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**THE STANWAY FEDERATION**  
(A company limited by guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2013**

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**Trustees**

H Bayliss, Parent Trustee  
L Barton, Parent Trustee (appointed 17 June 2013)  
C A Binmore, Nominated Trustee (resigned 18 March 2013)  
H Boast, Headteacher (appointed 15 April 2013)<sup>1</sup>  
D Boggis, Staff Trustee<sup>1</sup>  
S P Cosham, Staff Trustee  
A S Davenall, Member, Vice Chair  
V Endean, Nominated Trustee<sup>1</sup>  
N P Evans, Parent Trustee (resigned 3 September 2013)  
C A Frogley, Parent Trustee (resigned 4 September 2013)  
D Harris, Co-Opted Trustee  
J J Heffer, Staff Trustee (resigned 15 November 2013)<sup>1</sup>  
D W Kay, Member<sup>1</sup>  
J A Knight, Nominated Trustee  
J K Lamb, Member<sup>1</sup>  
N Launder, Nominated Trustee (appointed 19 November 2012)  
H E Marr, Staff Trustee (resigned 15 November 2013)  
B M Palmer, Member, Chair<sup>1</sup>  
V J Pratt, Nominated Trustee<sup>1</sup>  
J Spademan, Nominated Trustee, Responsible Officer  
J C W Tippett, Executive Headteacher, Accounting Officer<sup>1</sup>  
B J Wild, Nominated Trustee  
P Houghton, Parent Trustee  
B Williamson, Member

<sup>1</sup> Finance and Audit committee

**Company registered  
number**

07887953

**Registered office**

Winstree Road,  
Stanway  
Colchester  
Essex  
CO3 0QA

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2013**

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**Advisers (continued)**

**Principal operating office**

Winstree Road,  
Stanway  
Colchester  
Essex  
CO3 0QA

**Company secretary**

S D Burns

**Senior management team**

Jonathan Tippett, Executive Headteacher  
Diana Fletcher, Deputy Head, Stanway  
Paul Presland, Deputy Head, Stanway  
John Wiltshire, Deputy Head, Stanway  
Jonathan Bland, Deputy Head, Thomas Lord Audley  
Helena Boast, Headteacher, Thomas Lord Audley (from 15/04/13)  
Scott Holder, Deputy Head, Thomas Lord Audley  
Dominic Howkins, Assistant Head, Stanway (to 31/12/12)  
Christopher Johnson, Assistant Head, Stanway  
Diane Reed, Assistant Head, Stanway  
Matthew Stancombe, Assistant Head, Stanway  
Lawrence Terroni, Assistant Head, Stanway  
David Boggis, Assistant Head, Thomas Lord Audley  
Matthew Docherty, Assistant Head, Thomas Lord Audley  
Ann Bryant, Assistant Head, Thomas Lord Audley  
Jonathan Else, Assistant Head, Thomas Lord Audley  
Carol Wisbey, Bursar

**Independent auditors**

Griffin Chapman  
Chartered Accountants  
4 & 5 The Cedars  
Apex 12  
Old Ipswich Road  
Colchester  
Essex  
CO7 7QR

**Bankers**

Lloyds TSB  
27 High Street  
Colchester  
Essex  
CO1 1DU

**Solicitors**

Birkett Long  
Essex House  
42 Crouch Street  
Colchester  
Essex  
CO3 3HH

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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## **Trustees' Report**

The Trustees present their annual report together with the audited financial statements of the Academy for the year ended 31 August 2013.

### **Structure, Governance and Management**

#### Constitution

The Academy 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.

The Trustees are responsible for the charitable activities of the Stanway Federation Academy Trust and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as The Stanway Federation.

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1

#### 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.

#### Trustees' Indemnities

In accordance with normal practice the academy has purchased insurance to protect the Trustees and officers from claims arising from negligent acts, errors or omissions whilst on academy business. The cover under the policy is £5M and in the year under review no sums have been paid out.

#### Principal Activities

The Company's purpose is to advance for the public benefit education for the communities of south and west of Colchester by maintaining, managing and developing academies offering a broad and balanced curriculum.

#### Method of Recruitment and Appointment or Election of Trustees

The Governing Body comprises 5 members, 8 nominated Trustees, 4 staff Trustees, 4 parent Trustees, 1 executive headteacher, 1 headteacher and 1 co-opted Trustee. The 5 members are the Chair and the 4 sub-committee chairs from the Stanway Federation governing body. The members then appointed the other Trustees who were also on the Stanway Federation governing body. Future nominated and co-opted Trustees will be appointed by the members. 2 Staff Trustees will be elected by employees of each academy and 2 parent Trustees will be elected by the parents of each academy, giving a total of 4 staff and 4 parent Trustees. The Executive Headteacher and/or Academy Headteachers employed by the Academy Trust shall be a Trustee.

#### Policies and Procedures Adopted for the Induction and Training of Trustees.

All Trustees undertake training as appropriate to their role. The company is a member of the National Trustees Association. However, there is also in-house Trustee training on specific issues related to the company and other academies within the North East Essex Education Partnership, of which the academies are members. A log is kept of all Trustee training and reviewed on a regular basis at full governing body meetings.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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Organisational Structure

The Trustees are responsible for the overall management and control of the academies and formally meet three times a year.

The reviewing and monitoring of the work of the academies is delegated to the 4 sub-committees which are Curriculum & Welfare, Finance, Personnel and Premises. The Finance Committee meets at least 10 times a year and the other committees 5 or 6 times a year. They all work under the chairmanship of a Trustee appointed at the first committee meeting in each academic year. Terms of Reference of these committees are agreed annually at these meetings. The clerk to the governing body coordinates the work of the full governing body and each committee has its own clerk who prepares agendas and papers and reviews matters arising. The Bursar prepares the accounts of both academies on behalf of the Trustees, is a member of the Finance Committee and attends full governing body meetings. The executive headteacher is the Accounting Officer.

The Trustees determine the general policies of the academies. The day to day running of the academies is delegated to the executive headteacher who is supported by the senior leadership teams in each academy. The executive headteacher undertakes the key leadership role in both academies but delegates the day to day educational, pastoral and administrative functions to members of the senior leadership teams. The day to day administration of both academies is undertaken within the policies and procedures approved by the Trustees. There is deputy headteacher representation from both academies on all sub-committees and all deputy headteachers attend full governing body meetings.

All non-staff Trustees give their time to the role freely and no remuneration or expenses were paid in the year.

Risk Management

The Trustees are responsible for the overseeing of the risks faced by the academies. Detailed considerations of risk are delegated to the senior leadership teams of the academies. Risks were identified, assessed and controls established throughout the year. A review has been undertaken and an analysis prepared, further work will be undertaken by the various committees to finalise the document. Risk is managed under the headings of strategic, reputational, operational, compliance and financial risks as recommended by the DfE Financial Handbook.

Through the risk management process that is being formalised by the academies, the Trustees are satisfied that the major risks identified will be adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks will be adequately managed.

Connected Organisations, including Related Party Relationships

The two academies are members of the North East Essex Education Partnership (NEEEP) (Company No. 794738), the Colchester Teacher Training Consortium and the North East Essex Teaching School Alliance (NEETSA).

**Objectives and Activities**

Objects and Aims

The journey from child to adult and the development of the educational and social skills to thrive in our increasingly diverse and ever faster changing society, will always be a challenging experience but it has the potential to be an experience with massive rewards for students, their families and our staff.

Our mission is to harness and develop the skills of all our adult partners, whether employed directly or as part of our wider community, to create an environment where our students are proud and want to participate; where they can develop; where they feel physically and emotionally safe; where respect, good manners and good behaviour

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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towards others are the norm; where lessons are productive and well taught and the learning is productive; and where any mistakes are seen as learning opportunities from which we can grow.

Within this environment our mission will be to strive to ensure every single child knows that they matter, believes in their own potential and takes pride in their achievements, whether they be academic, sporting, cultural, social or personal. We will, by our role model and teaching, give them every opportunity to understand that diversity of gender, physical or mental ability and background is a strength to be respected and harnessed and we will celebrate everyone's contribution and successes.

Objectives, Strategies and Activities

**The Stanway School 2012-13**

1. Meet 5 A-C English, Maths target 75%
  - a. 73% achieved.
2. Meet 5 A-C 90%, 5 A-G 98%
  - a. 91%, 99% achieved respectively
3. Meet 3 levels progress target. Maths 83%, English 80%
  - a. 81%, 80% achieved respectively
4. Meet 4 levels progress target. Maths 50%, English 50%
  - a. 44%, 39% achieved respectively
5. Improve Science results ensuring they are above National Average.
  - a. Core 93%, Add Sci 80%, Biology 96%, Chemistry 98%, Physics 98% (all above national) achieved
6. Improve Drama and Systems & Control results
  - a. Drama increased to 57% A\*-C, Systems increased to 60% A\*-C
7. Improve achievement of most able.
  - a. % of total A/A\* grades increased from 15% to 21%
8. Improve the achievement of students with specific groups e.g. DSEN, FSM, EAL, CLA, bottom 20%
  - a. No CLA in yr 11 cohort, EAL students achieved well, FSM students achieved 52% 3 levels progress in Maths and 48% 3LP in English.
9. Expand Literacy programme across KS3 / KS4
  - a. Programme was expanded and Ofsted report stated that students read often across all subjects. Accelerated Reader programme was launched into low ability KS4 groups,
10. Improve teaching standards aiming for 90% good or outstanding in lesson observations.
  - a. 90% good or better achieved in 2012-13 review cycle.
11. Embed new PM systems into school practice.
  - a. New PM procedures in place
12. Further develop pedagogy and practice through our coaching programme.
13. Further develop our Federation CPD programme.
  - a. Regular meetings occurring and cross-school training activities organised
14. Develop curriculum to reflect the proposed English Baccalaureate / new examinations
  - a. EBacc 21%, we are not forcing the selection of EBacc subjects, students still have a free choice of KS4 options.
15. Develop and implement strategic ICT Plan
16. Develop Federation CPD for support staff
  - a. Regular meetings occurring and cross-school training activities organised
17. Ensure attendance target of 95% is met.
  - a. 94.48% achieved
18. Ensure all staff have refresher CP training.
  - a. Several sessions organised with most staff attending.
19. Monitor and evaluate newly formed CP leadership team
20. Appoint new child protection named person and deputy
  - a. Chris Johnson/Lawrence Terroni were appointed.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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21. Reduce still further the number of students sent to the IER / ISU.
  - a. Number of students being sent to the IER had been reduced by 30%, as had fixed-term exclusions. The ISU was in its first year of operation.
22. Support SILs in their whole school responsibilities
  - a. SILs were supported throughout the year by senior managers.
23. Further develop leadership succession planning at all levels.
  - a. Middle and Senior Management training courses were held throughout the year.
24. Train Trustees to be conversant with new Ofsted framework.
  - a. Training session took place for Trustees from NEEEP schools.
25. Ensure all assemblies have SMSC elements
  - a. Changes to the Themes of the Week were implemented.
26. Audit SMSC provision across the curriculum
  - a. Audit was completed and accepted by Ofsted during an inspection.

**Thomas Lord Audley School 2012-13**

**Priority 1: Every Child Equipped to Achieve**

Achievement to be at least 'good'. Positive attitudes to learning are promoted.

- 56% + A\* - C, including English and Maths.
  - o 46% actual result
  - o English 61%
  - o Maths 57%
- 70% students make at least 3 levels progress in English and Maths.
  - o English 3 LP 67%
  - o English 4 LP 25%
  - o Maths 3LP 58%
  - o Maths 4 LP 18%
- Increase % students achieving A\* - C in Science to NA (65%) or rapidly close gap.
  - o 2 or more at C+ 51% compared to 43% last year
- Increase the % of students achieving A\* - C in Geography to NA (69%) or rapidly close gap.
  - o CAUs 70% A\*-C
- Secure better progress for students with SEN, particularly at KS3.
  - o Year 7
    - SA -0.6
    - SA+ -0.2
  - o Year 8
    - SA -1.1
    - SA+ -0.4
  - o Year 9
    - SA -2.0
    - SA+ -1.6
- 60% lessons judged as 'good' for supporting students' literacy.
  - o 65% lessons judged as 'good+'.

**Priority 2: Only 'good' teaching is good enough.**

Quality of Teaching is at least good with some outstanding.

- 75% lessons judged as 'good' or better for teaching.
  - o 74% lessons judged as good or better.
- 0% lessons judged as inadequate for teaching.
  - o 1% lessons judged inadequate
- 10% of lessons judged as 'outstanding' for teaching.
  - o 21% lessons judged outstanding

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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**Priority 3: Every child feels safe and secure**

Behaviour and Safety of students at school are strong features.

- 93.5 % attendance.
  - o 93.1%
- 7.10% Persistent absence level, particularly those students with SEN.
  - o 7.11%
- 8.6 % Fixed term exclusion.
  - o 5.7%
- 97% punctuality to school.
  - o Yrs 7,8,9 green
  - o Yrs 10 amber
  - o Yr 11 red

**Priority 4: Every Leader Demonstrates Success**

Leaders play a significant role in ensuring positive attitudes and good achievement.

- Good performance consolidated, or closing gap rapidly in curriculum areas.
  - o NA or improving trend over time: English Language, English Literature, Maths, Core and Additional Science, Music, French, Geography, History, French, Dance, Art, Business St, Food, Graphics and RM.
- Interventions are planned and effective
  - o CPD session delivered to the 2:1 group by MEC. 69% lessons show appropriate interventions.
- 75% teaching to be good or better
  - o 74%

**Priority 5: Every Child Belongs and feels Valued.**

There is a positive climate for learning because 'deliberate and effective' action is taken to create a cohesive learning community by promoting SMSC.

- Decrease in bullying, number of racist incidents and number of on-calls.
  - o Racist incidents very few.
  - o Bully incidents decreased dramatically.
  - o On-calls reduced.
- Positive responses to student well-being survey
  - o SA+ and GT Student Panels Summary – positive record
- Increase in engagement in SMSC opportunities
  - o Reading coaches appointed; Peer mentoring scheme in place.

Public Benefit

The Stanway Federation is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

**Achievements and Performance**

**2012-13**

**The Stanway School**

- 38 students spent the day at the Paralympic Games, with half watching the athletics and the other half watching the swimming events, which included ex-student Natalie Jones competing in the 50m Butterfly.
- Yr 11 History students visited Orford & Colchester Castles.
- Students held a charity day in the LRC by selling cakes etc to raise over £100 for War Child.
- Year 7 students watched a road safety presentation called 'Second Chance'.
- 30 KS3 students took part in the 'Routes into Languages' competition, with Shannon Goss, 7RHT winning

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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- the category for the most imaginative word.
- Students and their parents attended the annual Prize Day where prizes were presented by the Mayoress of Colchester, Mrs Amanda Arnold.
- Annual Alex Launder Memorial Tournament held with Thurstable taking the Year 7 and Philip Morant the Year 10 titles.
- Year 9 students created a scene from WW1 for Armistice assemblies.
- KS3 students took part in a History workshop with author and historian Stewart Ross.
- Stanway fielded a very successful team for the District cross country event.
- Year 7 girls became the Partnership football champions in their first tournament.
- Seven members of staff grew moustaches for 'Movember' to raise awareness and money for men's cancer charities.
- Year 7 students enjoyed themselves at a disco in school to raise money for Shakespeare House's charity, the East Anglian Children's Hospice.
- Non-uniform day and the Christmas Fayre raised a huge £2,200, which was divided between Gainsborough House funds and the School Council.
- A very successful Christmas Show was held with musicians, actors and dancer, and raised £400 for the 4 House charities.
- The English Department held a 'Get Caught Reading' competition and KS3 students entered photos of themselves reading in weird and wonderful places.
- Some students attended the Essex Book Award launch and a workshop held by author Dave Cryer.
- During January Year 10 GCSE Art students went to the Curwen Print Studio to produce lino prints for their first project.
- The Year 7 boys' basketball team won the champion's crown at the Basketball 3v3 competition.
- Students using the LRC took part in a fundraising event for the Centrepoint homeless charity.
- A group of students raised money for Amnesty International by selling cakes and pin badges.
- Year 9 students gave performances during assemblies for Holocaust Memorial Day.
- Paralympic Swimming Medal Winner and ex-Stanway student Natalie Jones visited school.
- Yr 9 girls' basketball team retained the Champion's Title.
- Yr 9 students took part in an Oral History Day, welcoming WWII veterans into school.
- Wellington House's C9 supper raised over £2,100 for the Teenage Cancer Trust.
- GCSE French student spend a weekend in Paris.
- Yr 8 netball team retained its SSP title.
- Yr 8 boys' basketball team were crowned double champions winning the Colchester and NE Essex titles.
- Two enrichment mornings took place
- Rutherford House's Comic Relief fund-raising day raised over £2,800.
- Shakespeare House raised over £138 at a coffee morning.
- 30 boys and girls spent a week in Holland, playing football or netball and visiting the Ajax Football Club.
- Yr 11 girls' basketball team were crowned double champions at the SSP and NEEESA finals.
- Yr 9 boys became the Essex Football Champions.
- Yr 7 students spent a day at Mountfitchet Castle on a History trip.
- The Magistrates Team took part in the regional heat in front of the Lord High Sheriffs of Essex and Buckinghamshire and the Lord Lieutenant of Essex and our 2 reporters have been shortlisted for the Court Reporter Competition.
- A group of Yr 9 students attended the presentation of the Essex Book Award.
- Yr 10 Geographers spent a day at Walton on the Naze working on their controlled assessments.
- Yr 9 boys became the District Football Champions for the third year running.
- Yrs 9 & 10 Gifted & Talented Art students visited the Tate Modern in London to see the Roy Lichtenstein exhibition.
- Head Girl & Boy appointments made.
- A number of Years 7-9 students took part in Sky Sports' 'Living for Sport' programme.
- Yr 7 girls' football team became District Champions.
- Yr 11 leavers were presented with their Records of Achievement folders at a special assembly.
- The Music Dept held its annual competition night with ex-Yr 11 students acting as judges.
- Yr 8 more able historians visited the archaeological dig at the Roman Circus.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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- Yr 10 Drama students attended a workshop and performance of 'The History Boys' at the Mercury Theatre.
- Yr 10 gifted & talented English students spent the day at Chelmsford University to improve their knowledge of the A/A\* GCSE category.
- Over 200 Yr 7 students spent the week at Danbury under canvass.
- Yr 11 leavers returned for their annual Prom, which as usual attracted a large crowd.
- The 225 new students spent two induction days in school.
- Yr 8 students had a visit from Science Made Simple who gave many interactive demonstrations about engineering and science.
- Students from all year groups took part in the annual DT Challenge Day.
- The Yr 9/10 cricket team became East Essex Cricket Champions.
- Yr 7/8 gifted Art students visited the Curwen Centre to learn about different print techniques.
- Following a year of 16 different inter-house competitions, Gainsborough became Champions 2012-13.

#### **Thomas Lord Audley School**

- TLA students achieve record GCSE results 58% 5 A\* to C including English and Maths.
- A very successful Summer School takes place for new Year 7 students with very positive feedback from all involved.
- Science STEM Club starts up again after school with the challenge to build and launch paper aeroplanes.
- Open Week, Open Evening and year 5 and 6 Taster Days are extremely well attended and go without a hitch.
- The PE Department carry on last year's successful sporting success. Year 10 boys have an impressive 25-0 over Thurstable School, and Year 7 boys clock up their first rugby victory.
- TSC (Talk, Share, Confide) the new Peer Mentoring Group is launched in school.
- Leading British athlete JJ Jegede (long jump) visits the school to inspire TLA students.
- The top 5 KS3 performers are congratulated, Alyx O'Leary Green, Jack Davis, Sophie Beddoes, Selma Abdylji and Sam Jackson.
- Year 7 girls' netball team have a good start to their career with resounding wins.
- Choral day where students learnt about voice control was enjoyed by all who took part.
- The second round of Jack Petchey Achievement Award winners are announced.
- Year 9 London Dungeons trip proved to be a spookily educational experience.
- Four Year 11 girls are pioneers for the school undertaking fundraising for an expedition to Kenya in the Summer of 2013. Miss Vivian attends a recce to Kenya during October half term to assess the health and safety of the trip.
- The TLA football teams perform well at the Alex Launder Football Tournament.
- The annual Prize Evening celebrates the effort and achievement of students during the academic year 2011-2012. We were pleased to welcome the Deputy Mayor and Mayoress, Councillors Colin and Laura Sykes.
- Students are treated to a workshop by Andy Franks, Head of the Technical Music Course at Mountview Theatre School, London.
- Year 10 student Rachel Kemp is shortlisted as a finalist for the WICKED Young Writer Award 2012.
- BMX champion Mike Mullen comes into school to share his expertise of bikes with students.
- Children in Need non-uniform day is enjoyed by staff and students alike and raises nearly £800.
- Planting of fruit trees is organised by Mr Boggis with the aim that each Autumn students will receive free fruit.
- The boys' Year 11 basketball team comprehensively beat Philip Morant 40 -11.
- Year 10 student Stephanie Heanue won a Jack Petchey Award for Outstanding Achievement.
- Year 10 drama students perform at The Mercury Theatre to mark World Aids Day.
- Essex Music Services donate several flutes and trumpets to the school and Year 7 students enjoy learning about these instruments.
- A plethora of work is ongoing to improve the site – see report from Mr Boggis below.
- The Christmas Fayre is a huge success. The atmosphere was buzzing and raised a grand total of £1,200.
- The school pantomime plays to a packed audience.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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- The Christmas Decoration competition is won by Kieran Valledy with joint runners up Hannah Spurgeon and Justine Gregory.
- The Year 11 boys' basketball team have continued success beating Stanway and St Helena.
- The new cycle shelter is unveiled and available for use.
- The KS4 public speaking team reach the finals of The Rotary competition.
- New substantive Headteacher Helena Boast is appointed and will take up her post from 15 April 2013.
- The latest round of Jack Petchey winners are announced, Achievement in School – Amy Palfreyman, Achievement out of School – Luke Johnston, the Very Special Award – Celyn Evans.
- The STEM Club VEX robot team reach the National Competition in London.
- The school pantomime is enjoyed very much by staff and students alike.
- Graphics coursework catch up proved to be very popular and the students achieved great things.
- Year 10 MFL students enjoyed a rapping day with Karl Nova and Breis
- Mrs Curd took her group of Year 10 BTEC music students to Colchester Institute to learn about the career options in the music industry.
- The TLA basketball teams dominate the local league.
- The NEEEP Partnership host an A/A\* Maths day at the Weston Homes Community Stadium.
- Two very brave Year 11 girls do a charity parachute jump.
- St Margaret's Church hold an art competition to celebrate 60 years of Monkwick Estate and TLA students were top of the class.
- The Year 10 girls' basketball team win the NEESSA finals.
- VEX Robotics team attend a two day Big Bang Science and Technology Fair in London.
- Macy-Jo Cleave a year 7 student gets through to the regional final of the MFL Spelling Bee competition.
- Josh O'Brien Year 11 student has his book Supercenaries published.
- 16 students reach the final of the MFL Have Your Say competition.
- Nick Clegg, Deputy Prime Minister visits TLA and meets with the Head Boy, Head Girl and their Deputies.
- Year 10 Youth Health Champions visit the House of Commons.
- Lewis Williams Year 10 gets through to the final of the Jack Petchey Speaking Competition at the Town Hall.
- Year 9 boys' football team get through to the SSP semi-finals.
- Evie Binder and Jack Davis get third place in the regional Have Your Say Competition hosted at TLA.
- The next round of Jack Petchey winners are announced:
- Achievement in School – George Messer – actively participating in all aspects of school life, committed School Council Member and an excellent ambassador for the school.
- Achievement out of School – Katherine Garner – over 180 hours served with St Johns Ambulance.
- Special Award – JJ Innocent – assisting a fellow student when injured up a mountain on the recent ski trip until student could be air lifted to hospital.

### Going Concern

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

### Key Performance Indicators

#### **The Stanway School**

GCSE results were achieved as follows:

- o 5 A\*-C – 91%.
- o 5 A\*-C with Eng/Maths – 73%
- o Percentage of students making 3-level progress in English – 80%.
- o Percentage of students making 3-level progress in Maths - 80%.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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Gross grant income per student for year September 2012 – August 2013 - £5,361  
Number of students per teacher – 15.23

### **Thomas Lord Audley School**

GCSE results were achieved as follows:

- o 5 A\*-C – 71%.
- o 5 A\*-C with Eng/Maths – 46%
- o Percentage of students making 3-level progress in English – 65%
- o Percentage of students making 3-level progress in Maths – 56%

### **Financial Review**

Most of the academy's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2013 and the associated expenditure are shown as restricted funds in the statement of financial activities.

#### Stanway School

During the year ended 31 August 2013, total expenditure of £7,700,869 was more than covered by recurrent grant funding from the EFA together with other incoming resources. Net incoming resources for the year was £31,994.

The balance sheet includes a liability of £1,757,000 in relation to the Academy's FRS 17 valuation of the Local Government Pension Scheme (see note for further details).

#### Thomas Lord Audley School

During the year ended 31 August 2013, recurrent expenditure from the General Annual Grant exceeded income by £6,058 and has been covered by restricted funds brought forward.

The balance sheet includes a liability of £1,580,000 in relation to the Academy's FRS 17 valuation of the Local Government Pension Scheme (see note for further details).

### **Financial and Risk Management Objectives and Policies**

The academy trust's risk management processes aim to minimise all risk to the academy trust. The only current risk of any materiality relates to the deficit the academy trust holds in the Local Government Pension Scheme. Monthly payments to reduce this deficit have been paid throughout the year. Due to the current volatility of the Bonds Market, it is likely that this deficit will increase despite the payments made.

### **Principal Risks and Uncertainties**

The Trustees consider that the principal risks and uncertainties facing the Academy Trust are:

- Other organisations competing for the same sources of income.
- Meeting requisite standards of education for students in core subjects.
- Complying with legislative requirements regarding employment, law, data protection, discrimination, Companies House and HRMC, child protection, the Charity Commission and the National Curriculum.
- Financial risk – not operating within its budget and running a deficit, changes in funding, inappropriate or insufficient financial controls and systems, fraudulent activity and or financial commitments made without adequate authorisation.

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**THE STANWAY FEDERATION**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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- Operational risks resulting from inexperienced or inappropriate staff being employed and inaccurate, out of date or inappropriate information.

The key controls used by the academy include:

- Ensure high quality bidding to attract maximum funding
- Detailed terms of reference for all committees
- Formal agendas for the academy board and committees
- Schemes of delegation and formal financial regulations
- Formal written policies with yearic reviews
- Clear authorisation and approval levels
- Policies and procedures required by law to protect the vulnerable

### **Reserves Policy**

The academy trust holds free (unrestricted) reserves of £1,411,428 (2012: £1,308,644). The trustees consider that it is appropriate to hold a level of free reserves of £250,000 on a prudent basis to meet normal operating contingencies and to allow flexibility in planning the future developments of the academy.

Current free reserves are in excess of this level and will be utilised over the next 3 years to fund capital projects and educational developments. The academy reviews its reserve policy on an annual basis.

The academy trust also holds restricted general funds of £1,083,436 (2012: £457,148) and these will be applied to educational and capital projects over the next year. The academy trust intends to make a significant investment in ICT infrastructure during the next financial year.

The academy trust has a deficit of £3,337,000 (2012: £2,985,000) on the restricted LGPS pension reserve. This is a long term liability which is being addressed by payment of additional contributions as determined by the scheme's actuaries. These contributions are being met from the academy's budgeted annual income and there is no direct impact on the free reserves of the academy.

### **Investment Policy**

It is the intention to invest any surplus funds in low risk short term bank deposits.

### **Plans for Future Years**

#### **Stanway School 2013-14**

#### **Success criteria:**

1. 76% pupils achieve 5 A\*-C at GCSE or equivalent, including English/Maths.
2. 82% pupils make 3 levels progress in English and 82% make 3 levels progress in Maths.
3. 45% of pupils make 4 levels progress in Maths and 40% make 4 levels progress in English.
4. 450 APS (Capped) for those pupils identified as most able in Year 11.
5. 80% pupils achieve A\*-C at GCSE or equivalent in Science.
6. 64% PP pupils achieve 5A\*-C En/Ma.
7. 96% attendance and 5% PA.

#### **Achievement:**

- 1.1 Raise attainment and progress at KS4 in EM and particularly Science.
  - Launch iGCSE for foundations students;

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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- Improved tracking and targeted interventions for English Language CAUs
- INSET on writing at Band 5 (English Language)
- Early entry for Maths in November
- Targeted interventions linked to mathematical concepts
- Improve delivery of Science ISAs.

1.2 Develop RWCM across the curriculum

- Develop consistent practice across the school through refining departmental policies and practice
- SIL to work with HODs on literacy conventions of GCSE examination papers
- Teaching and Learning Group to focus on up-skilling teachers' skills re: text types.
- INSET on supporting students' literacy skills.

1.3 Raise attainment and progress of gifted and able students.

- Develop consistent practice across the school through revisiting departmental policies and practice
- SIL to work with HODs to monitor, track and plan appropriate interventions.
- Launch whole-school working party.

1.4 Raise boys' achievement

- Boys' achievement is tracked in departments.
- HODs review curriculum to ensure that it is engaging and appropriate
- Mentoring Programme for disengaged boys
- Launch IGCSE with B population, Year 11.

1.5 Raise attainment and progress of SEND and EAL students.

- SEN achievement is tracked in departments.
- HODs review curriculum to ensure that it is appropriate
- Additional INSET on differentiation and meeting individual needs
- Launch 5 minute lesson plan
- INSET from LA on ASD and Selective Mutism.

1.6 Increase achievement of Pupil Progress students to above NA or rapidly close gap.

- Increase the range of provision, particularly for Maths and English
- Monitor and track interventions, including baseline and exit data
- SIL to monitor achievement.
- HODs to monitor at departmental level and to ensure that PP have additional support, as required.

**Quality of Teaching**

2.1 Increase the % of lesson judged 'outstanding'.

- Coaching Programme led by a SIL
- All staff meetings to have a pedagogical focus
- All staff to be observed twice in a year, so they work on 'points for development'
- Teaching and Learning Group to disseminate best practice
- 5 minute slot during briefing on Teaching and Learning.
- Personalised CPD programme linked to QTS.

2.2 Increase the % lesson judged 'good or better' in Science.

- AHT to lead Science.
- Science Review – November
- Re-model KS4 curriculum in order to improve students' learning

2.3 Improve teachers' skills to differentiate through learning outcomes and differentiated activities.

- INSET
- Launch 5 minute lesson plan

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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- Additional training for LSAs.

2.4 Ensure assessment data and AFL is used effectively to re-shape teaching, as appropriate.

- Calendared moderation and standardization, departmental and across NEEEP.
- HODs focus – ‘Using Data to Make a Difference’.
- Learning conversations between SLT and HODs, and HODs and class teachers to inform planning in the short, medium and long term.

2.5 Improve the quality of teaching of RWCM

- As 1.2a and 4.3

2.6 Ensure that pupils respond to feedback

- Develop departmental practice following staff INSET
- Establish HODs and SIL learning walks to monitor good/poor practice

2.7 Improve the quality of home learning, including preparing students for linear examinations.

- Publish Home Learning Calendar
- Monitor via HODs and SLT.

### **Behaviour and Safety**

3.1 Improve students' behaviour for learning.

- Teaching and Learning Group to develop practice, including Kagan strategies and Stanway as a ‘Thinking School’
- CPD programme on ‘Raising Engagement’

3.2 Increase awareness of e-safety in order to reduce the number of incidents of bullying.

- Develop consistent practice throughout the school
- Assemblies
- E-safety Parents' Evening
- Additional INSET for staff

3.3 Increase attendance to 95.5%; close gap for FSM and SEN student. Improve PA to 5 %

- Re-visit the role of the tutor, AHOH and HOH in improving attendance, particularly for students with FSM and SEN.
- Improve tracking and lines of accountability
- Improve still further, liaison with parents and carers
- No authorized absence for holidays, except in exceptional circumstances.

### **Quality of Leadership and Management**

4.1 Ensure SE leads to improved outcomes.

- Launch new SEF and SIP and DIP
- All meetings to focus on achievement
- Regular and systematic moderation to ensure data is robust
- Implement holistic PM structure which is linked to SIP, DIP and QTS.

4.2 Ensure the implementation of an effective RWCM policy and practice.

- SIL to implement a consistent policy and to develop practice school-wide.
- HODs to ensure teachers are supporting students' RWCM skills and developing consistent practice within departments.

4.3 Improve the leadership of T & L at all levels.

- CPD programme linked to an audit of teachers' skills

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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- Departmental CPD time is used effectively to develop subject specific pedagogy and practice.
  - All departmental meetings to focus on teaching and learning.
- 4.4 Ensure POS fulfil new National Curriculum requirements by September 2014
- Leadership at all levels to contribute to the school's medium and long term curriculum plan.
  - HODs to re-shape curriculum, as appropriate.
- 4.5 Ensure PP is spent effectively to ensure positive outcomes for FSM, Forces, CLA pupils.
- All interventions and additional support is tracked and costed
  - Launch 'Challenge Meeting' to ensure that there is effective communication regarding who receives additional support.
  - All requests for additional resources are linked to the SIP, DIP and student outcomes.
- 4.6 To develop and implement an effective ICT infrastructure that supports learning
- Deliver recommendations of NEXUS Report.

**Thomas Lord Audley School 2013-14**

**Success Criteria**

- 51% achieve 5A\*-C at GCSE or equivalent, including English and Maths.
  - 70% achieve 3LP in English and 26% achieve 4LP.
  - 70% achieve 3LP in Maths and 26% achieve 4LP.
  - Capped average points score 320.
1. Achievement of pupils at the school
- 1.1a(1) Raise attainment and progress at KS4
- Achievement board to review students' progress and identify where intervention required.
  - Boys' Achievement group
  - As appropriate Curriculum modification to support individual students' progress towards 5A\*CEM
  - Through data analysis and systematic intervention, monitor achievement of Boys and the students who receive PPG and/or have SEN.
- 1.1a(2) Raise attainment and progress at KS4 in English
- Line management meetings to focus on progress and achievement of students
  - Moderation of Controlled Assessment
  - Through data analysis and systematic intervention, monitor 4LP of Boys, and the students who enter at Level 4.
- 1.1a(3) Raise attainment and progress at KS4 in Maths
- Regular Maths Strategy Meetings to enhance 13/14 results compared with 12/13
  - Line management meetings to focus on progress and achievement of students
  - Students to receive a revision schedule for home to supplement work at school
  - Targeted interventions including booster sessions during tutorial to focus on C/D students, 1:1 and small group tuition.
  - Through data analysis and systematic intervention, monitor 3 & 4LP of Boys and the 3LP of students who enter at Level 3 and/or those who are SA+.
- 1.1a(4) Raise attainment and progress at KS4 in Science
- Program of support in place to enhance achievement of students in Science
  - Through Line Management work with HOD to ensure high quality teaching, assessment and intervention takes place
  - Modification of curriculum where appropriate (BTec, single GCSE, double, triple)
- 1.1b Raise attainment and progress at KS3

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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- Develop the use of 3LP or 4LP with all non-Core subjects
  - Identify and track within each year group students most likely to make 4LP (KS2 = 5a, 5b or 4a) and ensure that early intervention strategies exist and operate to support students that fall below 4LP
  - Use CATs scores to identify students with potential to exceed and not achieve 3LP.
  - Ensure support plans are in place to allow intervention to prevent underachievement in each subject. E.g. "Y10/Y7&Y8 academic mentoring", "1:1 tuition", "Transition teacher", "home learning support plans".
- 1.1c Raise attainment and progress in Year 10 and 11
- Develop the use of 3LP or 4LP with all non-Core subjects.
  - Identify students who belong to more than one vulnerable group and ensure appropriate support provision is in place
  - Use of "step tables" to ensure HODs can identify (and intervene with) students who fall below National expectations
  - Using AFL to inform planning – staff meeting CPD Nov
  - Using data to inform planning HODs – Nov
- 1.2(a) Develop RWCM across the curriculum
- Use of Reading Coaches
  - Develop diagnostic tests using new online Suffolk programme.
  - Staff meeting training on practical strategies to use literacy within lessons. (January)
  - Literacy Focus group (joint with Stanway)- guiding staff to research and apply ideas to teaching/planning/sow/ exam access to help inform improvement plans.
- 1.2(b) Develop reading throughout the school
- Registration Reading time
- 1.3(a) Raise attainment and progress of gifted and talented students
- Termly meeting with parents of students with least one Level 5 at KS2
  - Establish an Independent Learning programme to enable students to enhance their progress in class
  - Consider other support opportunities outside of school, e.g. "Essex Children's University", "Aim Higher"
- 1.3(b) Increase progress of disadvantaged boys
- SLT to mentor challenging underachieving students.
  - Transition teacher
  - Line management meetings and CPD programme.
  - Monitoring updating DIPs, particularly the structure of Dept. meetings
  - SE's Boys Engagement groups.
- 1.3(c) Raise attainment and progress of SEND students
- 1:1 tuition and small group work
  - Transition teacher
  - Monitoring the achievement of SEND at Achievement Boards.
- 1.3(d) Increase achievement of PP students to above NA or rapidly close gap
- 1:1 tuition and small group work
  - Transition teacher
  - Monitoring the achievement of FSM at Achievement Boards and effective allocation of PPG in driving and supporting interventions

## **2. Quality of Teaching**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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- 2.1a      Increase the % of lessons judged 'good' or better
- RI programme and coaching for staff vulnerable to 3.
  - Tailored CPD programme which matches the needs of teachers
  - Adaptation of lesson observation feedback form – more precise feedback to staff with clear targets
  - Consistent approach of Lead Teacher to monitoring both T and L and marking in their department, half termly.
- 2.1b      Increase the % lesson judged 'good' or better in Science
- Weekly support for LT by MEC on action plan.
  - Coaching programme for underperforming teachers
  - Dept. CPD matching DPT needs (based on exam results, Learning Walk info etc.).
  - Department action plan in place.
  - Improved consistent approach to monitoring of T and L by HOD.
- 2.1c      Improve teachers' skills to differentiate through learning outcomes and differentiated activities
- CPD programme
  - Dept. meeting focus – monitored by MCA- impact seen in HOD Learning Walks
  - Additional coaching support if identified as a weakness through Learning Walks /Lesson obs.
  - Revised version of school lesson plan and lesson obs. form focus on this.
  - T and L group focus.
- 2.1d      Assessment data and AFL is used effectively to re-shape teaching as appropriate
- Coaching programme and CPD programme – using AFL effectively.
  - Training for Lead Teachers to support their teams
  - HOD meeting in Nov – how to manage dept. data and your team through frequent focus on success criteria/assessment foci and reshaping of tasks, including homework questions.
- 2.1e      Improve the quality of teaching of RWCM
- Practical support and resource pack for teachers to use in the classroom.
  - Work with HODs on improving literacy in their SOW
  - Half termly literacy resource tips for staff.
  - Good practice shared from Learning Walks.
- 2.2      Ensure that pupils respond to feedback
- Books reviewed as part of school review process.
  - Books monitored by LT using school proformas and info. shared with LM.
  - Student panels
  - Staff to use school stickers to show where feedback has been acted upon.
- 2.3      Develop ICT as an effective learning and teaching tool
- iTechnology group to fuse with learning and teaching group
  - All staff to contribute resources.
- 2.4      Improve the quality of home learning, including preparing students for linear examinations
- Review PSHE programme re: revision skills
  - Year 11 Parents' Evening (displays by HODs)
  - Enrichment Days focus on Revision skills and revision packs
  - Invitations to meetings for parents of underperforming students not attending events

### **3. Behaviour and Safety**

- 3.1      Improve students' BfL (active not compliant)
- CPD for staff on active engagement.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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- Assemblies for students on what good behaviour for learning looks like
  - Targeted support for students in lower ability groups to access learning
  - 'Achievement Centre' to provide programmes of support for students who find good BfL a challenge
- 3.2 Ascertain stakeholders' opinions and act on feedback
- Proactive work with parents at specific points in the year – e.g. Parents Evenings
  - Automatic review and contact with parents after agreed year of time following any concerns or incidents
  - Regular opportunities for feedback (e.g. Surveys) for parents and students
  - YHC to be involved in gathering opinions of students regarding well-being
  - Parental and Student surveys to be completed in 2013-2014
- 3.3 Reduce all forms of bullying and ensure that it is dealt with effectively
- Bullying continues as part of PSHE curriculum.
  - E-safety audit and action plan
  - On-line system to report incidents to be introduced
- 3.4a Improve behaviour still further so that all groups of students behave well
- Targeted intensive in-class support
  - Withdrawal from key lessons with 1:1 support
  - Development of the 'Achievement Centre' to support students.
  - Use of SSW to support parents and students with complex needs
  - Consistent use of rewards to support achievement
- 3.4b Improve behaviour still further so that Year 8 and 9 students behave well
- Specific programme to develop social skills in lower attaining boys in particular. (Also part of Rewards Scheme)
  - Data monitored regularly and action/strategies reviewed fortnightly
- 3.5 Ensure all students feel safe particularly those on Alt Ed
- Alt Ed. collaboration re-structured and reviewed.
  - Closer contacts and more regular information gathering with partner organizations
  - YHC to survey all students regarding safety
- 3.6 Increase attendance to 94%, and improve PA to 7%
- Use of SSW to support key PA and vulnerable students and their families
  - Early contact and targeting of support for those known to be at risk of poor attendance and/or punctuality
  - Targeted home visits and follow up leading to involvement of EWO for persistent offenders.

**4. Quality of leadership in, and management of, the school**

- 4.1 Ensure SE leads to improved outcomes
- Launch new SEF and SIP
  - Achievement Board Meetings
  - Regular and systematic moderation at KS3 & 4 by HODs and LM
  - 2 observations per teacher; one by HB, other by SLT/ML. Observations are always paired, moderated by HB and external advisor.
- 4.2 Develop Trustee links to specific year groups.
- JB, SE and MCA allocated to year groups
  - Action minutes from Trustees CWC meetings.
- 4.3 Ensure the implementation of an effective literacy strategy.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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- See sections 1.2a, 1.2b, 2.1e above.
  - Review Literacy Policy.
  - Use staff meeting Jan 2014 to highlight key issues.
  - Monitor through work book scrutiny and learning walks.
- 4.4 To improve the leadership of T&L at all levels
- See sections 2 above.
  - Establish QA calendar.
  - CPD programme in place.
  - Continue targeted coaching programme including for RI.
  - All meetings focused on Achievement and developing high quality Teaching.
- 4.5 Ensure curriculum and staffing plan in place 2014-17
- Develop 3 year framework taking into account new developments in NC.
  - HODs contribute to consultation process.
  - Draft whole-school curriculum model 2014-15
- 4.6 Further develop links with parents with a view to there being a positive impact on student outcomes.
- Designated responsibility of a DHT.
  - Phone and text important information for events, parents evenings
  - Increased contact with families of students not making expected progress
  - Further develop use of surveys and Ofsted Parent View.
- 4.7 Implement the E-safety policy
- Complete E-safety audit.
  - Create Cross Federation E-Safety policy
  - Monitor application of safeguarding procedures
  - E-safety panel established across the Federation, including involvement from Trustees
- 4.8 Ensure PPG is spent effectively to ensure positive outcomes for FSM, Forces, CLA students
- PPG action plan in place – clearly costed.
  - JB to collect data on students' progress and use to evaluate impact of interventions.
  - Presentation of impact of spending at Trustees' CWC
- 4.9 To develop and implement an effective ICT infrastructure that supports learning
- Respond to NEXUS review across Federation
- 4.10 To further develop coherent careers education programme.
- JE to complete RoQA award.
  - SG to complete training and do individual interviews.
  - Relevant programme in place across the school.

**Funds held as Custodian Trustee on behalf of others**

**Stanway**

Teaching School Alliance £92,760 - held as administrator on behalf of Colchester Royal Grammar School

**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.

The auditors, Griffin Chapman, are willing to continue in office and a resolution to appoint them will be proposed

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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at the annual general meeting.

Approved by order of the members of the Governing Body on 18th November 2013 and signed on its behalf by:

.....  
**B M Palmer**  
**Chair**

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**THE STANWAY FEDERATION**  
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**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

As trustees, we acknowledge we have overall responsibility for ensuring that The Stanway Federation 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 Executive Headteacher, 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 Stanway Federation and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

Attendance during the year at meetings of the governing body in the year was as follows:

<b>Trustee</b>	<b>Meetings attended out of a possible 4</b>
Brian Palmer, Member (Chair)	4
Andrew Davenall, Member (Vice Chair)	4
David Kay, Member	4
Julian Lamb, Member	3
Barbara Williamson, Member	3
Linda Barton, Nominated Trustee (appointed 17/06/13)	1 (out of 1)
Carol Binmore, Nominated Trustee (resigned 19/03/13)	2 (out of 3)
Valerie Endean, Nominated Trustee	3
John Knight, Nominated Trustee	4
Natalie Launder, Nominated Trustee (appointed 19/11/12)	3
Valerie Pratt, Nominated Trustee	4
John Spademan, Nominated Trustee (Responsible Officer)	3
Barry Wild, Nominated Trustee	3
Jonathan Tippett, Executive Headteacher (Accounting Officer)	4
Helena Boast, Headteacher, Thomas Lord Audley (appointed 15/04/13)	1 (out of 1)
David Harris, Co-Opted Trustee	2
David Boggis, Staff Trustee, Thomas Lord Audley	4
Sarah Cosham, Staff Trustee, Stanway	4
John Heffer, Staff Trustee, Thomas Lord Audley	3
Helen Marr, Staff Trustee, Thomas Lord Audley	2
Nicholas Evans, Parent Trustee, Thomas Lord Audley	3
Helen Bayliss, Parent Trustee, Stanway	0
Carol-Ann Frogley, Parent Trustee, Stanway	3

The Governing Body has 4 sub-committees:

Curriculum & Welfare Committee

The committee has delegated powers to consider and make decisions in respect of the monitoring and overseeing the curriculum, arrangements for students with SEN, G&T and any other target groups, admission arrangements, pastoral care, extra-curricular activities, catering and student welfare. Attendance at meetings in the year was as follows:

<b>Trustee</b>	<b>Meetings attended out of a possible 4</b>
Andrew Davenall (Chair)	4

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**GOVERNANCE STATEMENT (continued)**

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Helen Bayliss	1
Helena Boast (appointed 15/04/13)	1 (out of 1)
David Boggis	0
Sarah Cosham	4
Valerie Endean	2
David Kay	4
Helen Marr	3
Valerie Pratt	4
Jonathan Tippett	4

Finance Committee

The committee has delegated powers to consider and make decisions in respect of the academies' budgets, private fund, financial strategy and policy and the supervision and control of financial procedures, accounts, income and expenditure. Attendance at meetings in the year was as follows:

Trustee	Meetings attended out of a possible 10
David Kay (Chair)	9
David Boggis	8
Valerie Endean	7
John Heffer	9
Brian Palmer	7
Valerie Pratt	10
Jonathan Tippett (Accounting Officer)	9
Helena Boast (since Apr 13)	3 (out of 4)
Julian Lamb	1 (out of 1)

Personnel Committee

The Committee has delegated powers to consider and make decisions in respect of reviewing and approving staffing structure, overseeing all personnel-related policies, acting as Staff and Staff Pay/Dismissal Committees, appointing performance management advisor for headteacher and overseeing arrangements of performance management of all other staff. It has delegated to the Headteacher responsibility for the appointment and dismissal of staff below the senior management teams. It assists in the administration of the staffing requirements for the academies both in the teaching and support areas and makes recommendations to the Finance Committee on staffing needs to meet the requirements of the curriculum. Attendance at meetings in the year was as follows:

Trustee	Meetings attended out of a possible 6
Barbara Williamson(Chair)	6
Carol Binmore (until 19/03/13)	2 (out of 3)
Helena Boast (since 15/04/13)	2 (out of 3)
Andrew Davenall	5
Valerie Endean	4
Valerie Pratt	6
John Spademan	6
Jonathan Tippett	5

Premises Committee

The committee has delegated powers to consider and make decisions in respect of advising and authorising the provision of resources and services, reviewing the condition of the academies' buildings, producing a rolling maintenance programme and monitoring health and safety. Attendance at meetings in the year was as follows:

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**GOVERNANCE STATEMENT (continued)**

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Trustee	Meetings attended out of a possible 5
Julian Lamb (Chair)	5
David Boggis	5
Valerie Endean	2
Carol-Ann Frogley	4
David Harris	0
John Heffer	5
Valerie Pratt	5
Helen Marr	5
Barry Wild	2

#### **THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Stanway Federation for the year 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements.

#### **CAPACITY TO HANDLE RISK**

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2012 to 31 August 2013 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:

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the trustees have appointed:

- John Spademan, a Trustee, as Responsible Officer (RO);

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**THE STANWAY FEDERATION**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT (continued)**

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- Griffin Chapman, the external auditors, to perform additional checks.

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

**REVIEW OF EFFECTIVENESS**

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

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

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

Approved by order of the members of the board of trustees on 18 November 2013 and signed on their behalf, by:

.....  
**Brian Palmer**  
**[Chair]**

.....  
**Jonathan Tippett**  
**[Accounting officer]**

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**THE STANWAY FEDERATION**  
**(A company limited by guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.

.....  
**Jonathan Tippett**  
**[Accounting officer]**

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**THE STANWAY FEDERATION**  
**(A company limited by guarantee)**

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**TRUSTEES' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the board of trustees on 9 December 2013 and signed on its behalf by:

.....  
**B M Palmer**  
**[Chair]**

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**THE STANWAY FEDERATION**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE STANWAY FEDERATION**

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

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 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.

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**THE STANWAY FEDERATION**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE STANWAY FEDERATION**

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**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.

Mr G H Tarr (Senior statutory auditor)

for and on behalf of

**Griffin Chapman**

Chartered Accountants  
Registered Auditors

4 & 5 The Cedars  
Apex 12  
Old Ipswich Road  
Colchester  
Essex  
CO7 7QR  
Date:

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**THE STANWAY FEDERATION**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO THE STANWAY  
FEDERATION ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 31 October 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Stanway Federation during the year 1 September 2012 to 31 August 2013 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 Stanway Federation and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Stanway Federation 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 Stanway Federation and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE STANWAY FEDERATION ACADEMY TRUST'S ACCOUNTING  
OFFICER AND THE REPORTING AUDITOR**

The accounting officer is responsible, under the requirements of The Stanway Federation's funding agreement with the Secretary of State for Education dated 1 March 2012, and the Academies Financial Handbook extant from 1 September 2012, 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. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2012 to 31 August 2013 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 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.

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 comprised:

- a) Obtaining a sufficient understanding of the framework of authorities which apply to the academy.
- b) Understanding the system of internal control to secure compliance with the framework for authorities.
- c) Considering the basis on which the Accounting Officer is able to make statements on regularity, propriety and compliance in the Financial Statements.
- d) Assessing the risk of material irregularity, impropriety and non-compliance.
- e) Designing and carrying out tests and drawing of conclusions from this work to provide assurance over regularity, propriety and compliance.

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**THE STANWAY FEDERATION**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO THE STANWAY  
FEDERATION ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

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**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2012 to 31 August 2013 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Griffin Chapman**

Chartered Accountants

4 & 5 The Cedars  
Apex 12  
Old Ipswich Road  
Colchester  
Essex  
CO7 7QR

Date:

**THE STANWAY FEDERATION**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES**  
(incorporating income and expenditure account and statement of recognised gains and losses)  
FOR THE YEAR ENDED 31 AUGUST 2013

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	year ended 31 August 2013 £	<i>period 20 December 2011 to 31 August 2012 £</i>
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Voluntary income - transfer from Local Authority on conversion	2	-	-	-	-	24,686,001
Other voluntary income	2	16,037	-	-	16,037	3,645
Activities for generating funds	3	136,400	1,304,730	-	1,441,130	602,283
Investment income	4	5,797	-	-	5,797	710
Incoming resources from charitable activities	5	-	10,405,413	598,241	11,003,654	5,184,143
<b>TOTAL INCOMING RESOURCES</b>		<b>158,234</b>	<b>11,710,143</b>	<b>598,241</b>	<b>12,466,618</b>	<b>30,476,782</b>
<b>RESOURCES EXPENDED</b>						
Charitable activities		55,450	11,698,907	674,075	12,428,432	5,673,956
Governance costs	6	-	12,250	-	12,250	12,500
<b>TOTAL RESOURCES EXPENDED</b>	9	<b>55,450</b>	<b>11,711,157</b>	<b>674,075</b>	<b>12,440,682</b>	<b>5,686,456</b>
<b>NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE TRANSFERS</b>		<b>102,784</b>	<b>(1,014)</b>	<b>(75,834)</b>	<b>25,936</b>	<b>24,790,326</b>

**THE STANWAY FEDERATION**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	year ended 31 August 2013 £	<i>period 20 December 2011 to 31 August 2012 £</i>
Transfers between Funds	22	-	438,301	(438,301)	-	-
<b>NET INCOME FOR THE YEAR</b>		<b>102,784</b>	<b>437,287</b>	<b>(514,135)</b>	<b>25,936</b>	<b>24,790,326</b>
Actuarial gains and losses on defined benefit pension schemes		-	(163,000)	-	(163,000)	(186,000)
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>102,784</b>	<b>274,287</b>	<b>(514,135)</b>	<b>(137,064)</b>	<b>24,604,326</b>
<i>Total funds at 1 September 2012</i>		<i>1,308,644</i>	<i>(2,527,852)</i>	<i>25,823,534</i>	<i>24,604,326</i>	<i>-</i>
<b>TOTAL FUNDS AT 31 AUGUST 2013</b>		<b>1,411,428</b>	<b>(2,253,565)</b>	<b>25,309,399</b>	<b>24,467,262</b>	<b>24,604,326</b>

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 35 to 58 form part of these financial statements.

**THE STANWAY FEDERATION**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07887953**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2013**

		2013			2012
	Note	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	18		25,291,133		25,823,533
<b>CURRENT ASSETS</b>					
Stocks	19	25,960		25,135	
Debtors	20	800,463		525,461	
Cash at bank and in hand		2,696,610		2,021,556	
		<u>3,523,033</u>		<u>2,572,152</u>	
<b>CREDITORS:</b> amounts falling due within one year	21		<u>(1,009,904)</u>		<u>(806,359)</u>
<b>NET CURRENT ASSETS</b>			<u>2,513,129</u>		<u>1,765,793</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>27,804,262</u>		<u>27,589,326</u>
Defined benefit pension scheme liability	28		<u>(3,337,000)</u>		<u>(2,985,000)</u>
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u><u>24,467,262</u></u>		<u><u>24,604,326</u></u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted funds:					
Restricted funds	22	1,083,435		457,148	
Restricted fixed asset funds	22	25,309,399		25,823,534	
Restricted funds excluding pension liability		<u>26,392,834</u>		<u>26,280,682</u>	
Pension reserve		<u>(3,337,000)</u>		<u>(2,985,000)</u>	
Total restricted funds			<u>23,055,834</u>		<u>23,295,682</u>
Unrestricted funds	22		<u>1,411,428</u>		<u>1,308,644</u>
<b>TOTAL FUNDS</b>			<u><u>24,467,262</u></u>		<u><u>24,604,326</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 9 December 2013 and are signed on their behalf, by:

.....  
**Brian Palmer, Chair of Governors**  
**Chair of Trustees**

The notes on pages 35 to 58 form part of these financial statements.

**THE STANWAY FEDERATION**  
(A company limited by guarantee)

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

	Note	year ended 31 August 2013 £	<i>period 20</i> <i>December 2011</i> <i>to 31 August</i> <i>2012</i> £
Net cash flow from operating activities	24	758,848	763,732
Returns on investments and servicing of finance	25	5,797	710
Capital expenditure and financial investment	25	(89,591)	-
Cash transferred on conversion to an academy trust		-	1,257,114
<b>INCREASE IN CASH IN THE YEAR</b>		<b>675,054</b>	<b>2,021,556</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

	year ended 31 August 2013 £	<i>period 20</i> <i>December 2011</i> <i>to 31 August</i> <i>2012</i> £
Increase in cash in the year	675,054	2,021,556
<b>MOVEMENT IN NET FUNDS IN THE YEAR</b>	<b>675,054</b>	<b>2,021,556</b>
Net funds at 1 September 2012	2,021,556	-
<b>NET FUNDS AT 31 AUGUST 2013</b>	<b>2,696,610</b>	<b>2,021,556</b>

The notes on pages 35 to 58 form part of these financial statements.

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**THE STANWAY FEDERATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

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

**1.2 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 Department for Education where the asset acquired or created is held for a specific purpose.

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

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

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**THE STANWAY FEDERATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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**1. ACCOUNTING POLICIES (continued)**

**1.3 Incoming resources**

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

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

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

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

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

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

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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**THE STANWAY FEDERATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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**1. ACCOUNTING POLICIES (continued)**

**1.4 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.

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

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Going concern**

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

**1.6 Tangible fixed assets and depreciation**

Assets costing £10,000 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 are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy.

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.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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**THE STANWAY FEDERATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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**1. ACCOUNTING POLICIES (continued)**

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

Freehold property	-	2% straight-line basis
Motor vehicles	-	20% straight-line basis
Fixtures and fittings & equipment	-	20% straight-line basis
ICT equipment	-	25% straight-line basis

**1.7 Operating leases**

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

**1.8 Stocks**

Stock consists of purchased goods for resale, such as school uniform and catering. Stocks are valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

**1.9 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.

**THE STANWAY FEDERATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

**1. ACCOUNTING POLICIES (continued)**

**1.10 Pensions**

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes, are 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 employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 28, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

**2. VOLUNTARY INCOME**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>year ended 31 August</b>	<i>period 20 December 2011 to 31 August 2012</i>
	<b>2013</b>	<b>2013</b>	<b>2013</b>	
	£	£	£	£
Voluntary income - transfer from Local Authority on conversion	-	-	-	24,686,001
	<hr/>	<hr/>	<hr/>	<hr/>
Donations	<b>16,037</b>	-	<b>16,037</b>	3,645
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	<b>16,037</b>	-	<b>16,037</b>	24,689,646
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**THE STANWAY FEDERATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

**3. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted funds 2013	Restricted funds 2013	year ended 31 August 2013	<i>period 20 December 2011 to 31 August 2012</i>
	£	£	£	£
Lettings income	89,343	-	89,343	48,413
Music services income	-	9,676	9,676	7,020
Trip income	-	225,658	225,658	45,630
Catering & uniform sales	20,190	241,741	261,931	121,537
Other income	26,867	827,655	854,522	379,683
	<u>136,400</u>	<u>1,304,730</u>	<u>1,441,130</u>	<u>602,283</u>

**4. INVESTMENT INCOME**

	Unrestricted funds 2013	Restricted funds 2013	year ended 31 August 2013	<i>period 20 December 2011 to 31 August 2012</i>
	£	£	£	£
Investment income - local cash	5,797	-	5,797	710
	<u>5,797</u>	<u>-</u>	<u>5,797</u>	<u>710</u>

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2013	Restricted funds 2013	year ended 31 August 2013	<i>period 20 December 2011 to 31 August 2012</i>
	£	£	£	£
Educational operations	-	11,003,654	11,003,654	5,184,143
	<u>-</u>	<u>11,003,654</u>	<u>11,003,654</u>	<u>5,184,143</u>

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**FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2013 £	Restricted funds 2013 £	year ended 31 August 2013 £	<i>period 20 December 2011 to 31 August 2012 £</i>
<b>DfE/EFA grants</b>				
General Annual Grant (GAG)	-	9,963,963	9,963,963	4,832,339
Other DfE grants	-	441,450	441,450	317,782
	<u>-</u>	<u>10,405,413</u>	<u>10,405,413</u>	<u>5,150,121</u>
<b>Capital grants</b>				
Capital grants	-	598,241	598,241	34,022
	<u>-</u>	<u>598,241</u>	<u>598,241</u>	<u>34,022</u>
<b>Other funding</b>				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>11,003,654</u>	<u>11,003,654</u>	<u>5,184,143</u>

**6. GOVERNANCE COSTS**

	Unrestricted funds 2013 £	Restricted funds 2013 £	year ended 31 August 2013 £	<i>period 20 December 2011 to 31 August 2012 £</i>
Governance Auditors' remuneration	-	12,250	12,250	12,500
	<u>-</u>	<u>12,250</u>	<u>12,250</u>	<u>12,500</u>

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**7. DIRECT COSTS**

	Educational operations £	year ended 31 August 2013 £	<i>period 20 December 2011 to 31 August 2012 £</i>
Education supplies	560,552	560,552	211,988
Examination fees	150,476	150,476	88,518
Educational consultancy	72,582	72,582	2,502
Other direct costs	218,680	218,680	85,917
ICT	74,180	74,180	29,774
Depreciation	674,076	674,076	330,952
Wages and salaries	5,747,215	5,747,215	2,774,162
National insurance	421,408	421,408	210,520
Pension cost	667,550	667,550	327,266
	<u>8,586,719</u>	<u>8,586,719</u>	<u>4,061,599</u>

**8. SUPPORT COSTS**

	Educational operations £	year ended 31 August 2013 £	<i>period 20 December 2011 to 31 August 2012 £</i>
Pension interest cost	107,000	107,000	59,000
Maintenance of premises and equipment	1,063,965	1,063,965	215,536
Cleaning	227,384	227,384	111,059
Rent and rates	54,279	54,279	29,873
Insurance	114,293	114,293	65,668
Security and transport	13,247	13,247	4,583
Catering	166,945	166,945	79,814
ICT	161,601	161,601	76,635
Utilities	168,363	168,363	68,532
Bank interest and charges	134	134	-
Other support costs	213,105	213,105	158,449
Wages and salaries	1,122,847	1,122,847	555,447
National insurance	52,293	52,293	20,602
Pension current service cost	376,257	376,257	167,159
	<u>3,841,713</u>	<u>3,841,713</u>	<u>1,612,357</u>

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**9. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	Staff costs 2013	Other costs 2013	year ended 31 August 2013	<i>period 20 December 2011 to 31 August 2012</i>
	£	£	£	£
Educational operations	6,836,173	1,750,546	8,586,719	4,061,599
Support costs - Educational operations	1,551,397	2,290,316	3,841,713	1,612,357
<b>Charitable activities</b>	<b>8,387,570</b>	<b>4,040,862</b>	<b>12,428,432</b>	<b>5,673,956</b>
<b>Governance</b>	<b>-</b>	<b>12,250</b>	<b>12,250</b>	<b>12,500</b>
	<b>8,387,570</b>	<b>4,053,112</b>	<b>12,440,682</b>	<b>5,686,456</b>

**10. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

	Activities undertaken directly 2013	Support costs 2013	year ended 31 August 2013	<i>period 20 December 2011 to 31 August 2012</i>
	£	£	£	£
Educational operations	8,586,719	3,841,713	12,428,432	5,673,956

**11. NET INCOMING RESOURCES / (RESOURCES EXPENDED)**

This is stated after charging:

	year ended 31 August 2013	<i>period 20 December 2011 to 31 August 2012</i>
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	674,075	330,952
Operating lease rentals	4,840	4,840

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**12. AUDITORS' REMUNERATION**

	<b>year</b> <b>31 August</b> <b>2013</b> <b>£</b>	<i>period ended</i> <i>31 August</i> <i>2012</i> <i>£</i>
Fees payable to the academy's auditor and its associates for the audit of the academy's annual accounts	10,250	9,750
Fees payable to the academy's auditor and its associates in respect of:		
All taxation advisory services not included above	565	-
Internal audit services	1,840	920
All other non-audit services not included above	5,780	3,885
	1,200	600
Fees payable to the academy's auditor and its associates in connection with the academy's pension schemes in respect of:		
The auditing of contributions to the schemes	1,200	600
	1,200	600

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**13. STAFF COSTS**

Staff costs were as follows:

	<b>year ended 31 August 2013</b>	<i>period 20 December 2011 to 31 August 2012</i>
	£	£
Wages and salaries	6,841,382	3,317,927
Social security costs	473,701	231,122
Other pension costs (Note 28)	1,043,807	494,425
	<u>8,358,890</u>	<u>4,043,474</u>
Supply teacher costs	28,680	11,682
	<u><u>8,387,570</u></u>	<u><u>4,055,156</u></u>

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

	<b>year ended 31 August 2013</b>	<i>period 20 December 2011 to 31 August 2012</i>
	No.	No.
Teachers	100	98
Premises, administrative and support staff costs	102	91
Leadership team	23	20
	<u>225</u>	<u>209</u>

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

	<b>year ended 31 August 2013</b>	<i>period 20 December 2011 to 31 August 2012</i>
	No.	No.
In the band £60,001 - £70,000	6	3
In the band £140,001 - £150,000	1	1
	<u>7</u>	<u>4</u>

The employees above participated in the Teachers' Pension Scheme. During the period ended 31 August 2013, pension contributions for these members of staff amounted to £75,787 (2012: £24,214).

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**14. CENTRAL SERVICES**

The academy trust does not have a central services function but does recharge staff costs between its two academies.

The academy charges for these services on the following basis:

Staff costs are recharged on the basis of days worked. The recharges are eliminated in the academy trust's accounts.

The actual amounts charged during the year were as follows:

	<b>year ended 31 August 2013</b>
	<b>£</b>
Stanway School staff recharged to Thomas Lord Audley School	556,184
Thomas Lord Audley School staff recharged to Stanway School	180,268
	736,452
Total	736,452

**15. TRUSTEES' REMUNERATION AND EXPENSES**

During the year retirement benefits were accruing to 6 Trustees (2012 - 5) in respect of defined contribution pension schemes.

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their role as Trustees. The value of Trustees' remuneration, comprising salary plus employers pension contributions, fell within the following bands:

	<b>year ended 31 August 2013</b>	<i>period 20 December 2011 to 31 August 2012</i>
	<b>£'000</b>	<b>£'000</b>
J Tippett	165-170	80-85
H Marr	40-45	15-20
S Cosham	10-15	5-10
D Boggis	60-65	30-35
J Heffer	10-15	5-10
H Boast (from 15 April 2013)	30-35	

During the year, no Trustees received any reimbursement of expenses (2012 - £NIL).

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**16. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2013 was £1,813 (2012 - £1,371).

The cost of this insurance is included in the total insurance cost.

**17. OTHER FINANCE INCOME/COST**

	<b>year ended 31 August 2013</b>	<i>period 20 December 2011 to 31 August 2012</i>
	£	£
Expected return on pension scheme assets	44,000	16,000
Interest on pension scheme liabilities	(151,000)	(75,000)
	<b>(107,000)</b>	<b>(59,000)</b>
	<b>(107,000)</b>	<b>(59,000)</b>

**18. TANGIBLE FIXED ASSETS**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 September 2012	25,943,732	26,300	49,335	135,119	26,154,486
Additions	-	-	45,593	96,081	141,674
At 31 August 2013	<b>25,943,732</b>	<b>26,300</b>	<b>94,928</b>	<b>231,200</b>	<b>26,296,160</b>
<b>Depreciation</b>					
At 1 September 2012	280,430	4,819	5,716	39,988	330,953
Charge for the year	560,860	9,634	19,443	84,137	674,074
At 31 August 2013	<b>841,290</b>	<b>14,453</b>	<b>25,159</b>	<b>124,125</b>	<b>1,005,027</b>
<b>Net book value</b>					
At 31 August 2013	<b>25,102,442</b>	<b>11,847</b>	<b>69,769</b>	<b>107,075</b>	<b>25,291,133</b>
<i>At 31 August 2012</i>	<i>25,663,302</i>	<i>21,481</i>	<i>43,619</i>	<i>95,131</i>	<i>25,823,533</i>

The trustees have based their valuation of the buildings on the insurance value of the premises, discounted to take account of the age of the building at the time of the transfer. For the purpose of these financial statements the land is deemed to have no commercial value.

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**19. STOCKS**

	2013	2012
	£	£
Goods for resale and consumables	<u>25,960</u>	<u>25,135</u>

**20. DEBTORS**

	2013	2012
	£	£
Trade debtors	101,887	146,800
Other debtors	511,045	217,512
Prepayments and accrued income	187,531	161,149
	<u>800,463</u>	<u>525,461</u>

**21. CREDITORS:  
Amounts falling due within one year**

	2013	2012
	£	£
Trade creditors	289,040	251,422
Other taxation and social security	171,247	158,579
Other creditors	278,859	208,481
Accruals and deferred income	270,758	187,877
	<u>1,009,904</u>	<u>806,359</u>

**Deferred income**

Deferred income at 1 September 2012		(175,960)
Resources deferred during the year		(261,230)
Amounts released from previous years		175,960
		<u>(261,230)</u>

**22. STATEMENT OF FUNDS**

	Brought Forward	Incoming resources	Resources Expended	Transfers in/out	Gains/ (Losses)	Carried Forward
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
General Funds - all funds	<u>1,308,644</u>	<u>158,234</u>	<u>(55,450)</u>	<u>-</u>	<u>-</u>	<u>1,411,428</u>

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**Restricted funds**

General Annual Grant (GAG)	25,030	11,526,484	(11,425,738)	438,301	-	564,077
Behaviour & Attendance Partnership Area Planning Group	-	66,278	(287)	-	-	65,991
Local Delivery Group East	118,379	30,134	(36,618)	-	-	111,895
Local Delivery Group West	313,739	30,134	(54,026)	-	-	289,847
Pension reserve	(2,985,000)	-	(189,000)	-	(163,000)	(3,337,000)
	<u>(2,527,852)</u>	<u>11,710,143</u>	<u>(11,711,157)</u>	<u>438,301</u>	<u>(163,000)</u>	<u>(2,253,565)</u>

**Restricted fixed asset funds**

Restricted Fixed Asset Fund	25,823,534	598,241	(674,075)	(438,301)	-	25,309,399
Total restricted funds	<u>23,295,682</u>	<u>12,308,384</u>	<u>(12,385,232)</u>	<u>-</u>	<u>(163,000)</u>	<u>23,055,834</u>
Total of funds	<u><u>24,604,326</u></u>	<u><u>12,466,618</u></u>	<u><u>(12,440,682)</u></u>	<u><u>-</u></u>	<u><u>(163,000)</u></u>	<u><u>24,467,262</u></u>

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

The GAG restricted fund includes all unexpended restricted income, including GAG income which is used for the normal running expenses of the academy.

Colchester Behaviour and Attendance partnership is a group of Schools that work together to reduce exclusion from education and improve outcomes for vulnerable groups.

The Area Planning Group promotes collaboration between secondary schools and colleges across Colchester.

Colchester LDGs were set up by the Local Authority in a pan-Essex brief to devise and offer a range of extended opportunities to local children and young people according to the principles of Every Child Matters.

The restricted fixed asset fund represents the cost or valuation of assets held by the academy trust.

The pension reserve represents the deficit on the LGPS pension scheme.

Unrestricted funds are those arising from unrestricted activities and can be applied for any purpose.

During the year £527,893 was transferred from restricted fixed asset funds to restricted funds. This is capital grant used for various maintenance projects included in the Statement of Financial Activities as resources expended and £89,592 was transferred from restricted funds to restricted fixed asset funds for capital expenditure met from GAG.

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**22. STATEMENT OF FUNDS (continued)**

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013.

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2013 were allocated as follows:

	<b>Total</b>	<b>£</b>
The Stanway School	1,937,596	
Thomas Lord Audley School	557,267	
	2,494,863	
Total before fixed asset fund and pension reserve	2,494,863	
Restricted fixed asset fund	25,309,399	
Pension reserve	(3,337,000)	
	24,467,262	
Total	24,467,262	

**ANALYSIS OF ACADEMIES BY COST**

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

	<b>Teaching and educational support staff costs</b>	<b>Other support staff costs</b>	<b>Educational supplies</b>	<b>Other costs excl. depreciation</b>	<b>Total</b>	<b>£</b>
	£	£	£	£	£	£
The Stanway School	4,425,094	980,035	170,199	1,607,869	7,183,197	
Thomas Lord Audley School	2,629,580	622,860	135,863	1,359,041	4,747,344	
	7,054,674	1,602,895	306,062	2,966,910	11,930,541	
	7,054,674	1,602,895	306,062	2,966,910	11,930,541	

**SUMMARY OF FUNDS**

	<b>Brought Forward</b>	<b>Incoming resources</b>	<b>Resources Expended</b>	<b>Transfers in/out</b>	<b>Gains/ (Losses)</b>	<b>Carried Forward</b>
	£	£	£	£	£	£
General funds	1,308,644	158,234	(55,450)	-	-	1,411,428
Restricted funds	(2,527,852)	11,710,143	(11,711,157)	438,301	(163,000)	(2,253,565)
Restricted fixed asset funds	25,823,534	598,241	(674,075)	(438,301)	-	25,309,399
	24,604,326	12,466,618	(12,440,682)	-	(163,000)	24,467,262
	24,604,326	12,466,618	(12,440,682)	-	(163,000)	24,467,262

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**23. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds		Restricted fixed asset funds		year ended 31 August 2013	period 20 December 2011 to 31 August 2012
	2013	2013	2013	2013	2013	2012
	£	£	£	£	£	£
Tangible fixed assets	(18,266)	-	25,309,399	25,291,133	25,823,534	
Current assets	1,407,228	2,115,805	-	3,523,033	2,572,152	
Creditors due within one year	22,466	(1,032,370)	-	(1,009,904)	(806,360)	
Provisions for liabilities and charges	-	(3,337,000)	-	(3,337,000)	(2,985,000)	
	<u>1,411,428</u>	<u>(2,253,565)</u>	<u>25,309,399</u>	<u>24,467,262</u>	<u>24,604,326</u>	

**24. NET CASH FLOW FROM OPERATING ACTIVITIES**

	year ended 31 August 2013	period ended 31 August 2012
	£	£
Net incoming resources before revaluations	25,936	24,790,326
Returns on investments and servicing of finance	(5,797)	(710)
Transfer from Local Authority and private funds on conversion	-	(27,400,001)
Inherited pension scheme deficit	-	2,714,000
Depreciation of tangible fixed assets	674,074	330,953
Capital grants from DfE	(579,975)	(34,022)
Increase in stocks	(825)	(25,135)
Increase in debtors	(280,193)	(525,461)
Increase in creditors	208,736	806,360
Capital grant transferred to revenue	527,892	22,422
FRS 17 pension cost less contributions paid	82,000	26,000
FRS 17 pension finance cost	107,000	59,000
<b>Net cash inflow from operations</b>	<u>758,848</u>	<u>763,732</u>

**25. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	year ended 31 August 2013	period 20 December 2011 to 31 August 2012
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	<u>5,797</u>	<u>710</u>

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**25. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)**

	<b>year ended 31 August 2013</b>	<i>period 20 December 2011 to 31 August 2012</i>
	£	£
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(141,674)	(11,600)
Capital grants from DfE	52,083	11,600
	(89,591)	-
<b>Net cash outflow capital expenditure</b>	(89,591)	-

**26. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>1 September 2012</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>31 August 2013</b>
	£	£	£	£
Cash at bank and in hand:	2,021,556	675,054	-	2,696,610
<b>Net funds</b>	2,021,556	675,054	-	2,696,610

**27. CAPITAL COMMITMENTS**

At 31 August 2013 the academy had capital commitments as follows:

	<b>2013</b>	<i>2012</i>
	£	£
Contracted for but not provided in these financial statements	-	245,250

**28. PENSION COMMITMENTS**

The academy trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Essex County Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2010.

Contributions amounting to £74,507 were payable to the scheme at 31 August 2013 (2012 - 107,914) and are included within creditors.

**Teachers' Pension Scheme**

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**28. PENSION COMMITMENTS (continued)**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales. In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

**The Teachers' Pension Budgeting and Valuation Account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. 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 under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation 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**

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to

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**28. PENSION COMMITMENTS (continued)**

be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

**Teachers' Pension Scheme Changes**

Lord Hutton published his final report in March 2011 and made recommendations 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 and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

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. Importantly, 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 just 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 were to be phased in from April 2012 on a 40:80:100% basis.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy 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 academy trust has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2013 was £382,000, of which employer's contributions totalled £293,000 and employees' contributions totalled £89,000. The agreed contribution rates for future years are 12.3% for employers and 5.5% - 7.5% for employees.

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

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**28. PENSION COMMITMENTS (continued)**

The amounts recognised in the Balance Sheet are as follows:

	<b>2013</b>	<i>2012</i>
	<b>£</b>	<b>£</b>
Present value of funded obligations	<b>(4,507,416)</b>	<i>(3,642,159)</i>
Fair value of scheme assets	<b>1,170,416</b>	<i>657,159</i>
	<hr/>	<hr/>
Net liability	<b>(3,337,000)</b>	<i>(2,985,000)</i>
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>year</b>	<i>period 20</i>
	<b>31 August</b>	<i>December 2011</i>
	<b>2013</b>	<i>to 31 August</i>
	<b>£</b>	<i>2012</i>
	<b>£</b>	<b>£</b>
Current service cost	<b>(376,257)</b>	<i>(167,159)</i>
Interest on obligation	<b>(151,000)</b>	<i>(75,000)</i>
Expected return on scheme assets	<b>44,000</b>	<i>16,000</i>
	<hr/>	<hr/>
Total	<b>(483,257)</b>	<i>(226,159)</i>
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>year ended</b>	<i>period 20</i>
	<b>31 August</b>	<i>December 2011</i>
	<b>2013</b>	<i>to 31 August</i>
	<b>£</b>	<i>2012</i>
	<b>£</b>	<b>£</b>
Opening defined benefit obligation	<b>3,642,159</b>	<i>3,168,000</i>
Current service cost	<b>376,257</b>	<i>167,159</i>
Interest cost	<b>151,000</b>	<i>75,000</i>
Contributions by scheme participants	<b>89,000</b>	<i>42,000</i>
Actuarial Losses	<b>249,000</b>	<i>190,000</i>
Opening defined benefit obligation	<b>-</b>	<i>-</i>
	<hr/>	<hr/>
Closing defined benefit obligation	<b>4,507,416</b>	<i>3,642,159</i>
	<hr/> <hr/>	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**28. PENSION COMMITMENTS (continued)**

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

	<b>year ended 31 August 2013</b>	<i>period 20 December 2011 to 31 August 2012</i>
	£	£
Opening fair value of scheme assets	657,159	453,999
Expected return on assets	44,000	16,000
Actuarial gains and (losses)	86,000	4,000
Contributions by employer	294,257	141,160
Contributions by employees	89,000	42,000
	<u>1,170,416</u>	<u>657,159</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £349,000 (2012 - £186,000).

The academy trust expects to contribute £297,000 to its Defined benefit pension scheme in 2014.

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

	<b>2013</b>	<i>2012</i>
Equities	65.00 %	68.00 %
Gilts	8.00 %	6.00 %
Other bonds	9.00 %	9.00 %
Property	11.00 %	13.00 %
Cash	3.00 %	4.00 %
Alternative assets	4.00 %	- %

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

	<b>2013</b>	<i>2012</i>
Discount rate for scheme liabilities	4.70 %	3.90 %
Expected return on scheme assets at 31 August	5.80 %	5.20 %
Rate of increase in salaries	4.70 %	3.70 %
Rate of increase for pensions in payment / inflation	2.90 %	1.90 %
Inflation assumption (CPI)	2.90 %	1.90 %

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**28. PENSION COMMITMENTS (continued)**

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

	2013	2012
Retiring today		
Males	22.7	22.7
Females	25.3	25.3
Retiring in 20 years		
Males	24.2	24.1
Females	26.9	26.8

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2013	2012
	£	£
Defined benefit obligation	(4,507,416)	(3,642,159)
Scheme assets	1,170,416	657,159
Deficit	<u>(3,337,000)</u>	<u>(2,985,000)</u>
Experience adjustments on scheme assets	<u>86,000</u>	<u>4,000</u>

**29. OPERATING LEASE COMMITMENTS**

At 31 August 2013 the academy had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2013	2012	2013	2012
	£	£	£	£
<b>Expiry date:</b>				
Within 1 year	-	-	382	3,091
Between 2 and 5 years	-	-	1,749	811
After more than 5 years	-	-	-	936
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

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**30. RELATED PARTY TRANSACTIONS**

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

The Stanway Federation is a member of The North East Essex Education Partnership (NEEEP) together with five other academies. NEEEP is a company incorporated in England and Wales limited by guarantee. During the period The Stanway Federation paid £54,750 (2012: £11,150) into NEEEP on account of educational services provided, and recharged expenses of £6,989 (2012: £nil). At the year end the balance outstanding due from NEEEP was £904 (2012: £nil), which is included in debtors.

During the period The Stanway Federation recharged teaching and support staff salaries of £459,421 (2012: £290,797) to Alderman Blaxill School, of which Jonathan Tippet is Executive Headteacher. This is included in the financial statements as other income. At the year end the balance outstanding due from Alderman Blaxill School was £17,569 (2012: £nil), which is included in debtors. Alderman Blaxill School transferred £50,000 from private funds to The Stanway Federation during the year in relation to the transfer of pupils from Alderman Blaxill School when it closes in 2014. This is included in creditors at the year end.