

CHELSEA ACADEMY FOUNDATION
Annual Report and Financial Statements

31 August 2008

Charity Registration Number: 1120784

CHELSEA ACADEMY FOUNDATION

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CHELSEA ACADEMY FOUNDATION

Reference and administrative information

Trustees	Cllr Andrew Dalton, Chair	Appointed	2 August 2007
	The Right Revd Michael Colclough	Appointed	2 August 2007
		Resigned	16 January 2008
	Mrs Fiona Costa	Appointed	16 October 2007
	Mr Tim Church	Appointed	9 May 2007
	Sir Toby Anstruther Bt	Appointed	9 May 2007
	Mr William Salomon	Appointed	9 May 2007
Director:	Miss Sophie von Maltzahn	Appointed	13 September 2007
Charity address:	The Town Hall Hornton Street London W8 7NX		

Charity Registration No: 1120784

Bankers: National Westminster Bank PLC
Kensington, Royal Garden Branch
PO Box 2341
55 Kensington High Street
London W8 5ZG

Auditors Buzzacott LLP
12 New Fetter Lane
London EC4A 1AG

CHELSEA ACADEMY FOUNDATION

Trustees' report for the period 2 August 2007 to 31 August 2008

The Trustees present their statutory report and financial statements of the Chelsea Academy Foundation for the period from inception of the charity on 2 August 2007 to 31 August 2008.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Constitution

The Chelsea Academy Foundation was registered on the Central Register of Charities under registration number 1120784 on 6 September 2007.

Trustees

The names of the Trustees who served during the period are set out as part of the reference and administrative information on page 2 of these Annual Report and financial statements.

Recruitment and appointment

The appointment of the Trustees is governed by the Declaration of Trust dated 2 August 2007. All Trustees must be aged at least 18, and there must at all times be a minimum of two. The Trustees may appoint additional Trustees in consultation with the Chelsea Academy Trustees, or when established, the Governing Body of Chelsea Academy.

The term of office for Trustees is three years except for Councillor Andrew Dalton who has a term of five years.

Induction and training

The Foundation recognizes that new and current Trustees should be aware of the Foundation's charitable purposes, mode of operation, plans, policies and costs. All Trustees are provided with a copy of the Declaration of Trust, the grant giving policy, and a copy of other relevant policies as well as minutes of recent Trustees' meetings.

Statement of Trustee's responsibilities

The Trustees acknowledge their responsibilities in maintaining accounting records and preparing financial statements as set out below:

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the movement in funds of the charity for that year. In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;

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Statement of Trustee's responsibilities continued

- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 1993. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Organization

The Trustees are ultimately responsible for the policies, activities and assets of the Foundation. They meet formally at least twice each year.

The main role of the Director is to raise funds which will benefit pupils at the Chelsea Academy which will open in September 2009, act as a point of contact and manage the financial affairs of the Foundation.

Risk Management

The Trustees have assessed the major risks to which the Foundation is exposed and is satisfied that systems are in place to mitigate its exposure to those risks.

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES

Charitable objectives and activities

The Foundation's charitable objectives as expressed in its Declaration of Trust are as follows:

The support of such charitable purpose or purposes which promote the advancement of the education of the pupils at Chelsea Academy, including the provision of scholarships, bursaries and the funding of capital projects connected to Chelsea Academy.

Grant making policy

A policy will be formulated, once the Chelsea Academy opens in September 2009.

Investment policy

Monies raised to date have been retained on deposit.

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ACHIEVEMENTS AND PERFORMANCE

Review of the period and financial transactions

The Foundation was launched at a reception held at the Science Museum in Autumn 2007 following its nomination by the Mayor of the Royal Borough of Kensington & Chelsea as the mayoral charity for 2007/8. This launch coupled with a small number of events put on during Councillor Andrew Dalton's year as Mayor of the Royal Borough of Kensington & Chelsea raised £105,311.

In particular the Trustees would like to express their thanks to all those who have given donations and in particular to Tim Church, The Bishop of Kensington, Naguib Kheraj, The Lord Phillimore and Mr and Mrs Charles Pugh who have given £10,000 or more.

The Royal Borough of Kensington & Chelsea has made space available, without charge, in the Chelsea Academy office for the Foundation's director to work. Finance and IT support are provided by the Borough and no charge is being made.

The Trustees are grateful for the support given by the Bishop of Kensington in help to get the Foundation up and running. Following his resignation as Bishop of Kensington, we are looking forward to the appointment of his successor. In the meantime the Archdeacon of Middlesex has attended meetings as a means of keeping lines of communications open between the London Diocesan Board for Schools and the Borough, who are the joint sponsors of the Chelsea Academy.

On behalf of the Trustees



Cllr Andrew Dalton

Approved by the Trustees on:

3 December 2008

CHELSEA ACADEMY FOUNDATION

Independent auditors' report to the Trustees of the Chelsea Academy Foundation

We have audited the financial statements of the Chelsea Academy Foundation for the period 2 August 2007 to 31 August 2008 which comprise the Statement of Financial Activities, the Balance Sheet and the related Notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charity's Trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and with regulations made under Section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees, as a body, 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 charity's Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

You are responsible as Trustees for the preparation of the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We have been appointed as auditors under Section 43 of the Charities Act 1993 and report in accordance with the regulations under Section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' report is not consistent with the financial statements, if the charity has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read other information in the Trustees' report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

CHELSEA ACADEMY FOUNDATION

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Practice, of the state of affairs of the charity as at 31 August 2008 and of its incoming resources and application of resources in the period then ended; and

the financial statements have been properly prepared in accordance with the Charities Act 1993

Buzzacott LLP
Chartered Accountant and Registered Auditors
12 New Fetter Lane
London
EC4A 1AG

3 December 2008

CHELSEA ACADEMY FOUNDATION

Statement of Financial Activities for the period 2 August 2007 to 31 August 2008

Incoming resources	Notes	£
Voluntary Income - Donations		<u>105,311</u>
Total incoming resources		<u>105,311</u>
Resources expended		
Cost of generating funds	2	50,570
Governance costs	3	<u>1,000</u>
Total resources expended		<u>51,570</u>
Net incoming resources for the period		53,741
Fund balances at 31 August 2008		<u><u>53,741</u></u>

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Balance Sheet as at 31 August 2008

	Notes	£
Current Assets		
Cash at bank and on deposit		104,263
Creditors: Amounts falling due within one year		(1,000)
Net current assets		<u>103,263</u>
Creditors: Amounts falling due after one year		
Loan from Royal Borough of Kensington & Chelsea	4	<u>(49,522)</u>
Total net assets		<u><u>53,741</u></u>
Represented by: Unrestricted funds		<u><u>53,741</u></u>

Approved by

Trustee

CHELSEA ACADEMY FOUNDATION

Notes forming part of the financial statements for the period 2 August 2007 to 31 August 2008

1 Accounting policies

The financial statements have been prepared on an accruals basis under the historical cost convention. The financial statements are drawn up in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice 2005.

2 Cost of generating funds

	£
Director's salary	33,833
Employers National Insurance contribution	3,651
Events	4,603
Recruitment costs	2,038
Printing and design	2,181
Consultancy	2,201
ICT costs	1,509
Other costs	554
	<u>50,570</u>

3 Governance costs

	£
Audit fee	<u>1,000</u>

4 Loan

The Royal Borough of Kensington & Chelsea agreed on 30 January 2008 to advance up to £150,000 to the Academy. The loan is interest free until 1 September 2009. Thereafter compound interest at the rate of 2% on the amount outstanding at the 31 August will be paid in each year following the interest free period.

The Loan will be repaid in 10 annual instalments.

The Loan is to be applied exclusively for the Foundation's administration and fund raising events.

5 Connected charity and related party

The pupils attending the Chelsea Academy school which is due to open in September 2009 will be the main beneficiaries of the Chelsea Academy Foundation.

The Royal Borough of Kensington & Chelsea provides payroll services and accommodation free of charge. A fee of £1,509 was paid to the Borough for IT services.

