

Registered number: 07542155 (England and Wales)

The Tenax Schools Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 31 August 2017

**The Tenax Schools Trust
(A Company Limited by Guarantee)**

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Reference and Administrative Details
For the Year Ended 31 August 2017

Members

Lady (Jacqueline) Evans
Lord Bishop of Rochester (currently The Right Reverend James Langstaff)
Archdeacon of Tonbridge - (currently The Venerable Julie Conalty, from 24 September 2017 and previously The Venerable Clive Mansell, resigned 31 July 2017)
Rural Dean of Tunbridge Wells (currently Reverend Canon James Stewart)
The Chichester Diocesan Board of Education (currently represented by Reverend Dr Edward Dowler, Archdeacon of Hastings)

Trustees

Mr Ian Bauckham CBE, CEO
Mr John Constanti¹
Lady (Jacqueline) Evans, Chair²
Mr David Godfrey¹
Mr David Ralph JP¹
Ms Cherie Sargent²
Mrs Kate York²
Mr Andrew Cunningham (appointed 26 October 2016)
Mr Matthew Bedford (appointed 9 February 2017)¹
Canon Dr (Kathleen) Ann Holt OBE (appointed 9 February 2017)²

¹ Member of Finance & Audit Committee

² Member of Standards Committee

Company registered number

07542155

Company name

The Tenax Schools Trust

Principal and registered office

Bennett Memorial Diocesan School, Culverden Down, Tunbridge Wells, Kent, TN4 9SH

Company secretary

Mrs Catherine Dottridge

Chief executive officer

Mr Ian Bauckham CBE

Executive group

Mr Ian Bauckham, Chief Executive Officer/Accounting Officer
Mrs Catherine Dottridge, Chief Financial Officer
Mrs Rachel Green, Primary Lead Headteacher
Mrs Claire Isaacs, Director of Human Resources (appointed 1 November 2016)

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Reference and Administrative Details of the Academy Trust, its Trustees and Advisers
For the Year Ended 31 August 2017

Advisers (continued)

Headteachers

Mr Matthew Clark (West Malling CE Primary School)
Mrs Jane Mallon (Head of School, Brenchley & Matfield CE Primary School)
Mrs Tina Holditch* (Leybourne Ss Peter and Paul CE Primary School)
Mr Jon Sparke (Bennett Memorial Diocesan Secondary School)
Mr Richard Sutton Smith (Sir Henry Fermor CE Primary School)
Mrs Jacqueline Zadeh (Jarvis Brook Primary School)
Mrs Donna Weeks (Bishop Chavasse CE Primary School)
* Maternity Leave 6 December 2016 - 5 June 2017, during which Mrs Therésa Jaggard, Acting Headteacher

Independent auditors

Kreston Reeves LLP, 37 St Margaret's Street, Canterbury, Kent, CT1 2TU

Bankers

Lloyds Bank plc, 82 Mount Pleasant Road, Tunbridge Wells, TN1 1RP

Solicitors

Lee Bolton Monier Williams, 1 The Sanctuary, Westminster, London, SW1P 3JT

Stone King LLP, 91 Charterhouse Street, London, EC1M 6HR

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Trustees' Report
For the Year Ended 31 August 2017

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2016 to 31 August 2017. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' report under company law.

The Tenax Schools Trust is a Church of England Multi Academy Trust that exists to provide outstanding education in both primary and secondary schools in Kent and East Sussex. The Trust had a combined pupils on roll of 2709 as at census date October 2017.

School Name	No on roll – Census Oct 2017	
Bennett Memorial Diocesan Secondary School	1,548	Founding School - 1 September 2015
Bishop Chavasse CE Primary School	37	New Free School - opened with Reception Pupils 1 September 2017
Brenchley & Matfield CE Primary School	166	Converted 1 May 2016
Jarvis Brook Primary School	172*	Converted 1 March 2017
Leybourne Ss Peter and Paul CE Primary School	208	Converted 1 March 2017
Sir Henry Fermor CE Primary School	358	Converted 1 April 2016
West Malling CE Primary School	220	Joined 1 September 2017

**Plus a further 24 pupils in the pre-school.*

Structure, governance and management

a. Constitution

The Academy Trust is a charitable 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 Trustees of The Tenax Schools Trust are also the directors of the charitable company for the purpose of company law. The charitable company is known as The Tenax Schools Trust.

Details of the Trustees who served during the are included in the Reference and Administrative Details on page 1.

b. 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.

c. Method of recruitment and appointment or election of Trustees

Recruitment and appointment of Trustees is as set out in the Tenax Schools Trust's Articles of Association and Governance Plan. The members of the Tenax Schools Trust have appointed 10 trustees.

d. Policies and procedures adopted for the induction and training of Trustees

New Trustees receive an induction pack and all trustees partake in an annual programme of Trustee training and development.

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Trustees' Report (continued)
For the Year Ended 31 August 2017

e. Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees annually review and agree a Pay Policy for the Trust with regards to setting key management personnel pay. All arrangements for setting pay and remuneration are overseen by the Trust's Pay Committee with pay decisions determined on the basis of evidence supporting performance outcomes.

f. Organisational structure

The Board of Trustees monitors the performance of the schools through full Board of Trustees meetings at least six times per year.

There are two committees of the Trust Board, each with a Terms of Reference, including details of delegation where applicable and which is reviewed annually by the Board of Trustees:

The Finance and Audit Committee has the strategic oversight of all matters related to Audit, Finance & Capital Assets of the Tenax Schools Trust. The Committee will seek to: monitor internal scrutiny, the delivering of objectives and provide independent assurance over the suitability and compliance with, its financial systems and operational controls, seeking to ensure that the Trust is operating within the Funding Agreement and in line with the Academies Financial Handbook. To assist the decision making of the Tenax Schools Trust Board by enabling more detailed consideration to be given to the best means of fulfilling the Board's responsibility to ensure sound management of their finances and capital assets, including proper planning, monitoring and probity.

The Standards Committee acts as a scrutiny committee to assist the Board in discharging its standards-related accountabilities. It is accountable to the full Board of Trustees. The committee consists of at least three trustees. One or two headteacher(s) will normally attend meetings of this committee in an advisory capacity but are not members of it. The role of this committee is to ensure annual school improvement plans contain appropriately challenging targets on achievement and attendance for each school, to test the reliability and validity of monitoring information on end of Key Stage pupil performance and attendance supplied to it. Where necessary to prevent underperformance it challenges headteachers, via the CEO, to propose and implement interventions and improvements, or challenges LGBs to discharge their responsibilities on standards more effectively. It reports to the full Trust Board via a summary of its findings and actions.

In addition there is a Pay Committee and further committees for specific purposes.

Each school in the Trust has a local governing body (LGB) which is accountable to the Board of Trustees. This will comprise in each case: The headteacher (ex officio), one further elected staff local governor (term: 3 years), two elected parent governors (term: 3 years); five or more governors appointed by the Trust Board (who may include trustees or employees from other schools in the trust selected on the basis of their skills or professional experience), each for a term of 3 years. The Local Governing Body may agree to co-opt one or more further local governors to address skills gaps, providing that governors appointed by the Trust Board continue to hold a majority of at least one on the LGB. The chair of each LGB is appointed by the Trust Board.

The CEO is, with the headteacher of the individual school, responsible for the overall leadership and management of the school. Each school has a leadership management team who are responsible for operational matters relating to curriculum, teaching, learning, student attainment, achievement, broader development, welfare, recruitment and finance.

The CEO is the Accounting Officer for the Trust.

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Trustees' Report (continued)
For the Year Ended 31 August 2017

g. Connected organisations, including related party relationships

There are no related parties which either control or significantly influence the decisions and operations of the trust.

Bennett Memorial Diocesan School is fortunate enough to have both parental, past students and Church support; historically this led to the setting up of a charitable trust; "The Bennett Memorial Diocesan School Charity" which enable gifts to be given tax effectively to the charity; enabling the trustees to make grants to the school or others as appropriate in support of the school in the widest possible sense. The Trust is run by independent Trustees (headteacher, 1 nominated by the School Leadership Team and 3 appointed by the existing trustees) who receive bids from the school to fund particular projects or works. The charity is registered with the Charity Commission for England & Wales, to whom it reports.

h. Trustees' indemnities

Trustees (directors) benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust.

Objectives and Activities

a. Objects and aims

The Trust's object is to provide outstanding education in both primary and secondary schools in Kent and East Sussex. It offers a broad and balanced curriculum with the aim of raising the education standards of its pupils with underpinning ethical and personal development principles and with particular emphasis on teaching about Christian values, beliefs and traditions. It aims to provide value for money for the funds expended; to comply with all appropriate statutory and curriculum requirements; and to conduct business in accordance with the highest standards of integrity, probity, and openness.

b. Objectives, strategies and activities

Key objectives and activities are identified in the strategic plan and are informed by the significant challenges and opportunities arising from national developments in education policy and funding.

c. Public benefit

The principal public benefit arising from the Trust's charitable activities is the educational outcomes in terms of results and personal and faith development for the students educated at the schools operated by the Academy Trust. Both principles of public benefit identified on the Charity Commission website have been met: the benefits are identifiable in terms of educational outcome, it is clear what they are (for example examination results), they are related to the aims, and there is no identifiable detriment.

On the second principle, the beneficiaries are appropriate to the aims, in that the beneficiaries are children living in the locality of the Academy Trust, access to this public benefit is not restricted by ability to pay for it, and only in a practical way by geographical distance from the Academy Trust, and children in poverty are not excluded from benefiting: there are many practical examples of students in poverty who have achieved excellent outcomes, no fees are charged for core educational activities, and the Academy Trust has a wide ranging grants and concessions programme to enable those in poverty to take part in supplementary activities.

The Trustees have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties.

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Trustees' Report (continued)
For the Year Ended 31 August 2017

Strategic report

Achievements and performance

a. Key performance indicators

The Trustees have identified that the following are the key financial performance indicators for the Trust:
Percentage of income received from ESFA spent on teaching staff;
Percentage of income received from ESFA spent on total staff costs;
Pupil numbers (leading directly to ESFA funding level) and;
General funding expenditure – aim for income to match expenditure each year.

The Trustees have been pleased that expectations for all key performance indicators listed above have been successfully met during the year.

b. Review of activities

During this year the Trust grew from three to five schools, incorporating Leybourne Ss Peter and Paul Church of England Primary School and Jarvis Brook Primary School as converted academies on 1 March 2017. On the 1st September 2017, the Trust opened a new Free School, Bishop Chavasse Church of England Primary School, and West Malling Church of England Primary School, previously a single-academy trust, joined the Trust.

In addition an Academy Order has been received for another local primary school to join the Trust.

St Andrew's Free School Paddock Wood is approved and in pre-opening stages, with an estimated opening date currently September 2020. It will be a two form entry school with a total roll when full (est. 2027) of 420.

The Trust also achieved the School Centred Initial Teacher Training (SCITT) designation in October 2016. The SCITT, named 'Teach Kent & Sussex', was set up to be a centre of excellence in initial teacher training and professional development in the Kent and Sussex area. Working collaboratively with its formal partners, teachers were recruited both direct to the SCITT and lead partner schools, and started training from 1st September 2017.

Leybourne Ss Peter & St Paul CE Primary School received a SIAMs inspection and was awarded Outstanding in all areas.

Financial review

a. Going concern

After making appropriate enquiries, the Board of Trustees 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. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies. Although there has been a net deficit in funds during the year this is mainly due to actuarial gains/(losses) on defined benefit pension schemes and as such the Board of Trustees continue to adopt the going concern basis.

b. Principal risks and uncertainties

The Trust practices through its Board, namely the Board of Trustees and the constituted sub committees, risk management principles. It formally reviews its risk management and considers whether risks are appropriately assessed and whether the mitigation strategies identified for each is proportionate to the gravity of the risk. Risks are assessed, graded and prioritised in terms of their likelihood and their seriousness, should they occur. During the year, the Board reviewed and revised its format and reporting of the Risk Register following a Trust Board development session on risk management, which will enable greater visibility on risks associated with statutory requirements, and support targeted mitigation strategies.

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Trustees' Report (continued)
For the Year Ended 31 August 2017

Key areas covered by the full risk register are set out below:

Recruitment and Retention of key staff: Trust fails to keep/attract staff in critical roles needed to meet our objectives/strategy mitigated by identification/mapping of key roles and critical individuals; individual succession plans in place for key roles including CEO; talent/career conversations for critical individuals; critical staff salary, working conditions, professional development closely monitored by Trustees once identified, taking into account other locally/nationally available comparable roles. Key person emergency coverage plans and talent pipeline under review by Trust board.

Failure to comply with statutory safeguarding requirements: Roles and responsibilities for safeguarding governor and Trustee have been defined. Nominated governors are required to complete an annual report to the LGB and the safeguarding Trustee will provide an annual report to the Trust Board. Templates have been produced for these reports.

Failure to comply with critical statutory / mandatory requirements, excluding safeguarding requirements (covered separately): Tenax policies and procedures refreshed on regular basis, external scrutiny as second line check, Internal audit, clear accountabilities identified for compliance with each compulsory requirement; appointment of new staff to fill gaps in compliance governance; external scrutiny in place; financial governance by Board is rigorous and risk averse.

Failure to comply with minor mandatory processes and risk of resulting damage to Trust reputation should multiple instances occur: mitigated by knowledge of statutory/mandatory requirements understood and shared; clear accountabilities identified for compliance with each compulsory requirement; appointment of new staff to fill gaps in compliance governance; external scrutiny in place; financial governance by Board is rigorous and risk averse.

Insufficient funds: There are insufficient funds to deliver the services to the appropriate level – mitigated by robust financial planning and budgeting systems to match resources to priorities, alertness to alternative grant and bidding income streams or grants; cautious budgeting to ensure future income not overestimated; discipline and restraint in pay policy to ensure value for money in staff salary costs; scale benefits achieved from Trust working.

Corporate Governance: There is a failure in the mechanisms, policies and processes which direct and control the Trust – mitigated by clear terms of reference established for all committees; clear accountabilities set and understood; whistleblowing and conflict of interest policies regularly reviewed; training/upskilling/induction programme in place for new Trustees; regular review of governance effectiveness, openness to constructive (external) critique. Additional documentation sets produced for use in all LGBs to ensure consistency in reports to Trust Board, regular audit of all school websites in October to ensure all required information is being made available.

IT breach resulting in confidential data theft or corruption: Disaster recovery plans in place, a data protection review will be carried out during the 2017/18 academic year.

Material event occurs within one of our schools that compromises pupil, staff or public safety: e.g. safeguarding, physical safety of pupils, terror-related incident, fire, flood, etc: Compliance with all Safeguarding and Health & Safety statutory requirements reduces likelihood of material event, major incident plans in place to ensure swift response to material event, limiting scale of impact on pupils, staff, members of the public and the Trust, disaster recovery plans in place to ensure normal operations are resumed as quickly as possible.

The Board of Trustees accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Board of Trustees collectively, whilst more minor risks are dealt with by senior executive officers.