

**GOVERNORS' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2014
FOR**

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)**

SOUTHEND YMCA COMMUNITY SCHOOL

Goldwyns Limited
Registered Auditor
Chartered Accountants
Rutland House
90-92 Baxter Avenue
Southend on Sea
Essex
SS2 6HZ

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

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FOR THE YEAR ENDED 31 AUGUST 2014**

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**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014**

The governors who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31 August 2014. The governors have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 and the Academies Accounts Direction issued by the Education Funding Agency.

INCORPORATION

The academy trust was incorporated on 17 February 2012 and the school opened on 1 September 2013.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07954295 (England and Wales)

Registered office

85 Ambleside Drive
Southend-on-Sea
Essex
SS1 2FY

Members

Governors

Members

R Wright	- Chair of Governors
G Whiteley	
S Ling-Locke	
Southend on Sea Young Men's Christian	
Association (Southend YMCA)	

Governors

R Wright	
G Whiteley	
S Ling-Locke	
A Isted (*)	
S Cox	- appointed 15/09/13

Senior Management Team

A Isted (*)	- Principal and Accounting Officer
R Gray	- Deputy Principal
P Mothey (*)	- Chief Finance Officer - to December 2013
L Duff (*)	- Chief Finance Officer - from December 2013

(*) = Seconded from Southend YMCA

Independent auditors

Goldwyns Limited
Registered Auditor
Chartered Accountants
Rutland House
90-92 Baxter Avenue
Southend on Sea
Essex
SS2 6HZ

**SOUTH ESSEX COMMUNITY SCHOOL
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SOUTHEND YMCA COMMUNITY SCHOOL**

**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014**

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Bates Wells & Braithwaite London LLP
2-6 Cannon Street
London
EC4M 6YH

Bankers

Barclays Bank Plc
127 High Street
Southend on Sea
Essex
SS1 1LH

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust 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 trust. The governors of the academy trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Southend YMCA Community School.

Details of the governors who served throughout the period are included within the reference and administrative details.

Members' liability

Every member of the academy trust undertakes to contribute such amount as may be required (not exceeding £10) to the academy trust's assets, if it should be wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the academy trust's debts and liabilities before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustments of the rights of the contributories among themselves.

Governors' Indemnities

In accordance with normal commercial practice the parent company of the academy trust has purchased insurance to protect the governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides further cover up to £250,000 on any one claim but the premium for this cover is not separately identifiable. A proportion of the group's insurance premium recharged to the academy trust and is included within support costs.

Principal activities

The academy trust exists to further the following charitable objective which is set out in the academy trust's memorandum and articles of association:

'To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing an educational institution which is principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them'

**SOUTH ESSEX COMMUNITY SCHOOL
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SOUTHEND YMCA COMMUNITY SCHOOL**

**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new governors

The number of governors shall not be less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The academy trust shall have the following governors (details have been extracted from the articles of association):

- up to eight governors as appointed by the Southend YMCA;
- up to two parent governors who are parents of registered pupils at the alternative provision academy or, where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age;
- the Principal;
- the Chief Executive Officer of Southend YMCA; and
- one staff governor as appointed by the members through such process as they may determine.

Induction and training of governors

All governors are expected to undertake training as appropriate to their work at the school and new governors are provided with an induction programme as required. Governor training is reviewed on a regular basis at governors meetings.

The academy trust conducts a skill audit of prospective governors and uses a safer recruitment process to appoint governors in order to safeguard young people.

Organisational structure

The organisational structure of the academy trust is divided into 3 levels:

Level 1	The Board of Governors
Level 2	The Principal and Project Manager
Level 3	Senior Management Team

The vision, mission and objects of the charitable company are as set by the Board of Governors.

The day-to-day running of the academy trust is delegated to the Principal, the Project Manager and the Senior Management Team as appropriate with only significant matters referred to the Board of Governors.

Wider network

Southend-on-Sea Young Men's Christian Association (Southend YMCA) is a member of the academy trust and is able to appoint (or remove) the majority of the governors of the academy trust. As such, South Essex Community School is a subsidiary company of Southend YMCA.

Through a partnership with the parent charity, the school is affiliated to YMCA England and is a part of the worldwide alliance of YMCA's - the world's oldest voluntary organisation. YMCA's work in 125 countries and are united by a common purpose: working towards social justice and peace for young people and their communities regardless of religion, race, gender or culture.

Related parties

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

Southend YMCA Community School is a subsidiary company of the main charity; Southend YMCA to which a deed of agreement has been legally drawn up in relation to services and affiliation fees.

**SOUTH ESSEX COMMUNITY SCHOOL
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**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The governors have a duty to identify and review the risks to which the academy trust is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The governors have assessed the major risks to which the academy is exposed, in particular those relating to the provision of accommodation bearing in mind that we have been in temporary accommodation and the increase of curriculum offer from 4 GCSE's to 5 and widen the timetable to 25 hours of contact time per week. The governors have implemented a number of systems to assess risks that the academy faces, especially in the operational areas and in relation to the control of finance. They have introduced systems, including operational procedures such as vetting of new staff and visitors, internal and external controls and monitoring audits in order to minimise risks.

The academy trust maintains and reviews a risk register to mitigate risk. The governors confirm the major risks to which the academy trust is exposed are identified reviewed, and systems or procedures have been established to manage those risks. The internal control systems and other risk exposures are reviewed by the Governors and the senior management team periodically.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Southend YMCA Community School is an Alternative Provision Free School which provides a secondary education to pupils who by reason of illness, disability, social, emotional or behavioural issues or any other compounding factor need alternative arrangements to be made for them to ensure they receive a suitable education.

The vision of the school is to close the attainment gap for students from a mainstream setting and our alternative provision. The quality of teaching and learning is paramount in achieving this and also in understanding each students needs. The School has recently been accredited as a Cambridge International Exams Centre enabling us to offer a wider and broader range of GCSE qualifications. We recognise the importance of each young person and work with them so that their potential is fully realised. It is our commitment to help the students build their future through a holistic education gaining qualifications and to acquire the knowledge, skills and experience to make a successful transition into adulthood.

Our passion is to provide vulnerable and disadvantaged young people with the experiences and opportunities that other young people receive as a norm. We aim to increase the life chances of deprived young people and help them to overcome socio-economic barriers. As a result we offer young people opportunities to realise successful transitions into adulthood such that they can 'contribute, thrive and belong'.

We aim to help young people 'build their future' through providing a holistic education where pupils aged 14-19 acquire the 'knowledge, skills, experiences and qualifications' to make the successful transition to adulthood thus narrowing the attainment gap.

The Curriculum offered is tailor made to include both academic and personal and social development. Each student is given the opportunity to gain five GCSE's in English Language, English Literature, ICT, Media Studies and Maths.

**SOUTH ESSEX COMMUNITY SCHOOL
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**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014**

OBJECTIVES AND ACTIVITIES

Vision Statement

Southend YMCA Community School's vision is to 'Stand in the Gap -helping young people to build their future' through a holistic education.

We believe in line with the DfE that 'Every parent should have access to a good local school which offers what their child needs- the right level of attention, the right ethos, and the right curriculum'. Our Free School vision is realised through five headline aims which when combined offer children the right conditions for success. Ensuring that pupils will be able to 'belong, contribute, and thrive' within their communities and society.

The Southend YMCA Community School will represent an exemplar model to other educational providers raising attainment locally, regionally and nationally.

Our Primary Aim is to - Create well rounded, happy and resilient young people

Our Secondary Aim is to- Develop children as individuals

Our Third Aim is to - Ensure Academic attainment

Our Fourth Aim is to - Secure positive progression for Children

Our Final Aim is to - Provide an exemplar Free School educational community

Public benefit

The governors confirm that they have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the academy trust's objectives and aims and in planning future activities for the year. The governors consider that the academy trust's aims are demonstrably to the public benefit.

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**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014**

STRATEGIC REPORT

Achievement and performance

Charitable activities

The governors are appreciative of the support given by Southend YMCA. This has included the sharing of both facilities and goodwill in the period under review.

The Southend YMCA Community School opened in September 2013 to provide Key Stage 4 education to pupils who by reason of illness, disability, social, emotional or behavioural issues require alternative educational arrangements to be made for them, ensuring that they are appropriately and successfully educated.

The first year has presented considerable challenges working in cramped and temporary accommodation whilst new buildings are constructed; the school has risen to these challenges by successfully delivering the curriculum. The new building will be completed by the end of 2014 providing the opportunity to increase the role to 50 students.

The 2013/14 academic year started with 31 Key Stage 4 pupils (target 30) who benefited from a curriculum concentrated on the key foundations for learning and academic attainment. There is a strong focus on the functional elements of English, Maths and ICT and on developing the social skills and behaviours that are a prerequisite for learning. Our broad curriculum incorporates sports, music, arts media and cooking. Pupils are offered a range of qualifications including a Step Up Diploma through Open College Network, GCSEs in Maths and English and short qualifications in First Aid, Health & Safety and Food Hygiene.

Sustained progress and development for the school is inherent through the self evaluation process and strategic direction of its governance enabling the best outcomes for the young people to be achieved. The School has received two Department for Education monitoring visits, an Education Funding Agency financial audit, a financial monitoring audit by Goldwyns, been commended by OFSTED (through one of our commissioning schools). The quality of teaching and learning delivered within the school is of paramount importance. As such an ethos of continual improvement is embedded within working practices.

In July 2014 the transition programme was oversubscribed with our second year recruitment target exceeded with 38 students. Self evaluation is critical to the school to ensure our provision is valid, reliable and sustainable. In order to drive the school forward a strategic approach to school improvement captured within the SEF. This has provided a vehicle for development ensuring progress is maximised through a robust, rigorous and accountable system for driving up the quality of teaching and learning. A detailed breakdown is given within the School Improvement Plan matching those outlined within Ofsted Inspection Framework.

**SOUTH ESSEX COMMUNITY SCHOOL
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**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014**

STRATEGIC REPORT

Achievement and performance

Other achievements and performance

Our first year in operation completed with an attendance rate of 90%, exceeding the national average for alternative education providers.

Our recruitment target of 30 was exceeded when 31 students were welcomed to the school in September 2013.

In July 2014 the transition programme had 62 provisional referrals from local schools.

Parental engagement has increased sustainably over the year from 63% to 83%. Where parents are unable or unwilling to come to the school for these meetings the head teacher and administrator have undertaken home visits; although a few parents were reluctant initially, this was well received.

Continuing professional development activities have been implemented including the head teacher programme, offered through the local authority. This has been extremely valuable to the school with the head teacher at Thorpe Hall acting as a mentor to A Isted. Subject leads have been assigned to staff with supporting activities.

Accommodation has proved challenging with pupils being taught in temporary accommodation throughout the academic year. The new building will be completed by the end of 2014 providing modern facilities for pupils and staff.

The Accelerated Reading Programme has been purchased to ensure that the students receive one to one reading once a week in addition to the embedded learning opportunities. Star Maths has also been purchased to increase interactive learning opportunities and ensure the diagnostic and monthly testing informs both teaching and learning.

Going concern

After making appropriate enquiries, the governing body has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Key financial performance indicators

The academy trust regularly reviews financial performance against budgets and forecasts.

The governors consider the following to be Key Financial Performance Indicators:

	Year ended 31/8/2014
Staff costs as a proportion of restricted income(excluding EFA capital grants but including seconded staff)	
Total	48.3%
Staff costs per pupil	£8,714

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**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014**

STRATEGIC REPORT

Financial review

Financial report for the period

During the period under review the academy trust had incoming resources totalling £1,750,827 and resources expended totalling £540,795 resulting in a surplus of £1,210,032.

At the balance sheet date the academy trust held fund balances of £1,375,363 which includes £1,565 of unrestricted funds.

The results and financial position of the academy trust are detailed in the annexed financial statements.

Principal risks and uncertainties

The principal risk for any academy trust is the uncertainty over pupil numbers and the level of funding which is dependent on local circumstances. Though the academy trust has only been open for one year, a number of our commissioning schools have been slow to pay us. Meanwhile the staffing and facilities for the pupils need to be in place and this requires a reasonable working surplus to enable the academy trust to function.

As at the date of this report, no staff employed by the school are members of either the Teacher's Pension Scheme or the Local Government Pensions Scheme. It is envisaged that staff will take up their applicable pension and that this may be backdated to their start date at the school. Though no such disclosures have been made in the financial statements, it is expected that the academy trust will incur future costs in respect of both schemes. The amounts are not expected to be significant but sufficient funds have been set aside to cover these costs.

Principal funding sources

The academy trust's principal funding source is the Education Funding Agency (EFA), an agency of the Department for Education.

The majority of this funding is in the form of recurrent grants, the use of which is restricted for particular purposes. As such, grants received from the EFA and any associated expenditure are included within restricted funds in the Statement of Financial Activities.

The academy trust also received grants from the EFA to be used for capital purposes. These amounts are included within restricted fixed asset funds and any associated expenditure is capitalised in the balance sheet and is presented as fixed assets.

Commissioning schools provide a significant proportion of the academy trust's funding. This funding and any associated expenditure are included within restricted funds in the Statement of Financial Activities.

Reserves policy

It is the policy of the academy trust to maintain a level of reserves that is sufficient to mitigate the risks and uncertainties outlined above and also to permit the development of facilities above the capital grant.

The academy trust has set aside funds to purchase both physical and human resources in the next academic year; the reason for the delay in purchase is largely due to the lack of accommodation and storage space within the temporary site.

Investment policy

The academy trust aims to manage its cash balances to provide for the day-to-day operations.

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**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014**

STRATEGIC REPORT

Future developments

The governors expected the school premises to be fully operational by 1 September 2014. Due to external, unforeseen circumstances, it is now understood that the school premises will be fully operational in early 2015. There are no plans for further building works.

The academy trust endeavours to provide the best possible learning atmosphere and facilities. Resources available to the governors are utilised carefully and targeted towards maximum benefit for both year groups. The academy will be receiving a grant of £62,825 from the EFA to fund ICT goods and services.

The governors look forward to narrowing the attainment gap for young people in Southend-on-Sea and the surrounding areas through the provision of outstanding education which will enable young people to build their future.

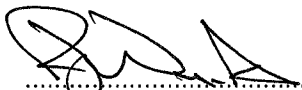
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the governors are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the academy trust's auditors are unaware, and each governor has taken all the steps that they ought to have taken as a governor in order to make them aware of any audit information and to establish that the academy trust's auditors are aware of that information.

AUDITORS

The auditors, Goldwyns Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Governors' report, incorporating a strategic report, approved by order of the board of governors, as the company directors, on19/12/14..... and signed on the board's behalf by:


.....
R J Wright – Governor

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that South Essex Community School (Limited by Guarantee) 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 of loss.

The board of the governors has delegated the day-to-day responsibility to the Principal and Accounting Officer, 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 South Essex Community School (Limited by Guarantee) and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors Responsibilities. The board of governors has formally met 5 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governor	Meetings attended	Out of a possible
R J Wright	5	5
S Ling-Locke	5	5
G Whiteley	5	5
A Isted	5	5
S Cox	5	5

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust 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 South Essex Community School (Limited by Guarantee) for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of governors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

The Risk and Control Framework

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

The governing body has not considered the need for a specific internal audit function and has decided not to appoint an internal auditor depending upon the volume of turnover.

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

Review of Effectiveness

As accounting officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year, the review has been informed by:

- the work of the external auditor;
- the financial management and governance self-assessment process; and
- the work of the Project Manager within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance department and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on19:12:14..... and signed on its behalf by:


.....
R J Wright – Governor


.....
A Isted – Accounting Officer

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2014**

As accounting officer of South Essex Community School (Limited by Guarantee) I have considered my responsibility to notify the academy trust board of governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of governors and EFA.

If any instances are identified after the date of this statement, these will be notified to the board of trustees and the EFA.

..........
A Isted – Accounting Officer

Date:19.12.14.....

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**STATEMENT OF GOVERNORS RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2014**

The governors (who act as trustees of South Essex Community School (Limited by Guarantee) and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' 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 governors to prepare financial statements for each financial year. Under company law the governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the academy trust and of the incoming resources and application of resources, including the income and expenditure, of the academy trust for that period. In preparing those financial statements, the governors are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 academy trust will continue in business.

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

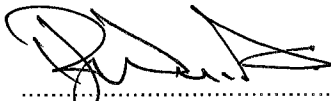
The governors are responsible for ensuring that in its conduct and operation the academy trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been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

The governors are responsible for 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.

In so far as the governors are aware:

- there is no relevant audit information of which the academy trust's auditors are unaware; and
- the governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of governors on 19.12.14 and signed on it's behalf by:



R J Wright – Governor

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

We have audited the financial statements of South Essex Community School (Limited by Guarantee) for the year ended 31 August 2014 on pages eighteen to thirty two. 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 Accounts Direction 2013 to 2014 issued by the Education Funding Agency (EFA).

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust'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 trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditors

As explained more fully in the Statement of Governors Responsibilities set out on page thirteen, the governors (who are also the directors of the charitable company 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 trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Bhooshan Maini BA FCA (Senior Statutory Auditor)
for and on behalf of Goldwyns Limited
Registered Auditor
Chartered Accountants
Rutland House
90-92 Baxter Avenue
Southend on Sea
Essex
SS2 6HZ

Date:19.12.2014.....

**INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO
SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL AND THE EDUCATION FUNDING AGENCY**

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

This report is made solely to South Essex Community School (Limited by Guarantee) and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to South Essex Community School (Limited by Guarantee) 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 South Essex Community School (Limited by Guarantee) and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of South Essex Community School (Limited by Guarantee)'s accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of South Essex Community School (Limited by Guarantee)'s funding agreement with the Secretary of State for Education 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 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matter 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 trust's income and expenditure.

**INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO
SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL AND THE EDUCATION FUNDING AGENCY**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Bhooshan Maini BA FCA (Senior Statutory Auditor)
for and on behalf of Goldwyns Limited
Registered Auditor
Chartered Accountants
Rutland House
90-92 Baxter Avenue
Southend on Sea
Essex
SS2 6HZ

Date: 19.12.2014

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2014**

					2014	2013
		Unrestricted fund	Restricted funds	Restricted fixed asset fund	Total funds	Total funds
	Notes	£	£	£	£	£
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	2	2,190	-	-	2,190	-
Incoming resources from charitable activities						
Academy's educational operations	3	-	558,459	1,190,178	1,748,637	343,406
Total incoming resources		2,190	558,459	1,190,178	1,750,827	343,406
RESOURCES EXPENDED						
Costs of generating funds						
Fundraising trading: cost of goods sold and other costs	5	219	-	-	219	-
Charitable activities						
Academy's educational operations		406	379,272	145,013	524,691	150,440
Governance costs	7	-	15,885	-	15,885	27,635
Total resources expended	4	625	395,157	145,013	540,795	178,075
NET INCOMING/(OUTGOING) RESOURCES						
		1,565	163,302	1,045,165	1,210,032	165,331
RECONCILIATION OF FUNDS						
Total funds brought forward		-	36,920	128,411	165,331	-
TOTAL FUNDS CARRIED FORWARD		<u>1,565</u>	<u>200,222</u>	<u>1,173,576</u>	<u>1,375,363</u>	<u>165,331</u>

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

The notes form part of these financial statements

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**BALANCE SHEET
AT 31 AUGUST 2014**

	Notes	2014 £	2013 £
FIXED ASSETS			
Tangible assets	11	1,191,585	128,966
CURRENT ASSETS			
Debtors	12	103,882	56,828
Cash at bank and in hand		<u>210,501</u>	<u>100,876</u>
		314,383	157,704
CREDITORS			
Amounts falling due within one year	13	(130,605)	(120,784)
NET CURRENT ASSETS		<u>183,778</u>	<u>36,920</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,375,363	165,886
CREDITORS			
Amounts falling due after more than one year	14	-	(555)
NET ASSETS		<u>1,375,363</u>	<u>165,331</u>
FUNDS	18		
Unrestricted funds:			
General fund		1,565	-
Restricted funds:			
Capital Development Grants		1,173,576	128,411
Project Management Grant		-	36,920
General Annual Grant		16,787	-
Commissioning fund		<u>183,435</u>	-
		<u>1,373,798</u>	<u>165,331</u>
TOTAL FUNDS		<u>1,375,363</u>	<u>165,331</u>

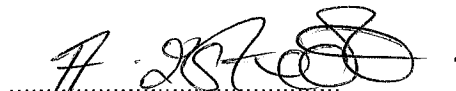
The notes form part of these financial statements

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**BALANCE SHEET - CONTINUED
AT 31 AUGUST 2014**

The financial statements were approved by the Board of Governors on 19.12.14 and
were signed on its behalf by:


.....
R J Wright – Governor


.....
A Isted – Governor

The notes form part of these financial statements

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

	Notes	2014 £	2013 £
Net cash inflow from operating activities	1	109,625	100,876
Increase in cash in the period		<u>109,625</u>	<u>100,876</u>
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		<u>109,625</u>	<u>100,876</u>
Change in net debt resulting from cash flows		<u>109,625</u>	<u>100,876</u>
Movement in net debt in the period		109,625	100,876
Net debt at 1 September		<u>100,876</u>	<u>-</u>
Net debt at 31 August		<u>210,501</u>	<u>100,876</u>

The notes form part of these financial statements

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Net incoming resources	1,210,032	165,331
Depreciation charges	250	-
Loss on disposal of fixed assets	145,013	-
Capital grants from DfE/EFA	(1,190,178)	(128,411)
Gifted fixed assets	(1,000)	-
Increase in debtors	(47,054)	(56,828)
(Decrease)/increase in creditors	<u>(7,438)</u>	<u>120,784</u>
Net cash inflow from operating activities	<u><u>109,625</u></u>	<u><u>100,876</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,190,178)	(128,411)
Capital grants from DfE/EFA	<u>1,190,178</u>	<u>128,411</u>
Net cash outflow for capital expenditure and financial investment	<u><u>-</u></u>	<u><u>-</u></u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.13 £	Cash flow £	At 31.8.14 £
Net cash:			
Cash at bank and in hand	100,876	109,625	210,501
	<u> </u>	<u> </u>	<u> </u>
Total	<u><u>100,876</u></u>	<u><u>109,625</u></u>	<u><u>210,501</u></u>

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards the Companies Act 2006, the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities and the Academies Accounts Direction 2013 to 2014 issued by the EFA.

Going concern

The governors 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 trust to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the academy trust is legally entitled to the income and the amount can be quantified with reasonable accuracy.

- Grants Receivable

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of the income received 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 (GAG) is recognised in full in the year for which it is receivable and any unspent amount is reflected in the balance sheet as restricted funds carried forward.

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 sheet as a restricted fixed asset funds carried forward.

- Donations

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

- Other Income

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

- Donated Services and Gifts in Kind

The value of donated services and gifts in kind provided to the academy trust are recognised at their market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust 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 fixed asset category and depreciated over the useful life and in accordance with the academy trust's accounting policies.

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES - continued

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

- Costs of Generating Funds

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

- Charitable Activities

These are costs incurred on the academy trust's education operations and these costs are separated by category.

- Governance Costs

These include the costs attributable to the academy trusts compliance with constitutional and statutory requirement, including audit, strategic management and trustees' meetings.

All resources expended are inclusive of any irrecoverable Value Added Tax.

Allocation and apportionment of costs

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.

Tangible fixed assets

Assets costing £1,000 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, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset and on a basis consistent with the academy trust's depreciation policies.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures and fittings	25% on reducing balance
-----------------------	-------------------------

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

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

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the governors.

Restricted funds can only be used for particular restricted purposes within the objects of the academy trust. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Operating leases

Operating leases are recognised on a straight-line basis over the period to which they relate.

2. VOLUNTARY INCOME

	2014 £	2013 £
Donations	<u>2,190</u>	<u>-</u>

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
Service level charges	-	183,434	183,434	-
Grants	<u>-</u>	<u>1,565,203</u>	<u>1,565,203</u>	<u>343,406</u>
	<u>-</u>	<u>1,748,637</u>	<u>1,748,637</u>	<u>343,406</u>

An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
DfE/EFA revenue grant				
General Annual Grant(GAG)	-	375,025	375,025	-
Project Management Grant	<u>-</u>	<u>-</u>	<u>-</u>	<u>214,995</u>
	-	375,025	375,025	214,995
DfE/EFA capital grant				
Capital Development Grant	<u>-</u>	<u>1,190,178</u>	<u>1,190,178</u>	<u>128,411</u>
	<u>-</u>	<u>1,565,203</u>	<u>1,565,203</u>	<u>343,406</u>

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

4. RESOURCES EXPENDED

				2014	2013
	Staff costs	Non-pay expenditure		Total	Total
	£	Premises £	Other costs £	£	£
Costs of generating funds					
Fundraising trading: cost of goods sold and other costs	-	-	219	219	-
Charitable activities					
Academies educational operations					
Direct costs	199,244	-	185,115	384,359	88,931
Allocated support costs	<u>70,895</u>	<u>33,897</u>	<u>35,540</u>	<u>140,332</u>	<u>61,509</u>
	270,139	33,897	220,874	524,910	150,440
Governance costs including allocated support costs	<u>86</u>	<u>-</u>	<u>15,799</u>	<u>15,885</u>	<u>27,635</u>
	<u>270,225</u>	<u>33,897</u>	<u>236,673</u>	<u>540,795</u>	<u>178,075</u>

Net resources are stated after charging/(crediting):

	2014	2013
	£	£
Auditors' remuneration	6,500	6,000
Auditors' remuneration for non-audit work	4,800	4,000
Depreciation - owned assets	250	-
Return of temporary buildings	145,013	-
Operating lease payments - rent	<u>11,656</u>	<u>3,520</u>

5. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	2014	2013
	£	£
Purchases	<u>219</u>	<u>-</u>

6. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES

	2014	2013
	£	£
Direct costs - academy's educational operations		
Teaching and educational support staff	199,244	84,131
Depreciation	250	-
Return of temporary buildings	145,013	-
Technology costs	11,678	-
Educational supplies	<u>13,638</u>	<u>-</u>
Carried forward	369,823	84,131

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

6. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES - continued

	2014 £	2013 £
Direct costs - academy's educational operations		
Brought forward	369,823	84,131
Examination fees	4,493	-
Staff development	4,942	225
Educational consultancy	<u>5,101</u>	<u>4,575</u>
	384,359	88,931
 Allocated support costs - academy's educational operations		
Support staff costs	70,895	19,307
Technology costs	1,504	794
Recruitment and support	578	4,767
Maintenance of premises and equipment	2,188	486
Cleaning	4,526	305
Rent and rates	15,537	4,073
Energy costs	1,228	-
Insurance	14,724	500
Security and transport	2,587	887
Other support costs	<u>26,565</u>	<u>30,390</u>
	<u>140,332</u>	<u>61,509</u>
	<u><u>524,691</u></u>	<u><u>150,440</u></u>

7. GOVERNANCE COSTS

	2014 £	2013 £
Trustees' expenses	86	-
Auditors' remuneration	6,500	6,000
Auditors' remuneration for non-audit work	4,800	4,000
Legal fees	<u>4,499</u>	<u>17,635</u>
	<u><u>15,885</u></u>	<u><u>27,635</u></u>

8. GOVERNORS' REMUNERATION AND BENEFITS

There were no governors' remuneration or other benefits for the year ended 31 August 2014 nor for the year ended 31 August 2013.

Governors' expenses

	2014 £	2013 £
Trustees' expenses	<u><u>86</u></u>	<u><u>-</u></u>

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

9. STAFF COSTS

	2014 £	2013 £
Wages and salaries	54,417	-
Social security costs	<u>4,339</u>	<u>-</u>
	58,756	-
Supply teacher costs	13,510	-
Seconded staff costs	<u>197,873</u>	<u>103,438</u>
	<u><u>270,139</u></u>	<u><u>103,438</u></u>

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

	2014	2013
Teachers	3	-
Administration and support	<u>3</u>	<u>-</u>
	<u><u>6</u></u>	<u><u>-</u></u>

No employees received emoluments in excess of £60,000.

The parent company Southend YMCA continues to second staff to the academy trust. Though a significant number of staff have moved their contracts from Southend YMCA to the academy trust, it is understood that those staff that transferred to the academy trust continue to enjoy the same terms and conditions as they had with Southend YMCA.

No staff at the academy trust are members of either the Teacher's Pension Scheme or the Local Government Pension Scheme so no such disclosures have been made in these financial statements.

10. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the parent company of the academy trust has purchased insurance to protect the governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides further cover up to £250,000 on any one claim but the premium for this cover is not separately identifiable. A proportion of the group's insurance premium recharged to the academy trust and is included within support costs.

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

11. TANGIBLE FIXED ASSETS

	Land and buildings £	Temporary buildings £	Fixtures and fittings £	Totals £
COST				
At 1 September 2013	128,966	-	-	128,966
Additions	1,206,882	-	1,000	1,207,882
Reclassification	(145,013)	145,013	-	-
Disposals	-	(145,013)	-	(145,013)
	<u>1,190,835</u>	<u>-</u>	<u>1,000</u>	<u>1,191,835</u>
At 31 August 2014				
	<u>1,190,835</u>	<u>-</u>	<u>1,000</u>	<u>1,191,835</u>
DEPRECIATION				
Charge for year	-	-	250	250
	<u>-</u>	<u>-</u>	<u>250</u>	<u>250</u>
NET BOOK VALUE				
At 31 August 2014	<u>1,190,835</u>	<u>-</u>	<u>750</u>	<u>1,191,585</u>
At 31 August 2013	<u>128,966</u>	<u>-</u>	<u>-</u>	<u>128,966</u>

Land and buildings includes the freehold of the school site at a cost of £625,000. This transaction was funded by a capital grant from the Education Funding Agency with monies being paid directly to the seller.

Land and buildings had not been brought into use at the balance sheet date and as such no depreciation had been charged during the year.

Temporary buildings were returned in August 2014.

The Secretary of State for Education holds a legal charge over the school site.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade debtors	62,767	44,214
Other debtors	13,807	8,818
Prepayments and accrued income	<u>27,308</u>	<u>3,796</u>
	<u>103,882</u>	<u>56,828</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade creditors	8,134	51,469
Amounts owed to parent	81,979	52,563
Other creditors	17,509	7,752
Accrued expenses	<u>22,983</u>	<u>9,000</u>
	<u>130,605</u>	<u>120,784</u>

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2014	2013
	£	£
Other creditors	<u>-</u>	<u>555</u>

15. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Land and buildings 2014	2013
	£	£
Expiring: Within one year	<u>-</u>	<u>44,000</u>

16. MEMBERS' LIABILITY

Every member of the academy trust undertakes to contribute such amount as may be required (not exceeding £10) to the academy trust's assets, if it should be wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the academy trust's debts and liabilities before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustments of the rights of the contributories among themselves.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2014	2013
	Total funds	Total funds
	£	£
Unrestricted fund	£	£
Restricted funds	£	£
Restricted fixed asset fund	£	£
Fixed assets	750	-
Current assets	1,065	313,318
Current liabilities	(250)	(113,096)
Long term liabilities	<u>-</u>	<u>-</u>
	<u>1,565</u>	<u>200,222</u>
	<u>1,190,835</u>	<u>1,173,576</u>
	<u>1,375,363</u>	<u>165,331</u>

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

18. MOVEMENT IN FUNDS

	At 1.9.13 £	Net movement in funds £	Transfers between funds £	At 31.8.14 £
Unrestricted funds				
General fund	-	1,565	-	1,565
Restricted funds				
Capital Development Grants	128,411	1,045,165	-	1,173,576
Project Management Grant	36,920	-	(36,920)	-
General Annual Grant	-	(20,133)	36,920	16,787
Commissioning fund	-	183,435	-	183,435
	<u>165,331</u>	<u>1,208,467</u>	<u>-</u>	<u>1,373,798</u>
TOTAL FUNDS	<u>165,331</u>	<u>1,210,032</u>	<u>-</u>	<u>1,375,363</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,190	(625)	1,565
Restricted funds			
Capital Development Grants	1,190,178	(145,013)	1,045,165
General Annual Grant	375,025	(395,158)	(20,133)
Commissioning fund	183,435	-	183,435
	<u>1,748,638</u>	<u>(540,171)</u>	<u>1,208,467</u>
TOTAL FUNDS	<u>1,750,828</u>	<u>(540,796)</u>	<u>1,210,032</u>

**SOUTH ESSEX COMMUNITY SCHOOL
(LIMITED BY GUARANTEE)
SOUTHEND YMCA COMMUNITY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

18. MOVEMENT IN FUNDS - continued

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

Unrestricted funds

These funds have arisen from the academy trust's activities for generating funds. The funds are to be used for the furtherance of any of the academy trust's charitable objectives and can be used at the Governor's discretion.

Capital Development Grant

These funds represent capital funding used for capital purposes less any depreciation charges on such expenditure.

Project Management Grant

These funds represent revenue funding used for eligible expenditure incurred in developing detailed plans for the Southend YMCA Community School project less any relevant expenditure for this purpose.

General annual grant

These funds are to be used in accordance with the academy trust's funding agreement with the Secretary of State.

Commissioning fund

These funds have arisen from the academy trust's charitable activities with commissioning schools. These funds are to be used to further the academy trust's educational operations.

19. CAPITAL COMMITMENTS

At the balance sheet date the academy trust had a capital commitment to purchase ICT goods and services. This cost will be supported by grants from the Education Funding Agency totalling £62,825.

20. RELATED PARTY DISCLOSURES

The academy trust is a subsidiary undertaking of Southend YMCA. During the year under review the following transactions occurred:

Southend YMCA charged the academy trust £197,873 (2013 - £103,438) for seconded staff.

In addition to the above, Southend YMCA charged the academy trust £14,963 (2013 - £15,467) for services.

At the balance sheet date Southend YMCA owed the academy trust £81,979 (2013 - £52,563).

All transactions were conducted on an arm's length basis as set out in the deed of agreement.

21. POST BALANCE SHEET EVENTS

The school premises are expected to be fully operational in early 2015.