

Department for Education

Internal Audit Unit
Internal Audit Investigation Team

Investigation Report on
Kings Science Academy

May 2013

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INTRODUCTION

1. The Education Funding Agency (EFA) received a number of allegations about practices at the Kings Science Academy (the Academy), some of which related to possible financial irregularity. The EFA External Assurance (EA) team visited the Academy in December 2012 as part of a planned programme of visits to free schools to validate the Financial Management and Governance Evaluation (FMGE) self-assessment submitted by the Academy. This visit identified significant weaknesses and areas for improvement which resulted in a validated assessment of “inadequate” rather than the Academy’s own self-assessment of “good”. Following this visit the case was referred to Internal Audit Investigation Team (IAIT) to undertake an investigation of the possible financial irregularities. In addition to reviewing the use of funding since the Academy opened we also reviewed the pre-opening funding to ensure claims made by KIFSA Trust could be supported.

2. In addition to the EA team’s review and IAIT’s investigation, in August 2012 the Academy took the decision to engage [REDACTED] accountants to undertake a historical review of finance and governance, including compliance with the Academies Financial Handbook and Funding Agreement. The findings from our investigation concur with the findings from the [REDACTED] work but we have also identified other issues of concern.

3. The EFA Lead Officer for the investigation is [REDACTED], [REDACTED]. The DfE Lead for the pre-opening funding is [REDACTED], [REDACTED]. The IAIT team was led by [REDACTED].

BACKGROUND

4. Kings Science Academy is a Free School that opened in September 2011. The current permanent premises were occupied in November 2012, with the Academy initially opening in temporary accommodation. The permanent site could only be partially occupied when they moved in and the Academy was being funded for 360 pupils in years 7 and 8. At the time of our visit there were 354 pupils on the roll, with a waiting list of 54 across both years.

5. KIFSA Ltd is the Trust responsible for the Academy. The current Acting Chair of Governors, [REDACTED], took over in March 2013 from the former Chair [REDACTED] (who was Chair from 25 October 2012). The Principal of the Academy is [REDACTED]. The Academy and Trust are also supported by an [REDACTED], [REDACTED] who we understand to have been the Chair of Governors between September 2011 and October 2012.

6. The Academy’s permanent building was funded by the Department at a cost of over £10 million. The building which we understand is owned by [REDACTED] is located on land leased from [REDACTED] which is owned by [REDACTED]. The cost of the land lease is [REDACTED] annually and a [REDACTED] year lease was agreed. An initial rent free period of [REDACTED] months was negotiated.

7. The temporary accommodation used for the first 14 months of opening was agreed with the Trustees of the owners of the building of the former Coral College Independent school, the [REDACTED]. One of the

Trustees, [REDACTED], is the father of the Principal, [REDACTED]. No rent has been paid for the accommodation at the former Coral College site, the site was refurbished to accommodate the Academy at a cost in the region of £460,000 (excluding furniture, fixtures and ICT that were moved to the permanent site once occupied).

8. In the development phase of the free school the Trust had office accommodation initially at Campus Road, Listerhills, Bradford but then moved to Cumberland House, Greenside Road, Bradford. Cumberland House is owned by [REDACTED], owned by [REDACTED]. The Department funded KIFSA for rental of the offices at Campus Road and Cumberland House as part of the Lead-In grant paid to the Trust.

MANAGEMENT SUMMARY

9. In relation to the Lead-in grant paid prior to opening of £182,933.06 only £19,872.39 could be agreed to KIFSA records and cash book payment records showed that £86,335.07 had not been used for its intended purpose. Invoices have been submitted to the Department which have never been paid by the Trust. [REDACTED] has admitted that some of the invoices submitted to the Department to support the claim for Lead-in grant were fabricated invoices. These invoices were created by the Trust to claim for rent that they did not pay.

10. The [REDACTED] review has highlighted serious concerns in relation to internal control, financial accounting systems and payment processes in operation in the Academy until November 2012. We concur with their findings and identified a number of payments where we could not find invoices/documentation to support the payments. We also found a lack of understanding on issues such as employment of staff/consultants where the Academy was at risk of incurring HMRC liabilities for the way it was paying staff.

11. We identified that a former Chair, [REDACTED], was paid for his services as Chair contrary to requirements in the Funding Agreement and he was also engaged as the interim business manager in September and October 2011 through a company [REDACTED]. At this time [REDACTED] maintains that [REDACTED] had ceased to be a Director and member of the Governing Body (GB), however we believe he was still attending GB meetings. No contract for services with [REDACTED] has been received and no declarations of business interest in relation to this company were made. Despite requesting on a number of occasions information from the Academy on how certain suppliers were selected and any contracts with them we have not received this information.

12. The lack of understanding of responsibilities and what is required to comply with the Funding Agreement and Academies Financial Handbook has been identified by both the [REDACTED] review and EA's FMGE validation. This has resulted in a failure of the Governing Body and the Principal, in his role as the Accounting Officer, to effectively discharge their responsibilities.

13. The extent to which the Governing Body were able to challenge or question the financial aspects of the Academy operation were limited by the lack of financial

expertise and experience in knowing what information should be being presented to them to be able to discharge their responsibilities.

14. The records of Governors meetings covering the period in question do not provide adequate assurance that decisions that are now stated as fact were actually agreed at the time.

15. The Academy is currently working to rectify failings identified as part of [REDACTED] historical review and EA's FMGE validation. Action has already been taken to significantly change the governance and financial processes, with a strengthening of the finance team in the Academy and new members of the GB, However the Academy still needs to employ a suitable Finance Director and engage a governor with finance experience.

FINDINGS

Funding used for intended purposes

Pre-Opening – Use of Lead-In Grant

16. The Department agreed pre-opening funding to KIFSA as follows:

- Setup/business case costs – maximum £42,650
- Project Management – maximum £200,896
- Lead-in grant – maximum £196,150
- Miscellaneous grant (site survey and design services) – maximum £154,129.11.

17. The setup/business case grant and Lead-in grant were paid direct to KIFSA to establish the Free school. £182,933.06 Lead-in grant was paid by the Department based on invoices received from the Trust. The miscellaneous grant was paid to KIFSA but then paid to [REDACTED] on 31 October 2011. The project management grant was paid direct to the project management company, [REDACTED], by the Department

18. When we visited the Academy in January we requested invoices and payment documentation for the pre-opening period. We were informed by [REDACTED] that all original documents had been sent to the Department and that the Academy could not locate any copies due to the office moves that had taken place. We therefore had to check the invoices submitted to the Department with their grant claims.

19. For the Lead-in grant we checked the invoices the Trust provided with their grant claims against payments made from their bank account to ensure the Trust had incurred the cost claimed from the Department. We identified a number of invoices that had been presented to the Department where we could not find payments being made from the Trust's bank account.

20. One example is for rent claimed for the office accommodation at Cumberland House. We had already been informed by [REDACTED] that [REDACTED] had

waived their rent for Cumberland House prior to September 2011 however invoices had been submitted to the Department for this period. The invoices were from [REDACTED] and were for the period March 2011 to August 2011 totalling £10,080 (six invoices charging £1,400 plus VAT for each month). We had concerns about the invoices because:

- Other invoices for rent after September 2011 came from [REDACTED]
- None of the invoices from [REDACTED] have a company number on them;
- Only three of the invoices have a VAT number on them, which is the same number as for [REDACTED].

21. When we asked [REDACTED] about the invoices he said he would have to follow-up with [REDACTED]. He stated that it was not agreed with [REDACTED] until August 2011 that rent would not have to be paid and that the cost saved on rent were used on the temporary accommodation as the Department would not fund any additional costs. However although grant was paid to the Trust in June, July and October 2011 many of the invoices to support the grant paid were not presented to the Department until October and December 2011. Five of the [REDACTED] invoices were presented in October and December 2011 when the Trust had already agreed it would not have to pay any rent.

22. We contacted [REDACTED] to ask them to confirm that the invoices were issued by [REDACTED] (they are both part of the same group of companies). The response from [REDACTED] clarified what rent KIFSA had been charged for Cumberland House but did not state whether they had issued the invoices. A follow-up with [REDACTED], which [REDACTED] was copied into, prompted an e-mail from [REDACTED] that stated [REDACTED].
[REDACTED] Further follow-up with [REDACTED] clarified that all six invoices supposedly from [REDACTED] were raised by [REDACTED] (the former FD) so that KIFSA could claim rent from DfE as part of its grant claim.

23. The Trust also claimed National Insurance (NI) contributions from the Department for four permanent members of staff (the Principal, FD, IT Manager and Assessment Data Manager) however we cannot see that any payments have been made to HMRC for tax or NI. All payments made to staff appear to be on a consultancy basis and, in some cases the NI claimed from the Department was paid to the individual. Pension contributions were claimed from the Department for [REDACTED] however no payments were made to the Teachers' Pensions Agency during the period and in some cases it appears the contributions were paid direct to [REDACTED].

24. We raised these issues with the Academy as we could not verify that payments had been made by the Trust for invoices that were submitted to the Department. We requested the Academy:

- Provide evidence of payments made by the Trust for claims made to the Department; ;
- If payments had not been made by KIFSA for all invoices submitted to the Department provide an explanation of why these were claimed from the Department as the expenditure was not incurred by the Trust;
- Provide details of what the Lead-in grant has been spent on where this differs from the invoices supplied to the Department.

25. [REDACTED], who undertook the Historical review for [REDACTED], undertook work to try and provide the information we requested. We have not received response to the 2nd bullet point above but can state:

- Invoices to the value of £59,559.60 were submitted to the Department but no payments were made from the Trust (see annex A);
- Invoices to the value £103,502.02 were submitted to the Department but only payments totalling £85,987.98 was paid out by the Trust for these invoices. In addition to the £17,514.04 difference in payments claimed / paid out the Trust was also paid NI contributions and pension contributions that were never paid over. The total overpayment for these invoices amounts to £26,775.47 (see annex B);
- Invoices to the value of £19,872.389 were submitted to the Department and payments for these were verified in the Trust bank account (see annex C);
- Details of other payments made by the Trust during the Lead-in period, where invoices were not submitted to the Department total £75,381.98 (see annex D)

26. £86,335.07 of Lead-in funding has therefore been used for purposes it was not intended for.

27. [REDACTED] has admitted that the invoices submitted to the Department for rent, supposedly from [REDACTED], have been fabricated. We have concerns that other invoices submitted to the Department and included in annex A could also have been fabricated. Further work is being undertaken by [REDACTED] to try and validate these payments and to date three cheques have been returned by the bank. A payment that the Academy records show was made to an [REDACTED] was according to the cheque paid to [REDACTED], [REDACTED] sister.

Pre-Opening – Payments to Former Chair

28. The Trust's bank statement reveals that the former Chair, [REDACTED], was paid £2,400 for chairing the April, May and June Trust meetings (paid £800 on 4 May 2011 and £800 x 2 on 24 June 2011). [REDACTED] was also paid £500 for travel costs in August 2011, the Academy's financial records state that this was for travel costs to Scotland. The payments relating to chairing of meetings appear to be contrary to the funding agreement and grant letters that were agreed with the Department. We understand that [REDACTED] was asked specifically in January 2012

by the Department whether the Chair had received any payments and his response was that he had not and he said that he would testify to that.

29. When we asked [REDACTED] about these payments to the former Chair he stated that there may have been one or two payments to the former Chair as he had been working very hard during this period when there was a massive demand for meetings with the Department. The trip to Scotland by the former Chair was to collect a mini bus the school had purchased. We have not seen any claim forms to support any of these payments.

Post Opening

30. The [REDACTED] historical review has highlighted serious concerns in relation to internal control, financial accounting systems and payment processes which has led to significant changes and a strengthening of the finance team in the Academy. The former FD who was engaged as a consultant was dismissed in November 2012 when [REDACTED] review identified these concerns and the Academy is intending to recruit a new FD. At the time he was engaged as a consultant he was a director and we have not seen any contract for his services.

31. Despite purchasing a recognised accounting package in 2011 and giving the Department assurance that it was being used, the accounting records were maintained on a manual spread sheet until November 2012. The records appear to have been a cash based system rather than accruals based. The Corero accounting system has been in operational use since November 2012 and this, together with additional accounting resource (some of which continues to be provided by [REDACTED]), has meant that the Academy now have a better picture of their finances and improved control over their payment procedures. The situation prior to this point has not been as clear and we have experienced difficulty in establishing that all payments made were properly supported and valid.

32. We reviewed payments made by the Academy since opening in September 2011, reviewing invoices held to identify if purchases were legitimate for an Academy and also reviewing bank statements to ensure payments made were supported by invoices.

33. In relation to payments made by the Academy we identified:

- Two payments relating to parties/meals for staff (£259.60 and £350);
- Payments of training courses and professional subscription fees for consultants;
- Payments of 1st class train travel for the former vice Chair of Governors;
- A duplicate expense claim for £162.50 for rail travel claimed by a member of staff;
- A payment of £169.65 to a member of staff for clothing. The Principal stated this was to support a new member of staff who did not have the appropriate attire for teaching;

- Credit reference search, deposit, rent and furniture purchases for rental accommodation acquired for staff members. The lowest paid teachers did not pay rent for the accommodation, others did;
- Payments to a company [REDACTED] for the services of the former Chair, [REDACTED], engaged as an Interim Business Manager in September and October 2011. [REDACTED] informed the external auditors that [REDACTED] ceased to be a Director of the Trust in September 2011 however the GB minutes of 12 December 2011 contain references to [REDACTED] (see Governance section below for further details).
- Staff relocation costs paid directly to staff that should have been paid through payroll and been subject to tax.
- Payments of £1,914.80 to [REDACTED] for masters fees for [REDACTED]. [REDACTED] stated this was agreed on his appointment.
- Courier costs of £280.49 to courier “new site applications” to London SW1P. This implies that the cost of new free school bids are being paid from funding meant for the Academy.

34. The [REDACTED] report identified a number of payments that were made to the Principal, [REDACTED], in respect of an advance, repayment of pension contributions and overtime that did not appear to be approved by the GB. The [REDACTED] report identified that an overpayment had been made in respect of the pension contributions and also that the employers’ contribution had been repaid to [REDACTED] as well as his own contributions.

35. The GB originally required that [REDACTED] repay the advance, overpaid contributions, employer’s contributions and the overtime. However we understand that a recent GB meeting agreed the payment of overtime to [REDACTED].

36. For payments in 2011/12 66 payments were identified on bank statements where invoices were not available in the files. After follow-up by the Academy’s Finance Team 20 invoices were traced. Of the remaining 46:

- 31 related to payments made using the Academy’s visa debit card with a total value of £2,394.95. The highest value payment is for £848.98 from [REDACTED]. Other suppliers paid are [REDACTED] rail companies;
- Six related to payments made using the Academy’s Commercial Credit card with a total value of £793.81. The total of transactions on each statement range from £60.00 to £237.98;
- Nine related to payments to other suppliers with a total value of £5,475.09. The highest values being £2,500 for [REDACTED] and £2,500 for the former FD consultancy costs.

37. The Academy no longer uses the Visa debit card.

Declarations of Business Interest

38. Although some Declarations of Business Interest forms existed no business interests had been declared. This does not appear accurate when we know:

- [REDACTED] (a Director) is the brother of the Principal, [REDACTED];
- [REDACTED] and [REDACTED], the former FD, have links with the company [REDACTED], used by the Academy to engage [REDACTED];
- [REDACTED] has a number of family members working for the Academy and a brother who is a member of the GB;
- The links with the [REDACTED] – who leased the land and [REDACTED] role as [REDACTED].

39. There is not currently a complete set of Declaration of Business Interest forms completed by all Directors, GB members and staff and those that have been complete cannot be relied upon as accurate.

Procurement practices

40. We requested information on how the following suppliers used by the Academy were identified and selected:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

41. This information was requested from [REDACTED] at a meeting on 29 January 2013 and was followed by further requests for the information by email on 31 January 2013, 5 February 2013, 20 February 2013 and 5 March 2013. We have not yet received any information from [REDACTED].

Recruitment of staff

42. Since the Academy opened a number of [REDACTED] relatives have gained employment there. [REDACTED] father, wife and sister have been employed by the Academy (although his wife has now left).

43. We were informed that a small number of staff were employed by the Academy without applying for posts, although they were interviewed by GB members

to ensure their suitability. These included staff who were involved in the setting-up of the school (e.g. vice principals [REDACTED] and [REDACTED]). Other staff were employed through a formal recruitment process.

44. Since the Academy opened a number of “staff” were engaged on a “consultancy” basis being paid on submission of an invoice for services. No contracts existed for these consultants and it is clear that the Academy did not understand the tax and national insurance implications of paying “staff” in this way, and the HMRC liabilities that could be being accrued. This issue was identified in the [REDACTED] report and, whilst we identified “staff” being paid in this way we have also seen that the same staff are now being paid through payroll.

45. Two exceptions to the above are:

- [REDACTED] father, [REDACTED], who was originally paid through payroll but is now paid on a consultancy basis. We were informed by [REDACTED] that [REDACTED], the former FD took the decision to pay [REDACTED] in this way. We have not seen a contract for services;
- [REDACTED], the Academy’s IT Manager was an employee in 2011/12 but from September 2012 was paid through a company [REDACTED], of which [REDACTED] is the only director. The company was registered on 10 August 2012. We were informed by [REDACTED] that [REDACTED] has decided to setup his own company as he wanted to undertake work for other academies. [REDACTED] stated that they engaged [REDACTED] as [REDACTED] had all the knowledge of the Academy’s IT systems. We have requested a copy of the contract for [REDACTED] services but have not yet received it.

46. The contract for the Principal had not been finalised at the time of our visits and was still the subject of discussion between the Chair of Governors and the Principal.

47. The Academy were asked to provide the contracts held for a sample of staff. These contracts were examined and it was confirmed that they had been signed by the individuals.

48. The wife of the Principal had been on a contract that entitled her to 3 months pay on commencing maternity leave, a right that was only afforded to early members of staff before the conditions for payment were changed to reflect the statutory maternity provision.

Pupil numbers

49. The Academy is currently being funded for 360 students. They had initially been funded for 340 students but funding was increased in June 2012 following representations from [REDACTED]. At the Autumn 2012 census the number of students on the roll was 333.5. We asked [REDACTED] why there were only 333.5 students attending in Autumn 2012 when they were being funded for 360. [REDACTED] stated that as they were still in their temporary building up to November 2012 they were at their capacity with 333.5.

50. We received an update on students on the roll as at 25 January 2013 from the Academy's Data Manager. The number on roll was 354 with 54 on the waiting list. We were informed that the Academy have not yet reached their funded numbers as they are in the process of ensuring that their waiting list policy is in line with the admissions policy and they were being guided by the LA admissions team on this.

Temporary accommodation costs

51. The Academy occupied temporary accommodation for the first 14 months of opening whilst the permanent site was being completed. The temporary accommodation was at the site of the former Coral College Independent school. The building is owned by a trust, the [REDACTED]. One of the four Trustees of that trust is [REDACTED], the father of the Principal, [REDACTED]. We have not been able to verify whether the Department was fully aware of [REDACTED] role as a Trustee of [REDACTED].

52. The Coral College site was refurbished to accommodate the Academy at a cost in the region of £460,000 (excluding furniture, fixtures and ICT that were moved to the permanent site once occupied). Another free school, [REDACTED] was also temporarily accommodated at the same site and the area occupied by them was refurbished at an additional cost.

53. The Academy did not have to pay any rent to the former Coral College building owners for the temporary accommodation. The only expense we have seen in relation to this site (apart from utility and phone costs) is for insurance. Insurance of £3,087 has been paid to a company called [REDACTED] for the period 12 July 2011 to 11 July 2012 (this was paid in December 2012). [REDACTED] stated that [REDACTED] is a company that has been set up by the Trustees of [REDACTED] and other similar trusts in the Bradford area to consolidate responsibilities / properties under one trust. The intention is that [REDACTED] will be registered with the Charities Commission, currently it is only registered with Companies House. [REDACTED] is shown as a director of [REDACTED] but he stated that this was a mistake and he has asked that they remove him as a director and make the necessary changes at Companies House.

Role of [REDACTED] We understand that [REDACTED] previously undertook the role of the Chair of the GB but his role is now described as [REDACTED]. The GB minutes of 14 November 2012 state that [REDACTED] is to act as [REDACTED] and also states "[REDACTED] is someone who provides Strategic advice, who is a benefactor/advisor. [REDACTED] will oversee Governance". This is the only description we have seen of the [REDACTED] role, which appears to have no legal standing in law, and whilst we acknowledge that [REDACTED] has made a very considerable contribution to driving the Academy forward we have concerns about how this role can oversee governance, which is the responsibility of the Chair and other directors.

54. [REDACTED] is the owner of the company that leases the land to the school, [REDACTED] and that, we understand, now owns the school buildings. The Department were aware of [REDACTED] involvement with the Trust at the time of negotiations for the land and also of his subsequent appointment as Chair of the GB.

Governance Issues

55. Although not specially identified in our terms of reference as an area we would cover it is difficult to write this report without including a section on governance.

Directors/Governing Body

56. As was identified in the [REDACTED] report the original Directors of the Trust included mainly local doctors, some of whom had been involved in the original proposal for the Free school. The Chair of the Trust was originally [REDACTED] and it was he who signed the original funding agreement with the Department. [REDACTED] ceased to be the Chair of the Trust when the Academy opened in September 2011 and we have found it difficult to obtain a conclusive answer as to who took over as Chair from then until the former Chair, [REDACTED], was appointed by the Governing Body (GB) in October 2012. As stated above we understand [REDACTED] was acting as the Chair during this period.

57. The current Companies House registration for KIFSA (the Trust) was out of date until very recently. Directors who we were informed had resigned or been dismissed, some supposedly over a year ago, were still shown as directors of the Trust. For example [REDACTED] gave us a document he had prepared for [REDACTED] (the Academy's external auditors) which shows different directors to those recorded at Companies House. This document states:

- [REDACTED] the former chair, left office in September 2011;
- [REDACTED], the former vice Chair was "disqualified" as a governor in December 2012;
- [REDACTED] director and former FD should have had his director status removed when he became FD in March 2011 but was finally removed as a director in December 2012;
- [REDACTED] and [REDACTED] were disqualified for non- attendance.

58. We understand that two of the directors that were removed, the former FD and former Vice Chair, disputed whether their removal from the GB had been undertaken correctly. All the above named directors were still recorded as directors at Companies House at 14 February 2013. However changes to the registration were made between 16 and 27 February 2013.

59. [REDACTED] the Principal, was originally recorded as a director 7 July 2010 to 1 August 2010 but is no longer a director.

60. The lack of understanding of responsibilities and the experience of running a school resulted in an acceptance of the way the GB was being run (e.g. no notice of meetings, lack of adequate minutes etc. already raised by the [REDACTED] review and the FMGE validation). In relation to the finance area in particular there was no challenge where the lack of expected reports such as management accounts and balance sheets was not being presented to the GB, which are important for understanding

the Academy's finances and for monitoring financial health. The Academy required outside assistance to produce their end of year accounts. New members have now joined the GB which should improve understanding however they still need to get someone on-board with an understanding of financial issues.

Governing Body Meeting Minutes

61. It has been difficult to establish the extent to which Directors engaged with the Academy and Trust as the minutes that have been provided to support the governors meetings appear to have been prepared months after the event. For example:

- We were informed [REDACTED] left the GB in September 2011 however the minutes of 14 December 2011 make a number of references to [REDACTED] (e.g. "expression of interest from [REDACTED] to be on the finance committee"). [REDACTED] name does not appear on the list of attendees, the other attendees do not have the initials [REDACTED]
- The "detailed Budget Minutes/Notes" of the 7 August 2012 GB meeting include the statement that the "temporary solution project costs are to be approved (including the Principal's overtime (in the absence of [REDACTED]). The minutes also included the Principal's overtime would be "near equivalent to one month's salary – 6/7K". This does not agree with the [REDACTED] review finding that the Principal's overtime was not agreed by the GB and the subsequent GB meeting in December 2012 and January 2013 to discuss and agree it.

62. Whilst the GB minutes have now been agreed by the current governors we are unable to satisfy ourselves that they represent a true and accurate record of what happened at the time of the meetings.

Recommendations

63. Due to the findings in relation to the Lead-in grant we would recommend:

- Reporting the matter to the police; and
- Consider recovery of the overpaid grant.

64. The Academy has and continues to review and revise its processes and procedures as a result of the [REDACTED] Historical Review and the work that [REDACTED] continues to be involved in.

Annex A

Invoices included with claims to DfE where no payments have been made by KIFSA

Date	Invoice from	IAIT Claim Ref	DfE Claim Amount	Comments on DfE Claim
No date	[REDACTED]	2	300.00	CAT Testing Facilitator June (or 5/6 March)
No date	[REDACTED]	2	2,947.98	Jan/Feb or Feb/Mar Rent re [REDACTED]
08/06/2011	[REDACTED]	3	55.00	Two invoices totalling £274.05 DfE stated paid 86.55 for both bills but only £55 paid (dated 8/6/11 and 14/3/11)
		4	71.31	
18/04/2011	[REDACTED]	4	138.75	
08/06/2011	[REDACTED]	1	423.98	Monthly portion paid in claim
08/06/2011	[REDACTED]	1	140.79	Monthly portion paid in claim
03/05/2011	[REDACTED]	2	1,012.86	[REDACTED]
08/06/2011	[REDACTED]	2	1,271.94	£1271.94 paid for Mar/Apr/May
08/06/2011	[REDACTED]	2	140.78	for May
08/06/2011	[REDACTED]	3	423.98	
08/06/2011	[REDACTED]	3	140.78	
06/05/2011	[REDACTED]	3	868.22	[REDACTED]
08/06/2011	[REDACTED]	4	423.98	
08/06/2011	[REDACTED]	4	140.78	
31/05/2011	[REDACTED]	2	972.00	
21/06/2011	[REDACTED]	2	5,020.00	
31/05/2011	[REDACTED]	2	2,605.50	
28/06/2011	[REDACTED]	3	1,200.00	
No date	[REDACTED]	2	300.00	
28/06/2011	[REDACTED]	3	600.00	
11/08/2011	[REDACTED]	4	765.00	
27/07/2011	[REDACTED]	1	1,680.00	
31/03/2011	[REDACTED]	2	1,680.00	No VAT
30/04/2011	[REDACTED]	2	1,680.00	No VAT
31/05/2011	[REDACTED]	2	1,680.00	No VAT
29/06/2011	[REDACTED]	3	1,680.00	

Date	Invoice from	IAIT Claim Ref	DfE Claim Amount	Comments on DfE Claim
29/08/2011	[REDACTED]	4	1,680.00	
	[REDACTED]	1	21.75	
31/05/2011	[REDACTED]	2	2,527.50	Ap & May
	[REDACTED]	2	300.00	CAT Testing Facilitator June (or 5/6 March)
31/08/2011	[REDACTED]	4	1,020.00	
31/05/2011	[REDACTED]	2	1,935.00	Ap & May
17/05/2011	[REDACTED]	2	66.39	
31/05/2011	[REDACTED]	2	1,950.00	Ap & May
31/05/2011	[REDACTED]	2	8,681.80	
	[REDACTED]	2	300.00	
31/05/2011	[REDACTED]	2	6,250.00	
28/06/2011	[REDACTED]	3	600.00	
31/08/2011	[REDACTED]	4	1,800.00	
31/05/2011	[REDACTED]	2	2,535.00	
28/06/2011	[REDACTED]	3	600.00	
06/07/2011	[REDACTED]	1	114.10	£203.60 claimed but claimed twice for same ticket so reduced amount paid
12/05/2011	[REDACTED]	2	287.70	
27/06/2011	[REDACTED]	2	225.73	
13/05/2011	[REDACTED]	2	34.57	
	[REDACTED]	2	266.43	
			59,559.60	

Payments made by KIFSA but for less than claimed from DfE

KIFSA Date	KIFSA Payee Description	KIFSA Amount paid	IAIT Claim Ref	DfE Claim Amount	Comments on DfE Claim	Over-Claim
22.06.11	[REDACTED]	7,397.50	N/A	N/A	See chq No 100031 - payment includes March Salary - included in DfE claim 2 below (22,191.00)	
22.06.11	[REDACTED]	2,421.00	2	3,384.00	Ap & May Salary 3,000 and NI 384	963.00
22.06.11	[REDACTED]	3,948.00	2	3,948.00	May Salary 3,500 + 448 NI - NI Paid to [REDACTED] not to HMRC. Overclaimed NI.	448.00
27.06.11	[REDACTED]	14,795.02	2	22,191.00	Mar, Ap, May sal 17,499.99 + 2.240 NI and 2,450.01 Prin pension BUT March salary paid on 22.6.11 - 7,397.50. Overclaimed NI & pension conts	4,690.01
29.06.11	[REDACTED]	2,400.00	2	2,400.00	£4,800 claimed from Dept. Also see payment 100044 £1800 - see below for balance	0.00
30.06.11	[REDACTED]	1,657.50	2	2,497.50	Ap & May	840.00
30.06.11	[REDACTED]	1,210.46	3	1,692.15	Inclusive of NI	481.69
01.07.11	[REDACTED]	5,833.33	3	7,396.66	June Includes NI £746.67 and Pension £816.67	1,563.33
01.07.11	[REDACTED]	3,500.00	3	3,948.35	June - incls NI 448.35	448.35
07.07.11	[REDACTED]	2,500.00	2	6,578.50	Ap & May. Salary 5,832 + 746.50 NI	4,078.50
07.07.11	[REDACTED]	2,500.00	3	3,289.54	Jun - incls NI 373.54	789.54
08.07.11	[REDACTED]	1,627.50	2	2,467.80	Apr/May & Jun Inv 20	840.30
08.07.11	[REDACTED]	600.00	3	2,632.23	June - incls NI 298.90	2,032.23
15.07.11	[REDACTED]	1,800.00	2	2,400.00	£4,800 claimed from Dept. £2,400 paid 29.6.11 (cheque 100037) leaving 2,400	600.00

KIFSA Date	KIFSA Payee Description	KIFSA Amount paid	IAIT Claim Ref	DfE Claim Amount	Comments on DfE Claim	Over-Claim
15.07.11		450.00	3	600.00		150.00
20.07.11		101.02	1	156.61		55.59
28.07.11		8,416.94	1	7,396.67	salary 5,833.33 + 746.67 NI + 816.67 Pension. Overclaimed NI & pension conts	1,563.34
28.07.11		3,500.00	1	3,948.35	Salary 3,500 + 448.35 NI	448.35
28.07.11		1,990.30	1	3,290.29	Salary 2,916.67 + 373.63 NI	1,299.99
28.07.11		1,785.62	1	2,632.23	Salary 2,333.33 + 298.90 NI	846.61
06.08.11		1,495.00		1,692.15	Salary 1,500 + 192.15 NI	197.15
25.08.11		1,785.62	4	2,632.23	Aug - incl NI 298.90	846.61
25.08.11		2,182.29	4	3,290.29	Aug - incl NI 373.63	1,108.00
25.08.11		1,218.96	4	1,692.15	Aug - incl NI 192.15	473.19
25.08.11		3,500.00	4	3,948.35	Aug - incl NI 448.35	448.35
25.08.11		7,371.92	4	7,396.97	Aug - incl NI £746.67 and pension £816.67. Overclaimed NI & pension conts	1,563.34
		85,987.98		103,502.02		26,775.47

Amounts claimed from DfE agreed to KIFSA records

KIFSA Date	KIFSA Payee description	Paid by KIFSA	Claimed from DfE
22.06.11	[REDACTED]	2,820.00	1,440.00
22.06.11	[REDACTED]	426.00	426.00
30.06.11	[REDACTED]	2,263.88	2,263.88
04.07.11	[REDACTED]	477.60	477.60
04.07.11	[REDACTED]	102.00	102.00
04.07.11	[REDACTED]	190.27	190.27
05.07.11	[REDACTED]	516.84	516.84
05.07.11	[REDACTED]	17.00	17.00
15.07.11	[REDACTED]	2,254.48	2,254.48
15.07.11	[REDACTED]	990.05	990.05
15.07.11	[REDACTED]	295.00	295.00
20.07.11	[REDACTED]	110.24	110.24
20.07.11	[REDACTED]	222.50	222.50
20.07.11	[REDACTED]	600.00	600.00
20.07.11	[REDACTED]	118.85	118.85
29.07.12	[REDACTED]	600.00	600.00
06.08.11	[REDACTED]	1,230.00	945.00
30.08.11	[REDACTED]	1,350.00	1,110.00
30.08.11	[REDACTED]	211.08	211.08
Accrual	[REDACTED]	7,198.00	5,400.00
Accrual	[REDACTED]	1,581.60	1,581.60
			19,872.39

Annex D

Payments made by KIFSA during Lead-In period not claimed from DfE

KIFSA Date	KIFSA Payee Description	Amount Paid by KIFSA	Comments	Not Claimed
20.06.11	[REDACTED]	10.00		10.00
22.06.11	[REDACTED]	800.00		800.00
22.06.11	[REDACTED]	800.00		800.00
27.06.11	[REDACTED]	200.00		200.00
22.06.11	[REDACTED]	2,820.00	£1,440.00 claimed from DfE on Claim 2.	1,380.00
30.06.11	[REDACTED]	362.50		362.50
30.06.11	[REDACTED]	1,016.82		1,016.82
01.07.11	[REDACTED]	300.00		300.00
04.07.11	[REDACTED]	32.69		32.69
01.07.11	[REDACTED]	10.00		10.00
07.07.11	[REDACTED]	10.00		10.00
08.07.11	[REDACTED]	762.50		762.50
08.07.11	[REDACTED]	1,425.00		1,425.00
15.07.11	[REDACTED]	2,865.00		2,865.00
20.07.11	[REDACTED]	132.74		132.74
20.07.11	[REDACTED]	92.44		92.44
15.07.11	[REDACTED]	723.47		723.47
21.07.11	[REDACTED]	384.00		384.00
25.07.11	[REDACTED]	14.00		14.00
25.07.11	[REDACTED]	401.71		401.71
28.07.11	[REDACTED]	1,170.88		1,170.88
26.06.11	[REDACTED]	35.00		35.00
21.07.11	[REDACTED]	10.00		10.00
13.07.11	[REDACTED]	10.00		10.00
28.07.12	[REDACTED]	10.00		10.00
29.07.12	[REDACTED]	615.00		615.00
02.08.11	[REDACTED]	132.00		132.00
03.08.11	[REDACTED]	112.50		112.50
02.08.11	[REDACTED]	192.00		192.00
06.08.11	[REDACTED]	216.70		216.70
06.08.11	[REDACTED]	1,230.00	£945.00 claimed from DfE on claim 2	285.00
18.08.11	[REDACTED]	10.00		10.00
09.08.11	[REDACTED]	1,872.00		1,872.00
12.08.11	[REDACTED]	147.00		147.00
15.08.11	[REDACTED]	10.00		10.00

PROTECT – INVESTIGATION

KIFSA Date	KIFSA Payee Description	Amount Paid by KIFSA	Comments	Not Claimed
17.08.11	[REDACTED]	147.00		147.00
18.08.11	[REDACTED]	10.00		10.00
19.08.11	[REDACTED]	12.41		12.41
19.08.11	[REDACTED]	135.29		135.29
19.08.11	[REDACTED]	97.00		97.00
17.08.11	[REDACTED]	147.00		147.00
23.08.11	[REDACTED]	670.66		670.66
23.08.11	[REDACTED]	76.75		76.75
23.08.11	[REDACTED]	10.00		10.00
24.08.11	[REDACTED]	500.00		500.00
26.08.11	[REDACTED]	19.00		19.00
30.08.11	[REDACTED]	32.00		32.00
25.08.11	[REDACTED]	1,160.01		1,160.01
25.08.11	[REDACTED]	320.05		320.05
30.08.11	[REDACTED]	1,290.00		1,290.00
30.08.11	[REDACTED]	1,500.00		1,500.00
30.08.11	[REDACTED]	1,350.00	£1,110.00 claimed from DfE on claim 4.	240.00
30.08.11	[REDACTED]	615.00		615.00
30.08.11	[REDACTED]	930.00		930.00
30.08.11	[REDACTED]	496.00		496.00
30.08.11	[REDACTED]	2,500.00		2,500.00
30.08.11	[REDACTED]	1,800.00		1,800.00
30.08.11	[REDACTED]	264.00		264.00
30.08.11	[REDACTED]	1,123.20		1,123.20
30.08.11	[REDACTED]	1,344.05		1,344.05
31.08.11	[REDACTED]	77.60		77.60
31.08.11	[REDACTED]	1,005.00		1,005.00
	[REDACTED]	400.00		400.00
	[REDACTED]	40.00		40.00
Accruals	[REDACTED]	1,535.09		1,535.09
Accruals	[REDACTED]	7,198.00	£5,400 claimed from DfE on claim 2.	1,798.00
Accruals	[REDACTED]	8,240.40		8,240.40

PROTECT – INVESTIGATION

KIFSA Date	KIFSA Payee Description	Amount Paid by KIFSA	Comments	Not Claimed
2011-12 Prior Yr	[REDACTED]	16,380.00		16,380.00
		70,361.46		61,466.46

FINAL