit. All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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 Trust's depreciation policy.

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, as follows:

Freehold buildings	2% per annum
Fixtures, fittings and equipment	10-20% per annum
Computer equipment	33% per annum

Depreciation is charged from the month of acquisition.

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.

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Taxation

The Trust 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 Trust 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 employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust 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 23, the TPS is a multi employer scheme and the Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Trust 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.

Restricted other funds comprise all other restricted funds received and include grants from the Local Authority, Surrey County Council.

Notes to the Financial Statements Year to 31 August 2014

1 General Annual Grant (GAG)

Under the funding agreements with the Secretary of State academies within the Trust were subject to limits at 31 August 2014 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

No academies within the Trust exceeded the limits during the year ended 31 August 2014.

2 Voluntary income

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
Other Donations	19,968	54,718	74,686	120,770

3 Activities for Generating Funds

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
Education services				
. Income from education support services	446,820	—	446,820	143,800
. Educational consultancy services	46,916	—	46,916	9,166
School trips and enrichment activities	385,463	—	385,463	450,032
Other				
. Hire of facilities	103,387	—	103,387	44,637
. Catering Income	13,871	—	13,871	14,884
. Other	17,589	—	17,589	27,647
	1,014,046	—	1,014,046	690,166

4 Funding for academy's educational operations

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
DfE/ EFA capital grants				
. Trust capital grants	—	76,263	76,263	196,976
DfE / EFA revenue grant				
. General Annual Grant (GAG) (note 1)	—	11,424,159	11,424,159	7,650,066
. Pupil Premium	—	377,425	377,425	89,824
. Other DfE / EFA	—	592,674	592,674	59,861
	—	12,394,258	12,394,258	7,799,751
Other government grants				
. Children's Centre	—	74,646	74,646	—
. Local authority grants	—	286,029	286,029	265,735
. ACMF Maintenance grants	—	1,261,420	1,261,420	—
. 16-19 bursary funding	—	13,819	13,819	12,105
	—	1,635,914	1,635,914	277,840
	—	14,106,435	14,106,435	8,274,567

Notes to the Financial Statements Year to 31 August 2014

5 Resources expended

	Staff costs £	Non pay expenditure		2014 Total funds £	2013 Total funds £
		Premises £	Other costs £		
Cost of activities for generating funds	34,055	—	—	34,055	—
Trust's educational operations					
.. Direct costs	8,906,312	—	1,255,435	10,161,747	6,683,366
.. Allocated support costs	1,600,040	2,053,528	714,019	4,367,587	1,962,100
	10,506,352	2,053,528	1,940,764	14,529,334	8,645,466
Governance costs	—	—	57,918	57,918	18,794
	10,540,407	2,053,528	2,027,372	14,621,307	8,664,260

	2014 Total funds £	2013 Total funds £
Net incoming resources before transfers are stated after charging:		
Operating lease charges	28,659	19,123
Fees payable to auditor		
.. Statutory audit	21,200	9,725
.. Other services	15,827	7,598
.. Other services – prior year underaccrual	2,762	—
	68,448	36,446

Notes to the Financial Statements Year to 31 August 2014

6 Charitable activities - academy's educational operations

	2014 Total funds £	2013 Total funds £
Direct costs		
Teaching and educational support staff costs	8,906,312	5,642,346
Educational supplies	885,320	760,189
Examination fees	205,100	183,211
Staff development	56,787	32,833
Educational consultancy	101,250	60,495
Other direct costs	6,978	4,292
	10,161,747	6,683,366
Allocated support costs		
Support staff costs	1,600,040	730,364
Depreciation	607,601	275,993
Recruitment and support	82,495	61,906
Maintenance of premises and equipment	853,784	132,665
Cleaning	181,270	121,697
Rent and rates	72,249	69,728
Utilities	214,990	135,658
Insurance	123,634	94,860
Security and transport	66,107	33,985
Catering	101,465	46,351
Bank interest and charges	1,183	899
Other support costs	462,769	257,994
	4,367,587	1,962,100
	14,529,334	8,645,466

7 Governance costs

	2014 Total funds £	2013 Total funds £
Legal and professional fees	18,129	1,471
Auditor's remuneration:		
. Audit of financial statements	14,500	7,725
. Other audits	6,700	2,000
. Responsible Officer services	3,600	1,500
. Other services	14,989	6,098
	57,918	18,794

Notes to the Financial Statements Year to 31 August 2014

8 Staff

a) Staff costs

Staff costs during the period were:

	2014 Total funds £	2013 Total funds £
Wages and salaries	8,523,924	5,221,293
Social security costs	553,173	366,302
Pension costs	1,368,677	789,765
	10,445,774	6,377,360
Supply teacher costs	13,747	27,316
Agency costs	80,880	—
	10,540,401	6,404,676

Staff costs are net of £nil (2013 - £238,163) recharged to Thomas Knyvett College for administration and curriculum support.

b) Staff numbers

The average number of persons (including senior management team) employed by the Trust during the period expressed as full time equivalents was as follows:

Charitable activities	2014 No	2013 No
Teachers	141	93
Administration and support	104	60
Management	19	9
	264	162

c) Higher paid staff

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

	2014 No	2013 No
£60,001 - £70,000	4	3
£70,001 - £80,000	5	2
£80,001 - £90,000	1	—
£130,001 - £140,000	—	1
£140,001 - £150,000	1	—

All of the above employees participated in the Teachers' Pension Scheme or the Local Government Pension Scheme. During the year ended 31 August 2014 pension contributions for these staff amounted to £120,828 (2013 - £70,962).

9 Trustees' remuneration and expenses

The Executive Head and staff Trustees only receive remuneration in respect of services provided undertaking the roles of Executive Head and members of staff and not in respect of services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their roles as Trustees. The value of Trustees' remuneration for the year ended 31 August 2014 for their period of office as a Trustee was as follows:

	31 August 2014 £'000	31 August 2013 £'000
R Barnfield, CEO/Executive Head (Secondary)	145-150	130-135
K Halsey, Staff Trustee – resigned 31 October 2013	5-10	40-45
S Snashell, Staff Trustee – resigned 31 October 2013	5-10	40-45
P Reid, Staff Trustee	—	25 - 30

During the year ended 31 August 2014, Trustees' travel and subsistence expenses totalled £2,761 for 3 Trustees (2013 - £2,677 for 5 Trustees).

Other related party transactions involving the Trustees are set out in note 24.

10 Trustees' and Officers' insurance

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2014 was £99 (2013 - £114).

11 Central services

The Trust has provided the following central services to its academies during the year:

- ♦ Strategic leadership support
- ♦ Educational support services
- ♦ Human Resources consultancy and support;
- ♦ Financial and business support services;

The Trust charges for these services on the following basis:

A fixed fee of 5-7% of budget plus variable portion based on numbers on roll and Ofsted rating.

The actual amounts charged during the year were as follows:

	2014 £
Howard of Effingham School	497,336
Thomas Knyvett College– from 1 November 2013	248,724
Kenyngton Manor School – from 1 December 2013	136,230
	882,290

Notes to the Financial Statements Year to 31 August 2014

12 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Computer equipment £	Motor vehicles £	Total funds £
Cost/valuation					
At 1 September 2013	10,000,000	—	544,391	—	10,544,391
Transfer to MAT	9,611,457	—	385,421	8,392	10,005,270
Transfer on conversion	—	2,105,000	41,786	—	2,146,786
Additions	—	25,033	97,917	—	122,950
At 31 August 2014	19,611,457	2,130,033	1,069,515	8,392	22,819,397
Depreciation					
At 1 September 2013	433,333	—	151,021	—	584,354
Transfer to MAT	409,644	—	76,495	5,050	491,189
Charge in year	360,191	31,575	214,437	1,398	607,601
At 31 August 2014	1,203,168	31,575	441,953	6,448	1,683,144
Net book value					
At 31 August 2014	18,408,289	2,098,458	627,562	1,944	21,136,253
At 31 August 2013	9,566,667	—	393,370	—	9,960,037

The freehold land and buildings relate to the Howard of Effingham School site at Lower Road and the Thomas Knyvett College site at Stanwell Road. The leasehold land and buildings relate to the Kenyngton Manor School site at Bryony Way. At 31 August 2014 the sites were designated for educational purposes only, the land has no open market value and hence the value in these financial statements relates to the school buildings only, which are included at a depreciated replacement cost valuation.

The fixed assets fund also includes £82,213 (2013 - £31,051) of capital grants held as cash at the year end.

13 Debtors

	2014 £	2013 £
Trade debtors	91,861	194,947
Prepayments	212,996	88,312
VAT Debtor	195,857	48,226
Other debtors and accrued income	1,526,260	91,108
	2,026,974	422,593

14 Creditors: amounts falling due within one year

	2014 £	2013 £
Trade creditors	957,631	118,414
Other taxation and social security	226,037	121,748
Accruals and deferred income	167,805	132,590
	1,351,473	372,752

Notes to the Financial Statements Year to 31 August 2014

14 Creditors: amounts falling due within one year (continued)

	2014 £	2013 £
Deferred income		
Deferred Income at 1 September 2013	29,687	84,876
Resources deferred in the year	72,483	29,687
Amounts released from previous years	(29,687)	(84,876)
Deferred Income at 31 August 2014	72,483	29,687

Deferred income of £72,483 relates to income received in the year for school trips that are taking place in the year ended 31 August 2015.

15 Funds

	Balance at 1 September 2013 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2014 £
EFA revenue grant fund					
. General Annual Grant (GAG)	326,328	11,424,159	(11,222,858)	(112,039)	415,590
. Transfer into MAT	—	336,323	—	—	336,323
. Other EFA/DfE grants	—	970,099	(900,099)	—	70,000
	326,328	12,730,581	(12,122,957)	(112,039)	821,913
. Pension reserve	(1,256,000)	(879,000)	(56,000)	(1,141,000)	(3,332,000)
	(929,672)	11,851,581	(12,178,957)	(1,253,039)	(2,510,087)
Fixed assets fund					
. EFA capital grants	31,051	76,263	—	(25,001)	82,313
. Academy building and furniture and equipment	9,960,037	11,673,422	(607,601)	110,395	21,136,253
	9,991,088	11,749,685	(607,601)	85,394	21,218,566
Other funds					
. Children's Centre	—	74,646	(67,047)	—	7,599
. Local Authority grants	—	286,029	(286,029)	—	—
. 16-18 Bursary fund	8,769	13,819	(12,077)	—	10,511
. ACMF maintenance grant	—	1,261,420	(557,587)	—	703,833
. Other restricted grants	53,521	54,718	(94,987)	26,645	39,897
	62,290	1,690,632	(1,017,727)	26,645	761,840
Total restricted funds	9,123,706	25,291,898	(13,804,285)	(1,141,001)	19,470,319
Unrestricted funds					
. Unrestricted funds	1,062,175	1,462,319	(817,022)	—	1,707,472
Total unrestricted funds	1,062,175	1,462,319	(817,022)	—	1,707,472
Total funds	10,185,881	26,754,217	(14,621,307)	(1,141,001)	21,177,791

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

EFA revenue grant fund and other restricted funds

These grants relate to the Trust's educational operations and development.

Notes to the Financial Statements Year to 31 August 2014

15 Funds (continued)

General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2014. Note 1 discloses whether the limit was exceeded. The transfer relates to GAG used to purchase fixed assets.

Fixed asset fund

This fund represents the tangible fixed assets of the Trust including unspent grants received from the EFA, together with contributions from other funds, in order to carry out work of a capital nature.

Pension reserve

The pension reserve relates to the Trust's Local Government Pension Scheme liability for support staff.

Analysis of academies by fund balance

Fund balances at 31 August 2014 were allocated as follows:

	2014 £'000
Howard of Effingham School	1,387,457
Thomas Knyvett College	1,475,094
Kenyngton Manor School	303,400
Central services	125,274
	<u>3,291,225</u>
Restricted fixed asset fund	21,218,556
Pension reserve	(3,332,000)
	<u>21,177,791</u>

Analysis of academies by cost

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

	Teaching and educational support costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	Total £'000
Howard of Effingham School	5,450,305	544,093	648,177	1,179,371	7,821,946
Thomas Knyvett College	1,766,216	285,664	156,647	1,052,337	3,260,864
Kenyngton Manor School	1,081,543	137,400	79,591	190,367	1,488,901
Central services	381,124	894,061	907	165,903	1,441,995
Academy Trust	<u>8,679,188</u>	<u>1,861,218</u>	<u>885,322</u>	<u>2,587,978</u>	<u>14,013,706</u>

Notes to the Financial Statements Year to 31 August 2014

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted General Funds £	Restricted Fixed Asset Fund £	Total 2014 £	Total 2013 £
Fund balances at 31 August 2014 are represented by:					
Tangible fixed assets	—	—	21,136,253	21,136,253	9,960,037
Current assets	1,739,300	2,903,398	82,313	4,725,011	1,854,596
Current liabilities	(31,828)	(1,319,645)	—	(1,351,473)	(372,752)
Pension scheme liability	—	(3,332,000)	—	(3,332,000)	(1,256,000)
Total net assets	1,707,472	(1,748,247)	21,218,566	21,177,791	10,185,881

17 Financial commitments

Operating leases

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

	2014 £	2013 £
Expiry within one year	738	4,431
Expiry within two and five years inclusive	26,829	14,692

18 Reconciliation of net income to net cash inflow from operating activities

	Total 2014 £	Total 2013 £
Net income	12,132,910	421,243
Inherited pension deficit and fixed assets	(10,781,867)	—
Cash transferred on conversion	(777,183)	—
Depreciation (note 12)	607,601	275,993
Capital grants from DfE and other capital income	(76,263)	(196,976)
Assets below capitalisation threshold purchased	—	18,139
FRS 17 pension cost less contributions payable (note 23)	3,000	(12,000)
FRS 17 pension finance cost (note 23)	53,000	42,000
(Increase) decrease in debtors	(1,604,381)	14,072
Increase (decrease) in creditors	978,721	(177,853)
Net cash inflow from operating activities	535,538	384,618

19 Capital expenditure and financial investment

	Total 2014 £	Total 2013 £
Purchase of tangible fixed assets	(122,950)	(272,176)
Capital grants from DfE / EFA	76,263	196,976
Assets below capitalisation threshold purchased	—	(18,139)
Net cash outflow from capital expenditure and financial investments	(46,687)	(93,339)

Notes to the Financial Statements Year to 31 August 2014

20 Analysis of changes in net funds

	At 1 September 2013 £	Cashflows £	At 31 August 2014 £
Cash in hand and at bank	1,432,003	1,266,034	2,698,037

21 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Trust is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State. Upon termination of the Funding Agreements, whether as a result of the Secretary of State or the Trust serving notice, the Trust shall repay to the Secretary of State sums determined by reference to:

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

22 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.

23 Pension and similar obligations

The Trust'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 Surrey County Council. Both are defined-benefit schemes.

As described in note 25 the LGPS obligations of Thomas Knyvett College were transferred into the Trust when it joined the Multi Academy Trust. The LGPS obligation for Kenyngton Manor School relates to the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS at 31 March 2013.

Contributions amounting to £nil (2013 - £nil) were payable to the schemes at 31 August 2014.

23 Pension and similar obligations (continued)

Teachers' Pension Scheme (TPS)

Introduction

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

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

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

23 Pension and similar obligations (continued)

Teachers' Pension Scheme (TPS) (continued)

Teachers' Pension Scheme Changes

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

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

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

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

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

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

23 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £667,000 (2013 - £359,000), of which employer's contributions totalled £511,000 (2013 - £279,000) and employees' contributions totalled £156,000 (2013 - £80,000).

Principal Actuarial Assumptions	At 31 August 2014	At 31 August 2013
Rate of increase in salaries	3.9%	5.1%
Rate of increase for pensions in payment / inflation	2.6%	2.8%
Discount rate for scheme liabilities	3.7%	4.6%
Inflation assumption (CPI)	2.9%	2.9%

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

	At 31 August 2014	At 31 August 2013
<i>Retiring today</i>		
Males	22.5	21.9
Females	24.6	24.0
<i>Retiring in 20 years</i>		
Males	24.5	23.9
Females	26.9	25.9

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

	Expected return at 31 August 2014	Fair value at 31 August 2014 £'000	Expected return at 31 August 2013	Fair value at 31 August 2013 £'000
Equities	6.3%	2,703	6.6%	1,218
Bonds	3.2%	598	3.9%	273
Property	4.5%	176	4.7%	80
Cash	3.3%	36	3.6%	32
Total market value of assets		3,513		1,603
Present value of scheme liabilities		(6,845)		(2,859)
Deficit in the scheme		(3,332)		(1,256)

Notes to the Financial Statements Year to 31 August 2014

23 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

The actual gain on scheme assets was £335,000 (2013 - £176,000).

Amounts recognised in statement of financial activities	2014 £	2013 £
Current service costs (net of employee contributions)	514,000	260,000
Losses on curtailment	—	7,000
Total operating charge	514,000	267,000

Analysis of pension finance income / (costs)

Expected return on pension scheme assets	152,000	61,000
Interest on pension liabilities	(205,000)	(103,000)
Pension finance costs	(53,000)	(42,000)

The actuarial gains and losses for the current period are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a loss of £1,307,000 (2013 - £166,000).

Movements in the overall deficit were as follows:	2014 £	2013 £
At 1 September 2013	1,256,000	1,276,000
Deficit on conversion	547,000	—
Deficit on transfer to MAT	332,000	—
Current service cost	514,000	260,000
Losses on curtailment	—	7,000
Employer contributions	(511,000)	(279,000)
Net finance interest	53,000	42,000
Actuarial loss/(gain)	1,141,000	(50,000)
At 31 August 2014	3,332,000	1,256,000

Movements in the present value of defined benefit obligations were as follows:	2014 £	2013 £
At 1 September 2013	2,859,000	2,343,000
Deficit on conversion	888,000	—
Deficit on transfer to MAT	828,000	—
Current service costs	537,000	260,000
Losses on curtailment	—	7,000
Interest costs	214,000	103,000
Employee contributions	156,000	80,000
Benefits paid	(51,000)	—
Actuarial loss	1,414,000	66,000
At 31 August 2014	6,845,000	2,859,000

Notes to the Financial Statements Year to 31 August 2014

23 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

	2014 £	2013 £
Movements in the fair value of Trust's share of scheme assets:		
At 1 September 2013	1,603,000	1,067,000
As at conversion	341,000	—
On transfer to MAT	506,000	—
Expected return on assets	160,000	61,000
Actuarial gain/(loss)	264,000	116,000
Employer contributions	534,000	279,000
Employee contributions	156,000	80,000
Benefits paid	(51,000)	—
At 31 August 2013	3,513,000	1,603,000

The estimated value of the employer contributions for the year ended 31 August 2014 is £809,000 (2013 - £255,000).

The experience adjustments are as follows:

	2014 £	2013 £	2012 £
Present value of defined benefit obligations	(6,845,000)	(2,859,000)	(2,343,000)
Fair value of share scheme assets	3,513,000	1,603,000	1,067,000
Deficit on the scheme	(3,332,000)	1,256,000	1,276,000
Experience adjustments on share of scheme assets			
Amount	264,000	116,000	(57,000)
Experience adjustments on scheme liabilities			
Amount	—	—	—

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

24 Related party transactions

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account.

Notes to the Financial Statements Year to 31 August 2014

25 Transfers into The Howard Partnership Trust

On 1 November 2013 Thomas Knyvett College, an existing academy, joined the Howard Partnership Trust and all its assets and liabilities were transferred into the Trust for £nil consideration.

On 1 December 2013 Kenyngton Manor School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Howard Partnership Trust from the Surrey County Council for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred from Thomas Knyvett College and Kenyngton Manor School and an analysis of their recognition in the SOFA:

	Thomas Knyvett College			Kenyngton Manor School			Total £
	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	
Tangible fixed assets							
Freehold land and buildings	—	—	9,201,813	—	—	—	9,201,813
Leasehold land and buildings	—	—	—	—	—	2,105,000	2,105,000
Other tangible fixed assets	—	—	312,268	—	—	41,786	354,054
Budget surplus on LA funds	214,604	336,323	12,555	194,184	—	—	757,666
Budget surplus on other school funds	15,660	—	—	3,857	—	—	19,517
LGPS pension surplus (deficit)	—	(332,000)	—	—	(547,000)	—	(879,000)
Net assets	230,264	4,323	9,526,636	198,041	(547,000)	2,146,786	11,559,050

The above net assets includes £777,183 that was transferred as cash.

26 Events after the balance sheet date

After the year end, on 1 November 2014, St Lawrence Primary School in Effingham converted to academy status and joined The Howard Partnership Trust.