

Financial Statements

Ormiston Academies Trust

For the year ended 31 August 2014

Registered number: 06982127

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Ormiston Academies Trust
(A company limited by guarantee)

Reference and Administrative Details of the Trust, its Trustees and Advisers

For the year ended 31 August 2014

Members

Ormiston Trust
Peter Murray

Trustees

Peter Murray *, Chair of Trustees
James Murray (resigned 8 July 2014)
Hilary Hodgson * (resigned 8 July 2014)
Ken Shooter
Wendy Barnes #
Bal Samra *
Paul Hann #
Ian Brookman * #
Professor Toby Salt * #
Kevin Sadler (resigned 9 September 2014)
Nicole McCartney
Mark Stanyer (appointed 9 September 2014)

* members of the Business Oversight, Risk and Audit Committee

members of the School Improvement Committee

Company registered number

06982127

Principal and registered office

Unit 10, Chilgrove Business Centre, Chilgrove, Chichester, PO18 9HU

Chief executive officer

Professor Toby Salt

Executive Team

Paul Nye, Chief Operating Officer
Di Barnes, National Director of Academies
James Miller, National Director of Estates and Technology
Nicole McCartney, National Director of Performance and Partnership

Independent auditor

Grant Thornton UK LLP, Grant Thornton House, 202 Silbury Boulevard, Milton Keynes, MK9 1LW

Bankers

Barclays Bank PLC, Mortlock House, Station Road, Histon, Cambridge, CB24 9DE

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Reference and Administrative Details of the Trust, its Trustees and Advisers

For the year ended 31 August 2014

Administrative details (continued)

Solicitors

Stone King LLP, 16 St John's Lane, London, EC1M 4BS

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Directory of Academies

For the year ended 31 August 2014

2009

Ormiston Bushfield Academy

Ortongate
Peterborough
Cambridgeshire
PE2 5RQ
Operational Principal: Dennis Kirwan

Ormiston Sandwell Community Academy

Lower City Road
Tividale
Oldbury
B69 2HE
Principal: Marie McMahon

Ormiston Park Academy

Nethan Drive
Aveley
Essex
RM15 4RU
Acting Principal: Huw Derrick

2010

Ormiston Venture Academy

Oriel Avenue
Gorleston
Norfolk
NR31 7JJ
Executive Principal: Nicole McCartney
Principal: Simon Gilbert-Barnham

Ormiston Victory Academy

Middleton Crescent
Norwich
Norfolk
NR5 0PX
Principal: Naomi Palmer

Ormiston Sir Stanley Matthews Academy

Beaconsfield Drive
Blurton
Stoke on Trent
ST3 3JD
Principal: Mark Stanyer

2011

Ormiston Ilkeston Enterprise Academy

King George Avenue
Ilkeston
Derbyshire
DE7 5HS
Principal: Dave Smith

Ormiston Horizon Academy

St Michael's Road
Tunstall
Stoke on Trent
ST6 6JT
Principal: Rod Hughes

Ormiston Rivers Academy

Southminster Road
Burnham on Crouch
Essex
CM0 8QB
Principal: Joan Costello

George Salter Academy

Claypit Lane
West Bromwich
West Midlands
B70 9UW
Executive Principal: Mick Green
Interim Principal: Bob Banks

Ormiston Maritime Academy

Westward Ho
Grimsby
South Humberside
DN34 5AH
Principal: Elaine Davis

2012

Ormiston Endeavour Academy

Defoe Road
Ipswich
Suffolk
IP1 6SG
Principal: Sam Penn

Ormiston Forge Academy

Wright's Lane
Cradley Heath
West Midlands
B64 6QU
Principal: Andrew Burns

Ormiston Sudbury Academy

Tudor Road
Sudbury
Suffolk
CO10 1NE
Principal: Caroline Wilson

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Directory of Academies

For the year ended 31 August 2014

Ormiston South Parade Academy

South Parade
Grimsby
DN31 1TU
Principal: Jane Nolan

2013

Ormiston Denes Academy

Yarmouth Road
Lowestoft
Suffolk
NR32 4AH
Principal: Peter Marshall

Ormiston Six Villages Academy

Lime Avenue Westergate
Chichester
West Sussex
PO20 3UE
Principal: Steve Nelmes

Stoke High School - Ormiston Academy

Maidenhall Approach
Ipswich
IP2 8PL
Principal: Janet Dickson

Ormiston Wodensborough Academy

Hydes Road
Wednesbury
West Midlands
WS10 0DR
Principal: Stephen Lankham

2014

Cliff Park - Ormiston Academy

Kennedy Avenue
Gorleston-On-Sea
Great Yarmouth
NR31 6TA
Principal: Rob Sherington

Ormiston Meadows Academy

Orton Brimbles
Peterborough
PE52 5YQ
Principal: Linda Mitchell

Ormiston Herman Academy

Oriel Avenue
Great Yarmouth
NR31 7JL
Principal: Kate Rutherford

Ormiston Wodensborough Academy

Hydes Road
Wednesbury
West Midlands
WS10 0DR
Principal: Stephen Lankham

Ormiston Shelfield Community Academy

Broadway
High Heath
Pelsall
Walsall
WS4 1BW
Principal: Paula Ward

City of Norwich School, An Ormiston Academy

Eaton Road
Norwich
Norfolk
NR4 6PP
Principal: Jim Nixon

Ormiston Chadwick Academy

Liverpool Road
Widnes
Cheshire
WA8 7HU
Executive Principal: John Rigby
Principal: Tuesday Humby

Tenbury High Ormiston Academy

Oldwood Road
Tenbury Wells
Worcestershire
WR15 8XA
Principal: Adrian Price

Ormiston Academies Trust
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Trustees' Report

For the year ended 31 August 2014

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Ormiston Academies Trust (the trust) for the year ended 31 August 2014. The trustees confirm that the annual report and financial statements of the trust comply with the current statutory requirements, the requirements of the trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

Constitution

The trust is a company limited by guarantee (registration number 06982127) and an exempt charity. The trust's memorandum and articles of association are the primary governing documents of the trust.

The trustees act as the directors of the charitable company for the purposes of company law, as well as fulfilling their obligations as trustees for the charitable activities of Ormiston Academies Trust. The charitable company is known as Ormiston Academies Trust.

Details of the trustees who served throughout the year are included in the Reference and Administrative Details page of the financial statements.

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

There are no qualifying third party indemnity provisions in respect of trustees, other than trustees' and officers' insurance which is in place.

Method of recruitment and appointment or election of trustees

Potential new trustees are identified by the board, ensuring that the skills and experience of new trustees are complementary to those of existing board members. The Ormiston Trust has the power to appoint a majority of trustees.

Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new trustees will depend on their existing experience. Where necessary the induction process will provide training on charity, educational, legal and financial matters. All new trustees are welcome to visit the academies and to meet with staff and students. All trustees are provided with copies of procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees. As there are normally no more than one or two new trustees a year, induction tends to be done informally and is tailored specifically to the individual trustees. Appropriate on-going training is available as necessary, delivered or co-ordinated mainly through the Ormiston governance team.

Trustees' Report (continued)

For the year ended 31 August 2014

Organisational structure

There is a clear management structure to control the way in which the trust is run. The structure consists of three levels: the trustees, the executive team and the academies themselves. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The trustees are responsible for setting the overall strategy in conjunction with Ormiston Trust as sponsor, adopting an annual plan, reviewing the educational progress of the academies, monitoring the trust by the use of budgets and making major decisions about the direction of the trust, capital expenditure and senior staff appointments.

The executive team control the trust at an operational level implementing the policies laid down by the trustees and reporting back to them. As a group, the executive team are responsible for the authorisation of head office spending within agreed budgets and the appointment of staff, though appointments to the executive team always involve a representative of the trustees.

The Local Governing Bodies and the Principals control the academies on a day to day basis. The local governing body for each academy is delegated local governance functions and retains a strong focus on three core strategic functions:

- ensuring clarity of vision, ethos and strategic direction
- holding the principal to account for the educational performance of the academy and its students
- overseeing the financial performance of the academy and making sure money is well spent

The role of a local governing body is to focus on strategic responsibilities, school improvement and the outcomes for its pupils.

Risk management

The trustees have assessed the major risks to which the trust is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the trust, and its finances. The trustees have adapted procedures to mitigate these risks for the Executive Team to implement and report back on any non-compliance.

Where financial risk still remains they have ensured they have insurance cover. The trust has an effective system of internal financial controls and this is explained in more detail in the statement below.

Connected organisations

The trust has connections with the following organisations:

- The Ormiston Trust: the sponsor of the academies within Ormiston Academies Trust
- The Ormiston Trust is also the sponsor of The Gateway Learning Community and it is joint sponsor of Ormiston Bolingbroke Academy and Birmingham Ormiston Academy. During the year the trust was also the sponsor of Sheffield Community Academy, but the academy joined Ormiston Academies Trust as Ormiston Sheffield Academy on 1 September 2014.

The charitable company provides support services to these academies on behalf of the sponsor.

Trustees' Report (continued)

For the year ended 31 August 2014

Post Balance Sheet Events - New Academies

The following academies joined the trust on 1 September 2014:

- Ormiston Chadwick Academy
- Ormiston Shelfield Academy
- Ormiston Tenbury Academy
- City of Norwich School, An Ormiston Academy
- Cowes Enterprise College, An Ormiston Academy

Objectives and Activities

Aims

Ormiston Academies Trust implements within its academies the vision of the Ormiston Trust which is to improve the life chances of children and young people so that they can fulfil their potential and lead happy and productive adult lives.

The mission of Ormiston Academies Trust is to offer its pupils opportunities to develop as high achieving, confident, healthy, caring and fulfilled members of society. This includes the trust's extended schools services and the opening of its facilities to the wider community.

Objectives, strategies and activities

Ormiston Academies Trust oversees the academies which the Ormiston Trust sponsors, with the exception of the academies within the Gateway Learning Community.

The trust seeks to transform learning, foster academic excellence and support the regeneration of the communities that the academies serve. The trust also empowers its students and stakeholders through active participation in the leadership of education initiatives at every level to enable the academy communities to realise their full potential. Through this positive impact the Ormiston Academies Trust is seeking to support the national school improvement agenda by developing and sharing best practice.

Public benefit

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

Strategic report

The trustees approved a business development plan for 2013/14 and 2014/15. The plan set out eight strategic aims as follows:

- To continue to improve levels of attainment and achievement in the academies,
- To build a network driven by shared values, where there is a focus on collaboration and clear benefits and added value for the academies,
- To continue to recruit new primary and secondary academies in a controlled manner according to agreed expansion

Trustees' Report (continued)

For the year ended 31 August 2014

criteria,

- To ensure that the trust is regarded as an effective sponsor by the existing academies and their governing bodies, schools considering academy conversion and policy makers,
- To improve leadership and management of the trust so that it becomes an employer of choice, staff are fulfilled in their roles and have opportunities to develop,
- To ensure that resources and finances are managed prudently and effectively both in the academies and centrally,
- To increase the profile, reputation and influence of the trust, bringing benefits for its academies and pupils,
- To provide infrastructure support (to include capital build, information technology and facilities management) that is timely, effective and offers good value for money.

The business development plan was used to draft a detailed operational plan for 2014/15. Performance against the operational plan for 2013/14 is reviewed by the trustees at the end of the year.

Achievements and performance

Achievements and performance

Key Stage 2:

In the 2013/2014 academic year, the trust increased its primary provision, with the addition of 2 new primary academies. The outcomes for pupils showed a significant increase on the 2013 results. The percentage of pupils achieving the nationally expected Level 4+ in Reading, Writing and Mathematics rose by 6%, meaning that 2014 attainment outcomes for the trust's primary academies are the same as the national level, despite having prior attainment significantly below the national average.

The proportion of pupils making the expected levels of progress in Reading, Writing and Mathematics also compares favourably with the national average.

Key Stage 4:

The year 11 cohort of 2013/2014 was significantly below the national average on entry to secondary education, yet achieved outcomes broadly in line with the national average on exit. The percentage of students achieving 5A*-C including English and Mathematics, under the new Department for Education regulations for entry policy, was in line with the 2013 results, whilst the national figure decreased by over 7% during the same period. The proportion of students making expected progress in both English and mathematics compares favourably with national levels. The trust's academies outperformed other sponsored academies by 3% for headline attainment, by 2% for the levels of progress in English, and 3% for levels of progress in mathematics. The progress made by disadvantaged students in English was above the 2013 national average, and their levels of progress in mathematics is broadly in line with the national average.

Key Stage 5:

In 2013/2014 there was a significant increase in the number of students enrolled in post-16 provision within the trust's academies. The number of students completing KS5 qualifications was a record high in 2014. 838 students completed their sixth form provision, over 100 more than at the same academies in 2013. This is an indication that recruitment from KS4 is improving, as a result of improved GCSE outcomes.

The number of entries has risen by 480 from 2013 (with 342 of these coming from additional A-Level entries), with the average number of entries remaining at 3.9 per student.

The percentage of A-Level students achieving 3 x AAB grades in at least 2 facilitating subjects has increased from a low starting point, as has the number achieving this threshold in 3 facilitating subjects. The average points score per A-Level entry has increased, with attainment at the end of Year 13 being broadly in line with the national average,

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Trustees' Report (continued)

For the year ended 31 August 2014

despite their prior attainment from KS4 commonly being below the national levels.

There has been a significant investment in the quality of post-16 provision. A post-16 network of sixth form leaders has been created, and its impact has been significant in terms of outcomes for students in 2014. Additionally an Access Champion post (part funded by Ormiston Trust) has been created to increase the number of students applying to, and studying at, the top universities in the UK.

Additional:

The outcomes of the trust's academies have been recognised by both Ofsted and the DFE. 75% of the academies have leadership judgements of good or better, and the significant progress made by 3 academies inspected in the 2013/2014 summer term was recognised by the Parliamentary Under Secretary of State for Schools.

Additionally six academies have been awarded SSAT awards for being in the top 25% of the country for adding value to students in secondary education, and the Ormiston Sir Stanley Matthews Academy was a national winner of the national pupil premium awards. The trust was a finalist in the 2014 Investors in Education Awards.

The trust seeks to integrate family and early intervention work in academies through strong enrichment programmes to improve life chances for children. In 2012, the trust drafted a values statement. This reflects Ormiston Trust's values and commitment to enrichment through a pupil pledge and aims for the group. These include a focus on community engagement, families and personal development. Since then, there has been a focus on promoting and improving enrichment activity across the trust through i) the establishment of an enrichment network ii) the development of some modest funding programmes for the academies by Ormiston Trust iii) joint projects.

Financial review

Principal funding

Most of the trust's income is obtained from the Department for Education in the form of recurrent grants, the use of which is restricted to running academies. The grants received from the Department for Education during the year ended 31 August 2014 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The trust also receives grants for fixed assets from the Department for Education. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005) such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Financial report for the year

| | 2014 | 2013 |
|--|--------------|---------------|
| Incoming resources | £169,997,000 | £182,480,000 |
| Resources expended | £125,016,000 | £ 90,265,000 |
| Net incoming resources | £ 44,981,000 | £ 92,215,000 |
| Net incoming resources (excluding restricted fixed asset fund) | £ 484,000 | £ (1,163,000) |