

Revised Accounts
AMENDED ACCOUNTS
Ref AG/07524069/KJ

**The Ecclesbourne School
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements
Year ended 31 August 2015**

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COMPANIES HOUSE

**Company Registration Number
07524069 (England and Wales)**

The Ecclesbourne School

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The Ecclesbourne School

Reference and administrative details

Governors

K Wharam * #
R Lindop * # - Chair
B Goth * #
J Winwood
C Keble (resigned 31 August 2015)
B Wigram – Vice Chair
K Eley
J Minton (staff governor)
K Naylor (resigned 17 April 2015)
S Baines #
S Cook (resigned 24 May 2015)
N Edwards #
J McNamara # (staff governor)
H Dixon #
B Bailey
J Fishwick
K Raynor # (appointed 21 January 2014)
M Ford
W Hodges (appointed 18 April 2015)
D Lakin
A McDermott
D Outhwaite
M Ryan
R White (appointed 15 November 2014)
S DelGaudio (appointed 17 November 2014 resigned
31 August 2015)

members of the finance committee

** directors of the charitable company*

Secretary

G Cawley

Senior leadership team

J McNamara - Head Teacher
C Ourabi - Deputy Head
M Williams - Deputy Head
K Cochrane - Deputy Head
R Martland - Deputy Head
L Allen - Bursar

Registered Office

Wirksworth Road
Duffield
Belper
DE56 4GS

Company Registration Number

07524069

Auditors

Sibbalds Limited
57 Ashbourne Road
Derby
DE22 3FS

The Ecclesbourne School

Reference and administrative details (continued)

Bankers	HSBC Bank Plc Derbyshire Commercial Park 3 Pride Park Derby DE24 8QR
Solicitors	Flint Bishop LLP St Michael's Court St Michael's Lane Derby DE1 3HQ
Surveyors	David Brown Commercial Third Floor 35/36 Iron Gate Derby DE1 3GA

The Ecclesbourne School

Governors' Report

The governors present their annual report together with the audited financial statements of the School for the period ended 31 August 2015. These revised financial statements replace the original financial statements and are now the statutory financial statements. They have been prepared as at the date of the original financial statements and not as at the date of the revision and accordingly do not deal with events between those dates.

These revised financial statements have corrected the tangible assets on the balance sheet due to a typing error on the original financial statements.

Structure, Governance and Management

Constitution

The School is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the School.

The governors act as the trustees for the charitable activities of The Ecclesbourne School and the governors marked with a * are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as The Ecclesbourne School.

Details of the governors who served throughout the period except as noted are included in the Reference and Administrative Details on page 1.

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.

Governors' Indemnities

During the period, the School maintained liability insurance and third party indemnification provisions for its Governors, under which the School has agreed to indemnify the Governors to the extent permitted by law in respect of all liabilities to third parties arising out of, or in connection with, the execution of their powers, duties and responsibilities as Governors of the School. The insurance provides cover up to £5,000,000 on any one claim.

Principal Activities

The Ecclesbourne School's object and activity is to advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. The Ecclesbourne School in Duffield, Derbyshire caters for all abilities between the ages of 11 and 18 with specialisms in Technology and the Arts.

Method of Recruitment and Appointment or Election of Governors

The Governors that are marked with a * are directors of the charitable company for the purposes of the Companies Act 2006 but all governors are trustees for the purposes of charity legislation. The term of office for any Governor shall be 4 years, save that a) this time limit shall not apply to the Head Teacher, b) a Staff Governor shall only hold office for so long as he continues to be employed as a teacher or member of support staff as the case may be.

The Members may appoint up to 12 Governors. The Trust may appoint Staff Governors through such process as they may determine, provided that the total number of Governors (including the Head Teacher) who are employees of the School Trust does not exceed one third of the total number of Governors. The Head Teacher shall be treated for all purposes as being an ex officio Governor. The Parent Governors shall be elected by parents of registered pupils at the School. A Parent Governor must be a parent of a pupil at the School at the time when he is elected.

The Governing Body shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the School. Any election of Parent Governors which is contested shall be held by secret ballot.

The arrangements made for the election of a Parent Governor shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the School Trust by a registered pupil at the School.

Governors' Report (continued)

Where a vacancy for a Parent Governor is required to be filled by election, the Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the School is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so

The number of Parent Governors required shall be made up by Parent Governors appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies. In appointing a Parent Governor the Governing Body shall appoint a person who is the parent of a registered pupil at the School, or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age

Policies and Procedures Adopted for the Induction and Training of Governors

During the year under review the governors held 4 meetings. In addition, there was a half day's facilitated training event covering the School's improvement planning process. The training and induction provided for new Governors will depend on their existing experience.

Where necessary induction will provide training on charity and educational legal and financial matters including safeguarding training. All new Governors will be given a tour of the School and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors.

As there are normally only two or three new governors a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational Structure

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the School by the use of budgets and making major decisions about the direction of the School, capital expenditure and senior staff appointments.

The Strategic Leadership Team are the Head Teacher, Four Deputy Heads and the Bursar. These leaders control the School at an executive level implementing their policies which have been agreed with the Governors and reporting back to them. As a group the Strategic Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Strategic Leadership Team always contain a Governor. Some spending control is devolved to individual budget holders who have responsibility for the line management of individual functions within the school structure, with limits above which the Head Teacher and Bursar must countersign.

Risk Management

The Governors confirm that the major risks to which the Trust and the School are exposed have been reviewed and systems have been established to mitigate those risks. Where significant financial risk still remains they have ensured that they have in place adequate insurance cover. The Trust has ensured that the School has effective systems of internal financial controls as detailed below.

Connected Organisations, including Related Party Relationships

The Ecclesbourne School seeks to work collaboratively on specific issues with the Ripley, Heanor and Aldercar Area Partnership and with the BAMBER group of schools on matters relating to management of behaviour and managed moves. In addition, the school works closely in partnership with Little Eaton School with the aim of improving educational outcomes for students at Key Stage 2, specifically with reference to literacy, numeracy and modern foreign languages.

The Ecclesbourne School

Governors' Report (continued)

Objectives and Activities

Objects and Aims

The Ecclesbourne School's object and activity is to advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. In pursuit of this object its principal activity is to operate The Ecclesbourne School in Duffield Derbyshire, which caters for all abilities between the ages of 11 and 18 with specialisms in Technology and the Arts

Objectives, Strategies and Activities

The Ecclesbourne School strives to be a successful and caring learning community in which individuals are inspired to meet the challenges of the future

All members of our School Community should

- Acquire the knowledge and skills for now and for a fulfilling future
- Develop confidence in themselves and their abilities
- Feel valued and value others
- Work together effectively and with enthusiasm
- Create an innovative learning environment
- Appreciate the world at large

The School Community includes everyone who learns and works within the School and all those with a supportive interest in the School

Public Benefit

The Ecclesbourne School is a non-selective, non-fee paying secondary school and as such operates entirely for the public benefit. In addition to striving for and achieving the highest of educational standards and attainment for all its students it also engages in partnership working with other local secondary schools, especially with regard to effective operation of inclusion measures and systems

The Ecclesbourne School supports Little Eaton School through

- ICT technical support
- Dedicated ongoing allocation of our staff to support literacy, numeracy and modern foreign languages development

As a specialist Technology and Arts College the school has developed strong links with the local community and business of reciprocal benefit

The school lets out its facilities to local sports, arts and hobby-based clubs offering a wide range of evening courses which are advertised to the local community

The School actively engages in charity work through a range of themed activities and days throughout the year

Governors' Report (continued)

Achievements and Performance

The Trustees have reviewed the significant activities undertaken by the charitable company during the past year to further its charitable purposes for the public benefit. Below is a review of these significant activities and achievements

- Top 100 non-selective state schools for GCSE performance (5 A*-C with English and Mathematics)
- 87% of students gained 5 or more GCSE passes at grades A*-C
- 83% of students gained GCSEs in English and Mathematics
- 81% of students gained 5 or more GCSE passes at grades A*-C (with English & Mathematics)
- Achievement gaps narrowed sharply. Pupil Premium funding ensured 75% of students in receipt of Pupil Premium gained 5 or more GCSEs at grades A*-C with English and Mathematics)
- 42% of students achieved the English Baccalaureate
- 76% of students gained 2 or more GCSE passes in Science at grades A*-C
- 81% of A Level passes at grades A*-C
- 60% of A Level passes at grades A*-B
- 88% gained at least one A*-B grade
- 83% went on to study at university level (national 52%) and 35% secured places at Russell Group universities including Oxbridge (national 8%)
- 82nd percentile for A Level progress (ALPS)
- Major building project – English Block & Theatre funding secured and project commenced summer 2015
- Every year group is full to capacity and with waiting lists for all year groups
- Attendance was 96.5% against a target of 96%
- Unauthorised absence fell from 0.5% to 0.2%

Going Concern

After making appropriate enquiries, the Trust has a reasonable expectation that the School 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 Accounting Policies note of the financial statements.

Financial Review

During the year the School received income of £6.63m (2014: £6.79m) in government and local authority grants most of it in the form of recurrent grants, the use of which has been restricted. The grants received in the form of the GAG from the EFA and associated expenditure is shown in the restricted funds in the statement of financial activities.

During the year the school has spent £0.44m on capital expenditure, which includes £0.43m which has been incurred on new building projects. The school has received capital grants totalling £433,000 which relate to this expenditure.

At 31 August 2015 the net book value of fixed assets was £17.27m (2014: £17.04m) and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the School.

The School held fund balances at 31 August 2015 of £19.31m comprising an amount of £17.23m in respect of restricted fixed assets funds, £1.59m in respect of unrestricted funds and £1.93m in respect of restricted general funds. The restricted funds include a deficit on the local government pension scheme most of which was on transfer to the academy.

The Ecclesbourne School

Governors' Report (continued)

Financial and Risk Management Objectives and Policies

The main 'financial instruments' that the Ecclesbourne School deals with are bank balances, cash and trade creditors, with limited trade (and other) debtors. These are not material to the assessment of the Trust's assets, liabilities, financial position and its results. The Local Government Pension Scheme exposes the School to a deficit calculated this period at £1.4m. Therefore, the School has managed this risk by budgeting to repay £39,415 per year to repay the deficit.

Principal Risks and Uncertainties

There are a number of factors which may affect the principal risks and uncertainties that the School faces and how the School intends to resolve them:

- Change in government policy – with a change in government or change in government policy, the funding of the school may change and may in the future reduce funding. This is mitigated by building healthy unrestricted reserves which may be used in times where funding has been tightened.
- The overall performance of the students – this is a continuing risk to the School since both funding, student numbers and positioning of the school is affected if performance of the students declines. To ensure that this is limited as much as possible, the School intends to retain the teaching staff, focus on training of all staff to improve in teaching and learning and to continuously monitor student performance at an early stage of their educational development and ensure that they are nurtured to achieve the best possible standard that each individual can achieve.
- Operate the School within the budget – there is always the risk of operating above budget constraints. However, with a strong finance committee and effective internal reporting such as budgeting and forecasting, this risk will be minimised.

Reserves Policy

The policy of the trust is to maintain a sufficient surplus to uphold the following year's budget against financial uncertainty and then to transfer recognised surpluses to reserves for investment in tangible fixed assets in all ways possible to assist our tutorial staff to achieve increasing academic standards. The Trust has a number of restricted funds, details of which can be found in note 16 of the financial statements.

Due to the inherited deficit of the Local Government Pension Scheme (LGPS), the School aims to reduce the deficit by increasing contributions over the forthcoming years as described above and will revisit current business plans and budgets and ascertain how the pension costs might affect their budgets in the future.

Investment Policy

The Trust seeks to invest surplus funds in a manner to obtain the best possible return consistent with prudent minimisation of risk and with the strategic plans of the Trust for deployment of resources. The Trust is committed to investment with reputable and ethical investors.

Governors' Report (continued)

Plans for Future Periods

The Ecclesbourne School remains highly popular with parents, carers and students. Admissions to the school remain high with oversubscription for places in Year 7 and post 16 entry, with 459 applications for 210 places for Year 7 admissions in 2014-2015. Waiting lists for places are maintained for Year 7, Year 8 and Year 9.

The key strategic activities for 2015/16 are

- Maintain the drive for continuous improvement by improving the quality of learning leading to high levels of student attainment and achievement at all levels and for all groups of students
- Continue to focus on improvements in teaching and learning so that all teaching is at least good and much of it outstanding
- To further raise attainment at Key stage 4 by focusing on strategies to stretch all students of all abilities, to ensure that our results on all measures continue to rise
- To review our assessment and target setting strategies, ensuring that our assessment of students work is accurate, formative and that feedback is high quality. Ensure that all students are aware of aspirational target grades and the strategies needed to secure them
- Ensure that the school operates within its budget, and in the light of increasing financial constraints, plan judiciously to secure the most effective use of resources so that educational standards continue to improve while maintaining a strong financial position. This will entail aiming to maintain a surplus to insure the School against future financial pressure and so that improvement can be made to the establishment of the school
- To build a new English and Multi-Use Centre to facilitate expansion to 8 form entry safely, on time (May 2015) and within budget

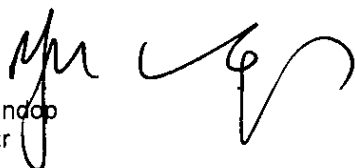
Auditors

In so far as the governors are aware

- there is no relevant audit information of which the Charitable Company's auditor is unaware, and
- the governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Approved by order of the members of the Governing Body on 7 December 2015 and signed on its behalf by

R Lindop
Chair



The Ecclesbourne School

Governance Statement

Scope of Responsibility

As governors we acknowledge we have overall responsibility for ensuring that The Ecclesbourne School has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The governing body has delegated the day to day responsibility to the Head Teacher as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Ecclesbourne School and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the governors' report and in the Statement of Governors' responsibilities. The governors met four times during the year and the attendance during the year was as follows:

The Governing Body has formally met four times during the Academic Year 2014-2015		
Attendance Register – Full Governors' Meetings		
	Meetings attended	Out of a possible
Mr Bill Bailey	3	4
Mr Stephen Barnes	4	4
Mr Steven Cook	2	3
Mrs Sara DelGaudio	2	3
Mrs Heather Dixon	4	4
Mrs Nicola Edwards	4	4
Mr K Eley	4	4
Mrs Joanne Fishwick	3	4
Mrs Brenda Goth	4	4
Mrs Wendy Hodges	2	2
Mr Clive Keble	4	4
Mr Richard Lindop	3	4
Mr J R Minton	4	4
Mrs Kate Naylor	1	2
Mr J McNamara	4	4
Mr Ken Raynor	3	4
Mr Keith Wharam	3	4
Mr Brian Wigram	3	4
Mrs Anne Williams	1	1
Mrs Joyce Winwood	3	4

The Ecclesbourne School

Attendance Register 2014-2015 - Governors' Sub Committees Meetings

Facilities/H&S	No attended	Personnel	No attended	Students and Curriculum	No attended
Clive Keble	3 out of 3	Richard Lindop	1 out of 3	Richard Lindop	2 out of 3
Richard Lindop	3 out of 3	Kate Naylor	1 out of 2	Kate Naylor	2 out of 2
Stephen Baines	3 out of 3	Clive Keble	2 out of 3	Joyce Winwood	2 out of 3
John Minton	3 out of 3	Joyce Winwood	3 out of 3	Nicola Edwards	3 out of 3
Keith Wharam	3 out of 3	Stephen Cook	1 out of 2	Stephen Cook	1 out of 3
Brian Wigram	3 out of 3	Brian Wigram	2 out of 3	Heather Dixon	3 out of 3
Kevin Eley	2 out of 3	Bill Bailey	1 out of 3	Bill Bailey	2 out of 3
Brenda Goth	0 out of 3	Joanne Fishwick	3 out of 3	Joanne Fishwick	2 out of 3
Ken Raynor	2 out of 3	Nicola Edwards	3 out of 3	James McNamara	2 out of 3
James McNamara	2 out of 3	James McNamara	2 out of 3	Sara DelGaudio	2 out of 2
Rebecca White	1 out of 1			Rebecca White	2 out of 2

The Finance Committee is a sub-committee of the main Governing Body Attendance at meetings in the year was as follows

Attendance Register –Governors' FINANCE Meetings Academic Year 2014-2015

	Meetings attended	Out of a possible
Mr Stephen Baines	3	4
Mrs Heather Dixon	4	4
Mrs Brenda Goth	3	4
Mr Richard Lindop	3	4
Mr J McNamara	4	4
Mr Ken Raynor	2	4
Mr Keith Wharam	2	4
Mrs Anne Williams	0	1

Governance Statement (continued)

Review of Value for Money

As accounting officer the Head teacher has responsibility for ensuring that the academy delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the academy's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available.

To ensure value for money in purchasing and procurement each Governor's sub-committee has "Benchmarking" as a standing item. In this period, major building and refurbishment works have been undertaken to improve the fabric of buildings, increase capacity and improve energy efficiency. In each case a comprehensive quotation and competitive tendering process has been followed to ensure best value. Different options have been considered before making purchases, including an assessment of the costs and benefits of the alternatives over the longer term. To this end and to reduce back office costs a managed print service and cashless payments system have been adopted. It is intended that the new systems will reduce costs and the trust aims to achieve a break even position with regard to catering over the next two years. To ensure best value cleaning and catering contracts have been tendered and taken out over a 4 year period with the permission of the Secretary of State for Education. The contract to build a new English Block was awarded following a full competitive tendering process.

The trust's system of financial governance includes strong oversight by the trustees and accounting officer who through the operation of the trust's financial management policies and governance committee structure have advised and challenged decision makers within the trust on the cost and effectiveness of spending proposals in order to achieve value for money.

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governing body, regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes, setting targets to measure financial and other performance, clearly defined purchasing (asset purchase or capital investment) guidelines, delegation of authority and segregation of duties and the identification and management of risks.

The governing body has considered the need for a specific internal audit function and has appointed B Wigram, Vice Chair of Governors, as Responsible Officer. The RO receives quarterly reports from Sibbalds Chartered accountants which enables him to give advice on financial matters and perform a range of checks on the academy trust's financial systems. On a quarterly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of its financial responsibilities. As accounting officer the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by the work of the RO, the work of the external auditor, the financial management and governance self-assessment process and the work of the Bursar and Finance team who have responsibility for the development and maintenance of the financial control framework.

Financial governance and oversight is strong and the trust's Finance Committee is responsible for assisting the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity. In order that appropriate comments and recommendations on such matters are made to the Governing Body on a regular basis, major issues are referred to the full Governing Body for ratification.

Governance Statement (continued)

Review of Value for Money (continued)

The Finance Committee is responsible to the Governing Body for all financial matters including consideration of the School's indicative funding, notified annually by the DfE, and assessment of its implications for the School, in consultation with the head teacher, in advance of the financial year, drawing any matters of significance or concern to the attention of the Governing Body, approval of an annual budget for recommendation to the Governing Body, contributing to the formulation of the School's development plan, through the consideration of financial priorities and proposals, in consultation with the head teacher, in line with the stated and agreed aims and objectives of the School, recommendation of financial policies to the Governing Body, ensuring adequate financial controls are maintained in accordance with those policies, including approving and monitoring school charging policies, ensuring that provision is made for all financial statements to be presented, as required, to form part of the annual report of the Governing Body to parents and for filing in accordance with DfE, Companies Act and Charity Commission requirements, the production and regular updating of a Finance Manual in accordance with DfE regulations, ensuring adequate insurance provision for the School, its staff and Governing Body, monitoring and reviewing budget and expenditure on a regular basis and ensuring compliance with the overall financial plan for the academy, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the Governing Body, monitoring and reviewing procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate making recommendations for improvement, approval of the appointment of contractors and suppliers following formal tender/quotation procedures for such items which fall outside the remit of the Facilities Committee, recommending to the Governing Body the head teacher's level of virement, receiving auditors' reports, ensuring that recommendations are implemented as appropriate and recommending to the full Governing Body the appointment or reappointment of the auditors of the School

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively economically. The system of internal control has been in place in The Ecclesbourne School Academy Trust for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The governing body has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ending 31 August 2015 and up to the date of the approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

Governance Statement (continued)

The Risk and Control Framework

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

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

The governing body has considered the need for a specific internal audit function and has appointed B Wigram, a governor, as Responsible Officer. The RO receives quarterly reports with the assistance from Sibbalds Chartered Accountants (a separate team to the audit team) which enables him to give advice on financial matters and perform a range of checks on the academy trust's financial systems. On a quarterly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities. There were no weaknesses or recommendations to note.

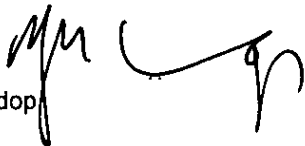
Review of Effectiveness

- As accounting officer the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by
- the work of the Responsible Officer
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the Governing Body on 7 December 2015 and signed on its behalf by

R Lindop
Chair



J McNamara
Head Teacher and Accounting Officer



The Ecclesbourne School

Statement on Regularity, Propriety and Compliance

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

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

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



J McNamara
Headteacher
and Accounting Officer

Dated 7 December 2015

Statement of Governors' Responsibilities

The governors are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction issued by the Education Funding Agency

Company law requires the governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

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

The governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls which conform to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education Funding Agency and Department for Education have been applied for the purposes intended.


In so far as the governors are aware

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Governing Body on 7 December 2015 and signed on its behalf by

R Lindop
Chair



Independent Auditor's Report on the Financial Statements to the Board of Trustees of Ecclesbourne School Academy Trust

We have audited the financial statements of Ecclesbourne School Academy Trust for the year ended 31 August 2015 which comprise (specify the titles of the primary statements such as the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement) and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)] and the Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditor

As explained more fully in the Statement of Governors' Responsibilities (set out on page 13), the governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the academy trust's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the revised financial statements as at the date the original financial statements were approved

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2015, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

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

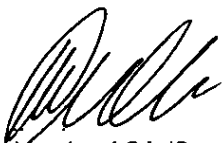
The Ecclesbourne School

Independent Auditor's Report on the Financial Statements to the Board of Trustees of Ecclesbourne School Academy Trust (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Mr Hari Om Vasdev ACA (Senior Statutory Auditor)
For and on behalf of Sibbalds Limited
Chartered Accountants and Statutory Auditor
Oakhurst House
57 Ashbourne Road
Derby
DE22 3FS

Dated 10 December 2015

The Ecclesbourne School

Independent Reporting Accountant's Assurance Report on Regularity to Ecclesbourne School Academy Trust Limited and the Education Funding Agency

In accordance with the terms of our engagement letter dated 1 August 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Ecclesbourne School Academy Trust during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

This report is made solely to Ecclesbourne School Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Ecclesbourne School Academy Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Ecclesbourne School Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Ecclesbourne School Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Ecclesbourne School Academy Trust's funding agreement with the Secretary of State for Education dated 11 March 2014 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

Independent Reporting Accountant's Assurance Report on Regularity to Ecclesbourne School Academy Trust and the Education Funding Agency (continued)

The work undertaken to draw to our conclusion includes

- income testing in accordance to the Trusts funding agreement,
- reviewing the control environment and review for potential weaknesses,
- testing during the audit to evaluate internal control procedures and reporting lines on areas such as purchases and wages,
- review of financial transactions throughout the audit for unusual/improper transactions throughout the audit including review of the nominal listings,
- review of register of interests and financial transactions to ensure transparency

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them

Sibbalds

Sibbalds Limited
Chartered Accountants and Statutory Auditor
Oakhurst House
57 Ashbourne Road
Derby
DE22 3FS

Dated 10 December 2015

Statement of Financial Activities for the year ended 31 August 2015
(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted	Restricted	Restricted	Total	Total
	Note	Funds	General	Fixed	2015	2014
		£000	Funds	Asset	£000	£000
			£000	Funds		
Incoming resources						
<i>Incoming resources from generated funds</i>						
Voluntary income	2	-	-	1,217	1,217	1,116
Activities for generating funds	3	409	46	-	455	282
Investment income	4	8	-	-	8	7
<i>Incoming resources from charitable activities</i>						
Funding for the School's educational operations	5	-	6,679	-	6,679	6,773
Total incoming resources		417	6,725	1,217	8,359	8,178
Resources expended						
<i>Cost of generating funds</i>						
Costs of generating voluntary income		-	-	-	-	-
Fundraising trading		-	-	-	-	-
<i>Charitable activities</i>						
School's educational operations	7	199	6,419	269	6,887	6,827
Governance costs	8	-	90	-	90	87
Total resources expended	6	199	6,509	269	6,977	6,914
Net incoming resources before transfers		218	216	948	1,382	1,264
Gross transfers between funds	16	756	-	(756)	-	-
Net income/(expenditure) for the year						1,264
Other recognised gains and losses						
Actuarial losses on defined benefit pension schemes	16, 25	-	(39)	-	(39)	(81)
Net movement in funds		974	177	192	1,343	1,183
Reconciliation of funds						
Funds brought forward to 1 September 2014	16	584	343	17,035	17,962	16,779
Funds carried forward at 31 August 2015		1,558	520	17,227	19,305	17,962

All of the Academy's activities derive from continuing operations during the above two financial periods in the current financial period


A statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities

The Ecclesbourne School

Balance sheet as at 31 August 2015

	Notes	2015 £000	2015 £000	2014 £000	2014 £000
Fixed assets					
Tangible assets	12		17,227		17,035
Current assets					
Stock	13	2		8	
Debtors	14	276		1,976	
Cash at bank and in hand		4,136		1,784	
		<u>4,414</u>		<u>3,768</u>	
Creditors Amounts falling due within one year	15	(931)		(1,539)	
Net current assets			<u>3,483</u>		<u>2,229</u>
Total assets less current liabilities			<u>20,710</u>		<u>19,264</u>
Net assets excluding pension liability			<u>20,710</u>		<u>19,264</u>
Pension scheme liability	25		(1,405)		(1,302)
Net assets including pension liability			<u>19,305</u>		<u>17,962</u>
Funds of the School					
Restricted funds					
Fixed asset fund(s)	16		17,227		17,035
General fund(s)	16		1,925		1,645
Pension reserve	16		(1,405)		(1,302)
Total restricted funds			<u>17,747</u>		<u>17,378</u>
Unrestricted funds	16		1,558		584
Total funds			<u>19,305</u>		<u>17,962</u>

The financial statements on pages 20 to 39 were approved by the trustees, and authorised for issue on 7 December 2015 and are signed on their behalf by


R Lindop
Chair

Company Limited by Guarantee
Registration Number 07524069

The Ecclesbourne School

Cash Flow Statement for the year ended 31 August 2015

	Notes	2015 £000	2014 £000
Net cash (outflow) / inflow from operating activities	20	1,588	(128)
Returns on investments and servicing of finance	21	8	7
Capital expenditure	22	756	(843)
(Decrease)/Increase in cash in the year	23	2,352	(964)
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2014		1,784	2,748
Net funds at 31 August 2015		4,136	1,784

Notes to the Financial Statements for the Year Ended 31 August 2015

1 Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going Concern

The governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Incoming Resources

All incoming resources are recognised when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **Grants receivable**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

- **Donations**

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

- **Other income**

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

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Accounting Policies (continued)

Resources Expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

- **Costs of generating funds**

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

- **Charitable activities**

These are costs incurred on the School's educational operations.

- **Governance Costs**

These include the costs attributable to the School's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Accounting Policies (continued)

Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the School's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line/reducing balance basis over its expected useful lives, as follows:

Freehold buildings	2%
Fixtures, fittings and equipment	15%
ICT equipment	20%
Motor Vehicles	20%

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

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

Leased Assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Stock

Stock consists of purchased goods for resale and reprographic stocks. Stocks are valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Taxation

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

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Accounting Policies (continued)

Pensions Benefits

Retirement benefits to employees of the School are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 25, the TPS is a multi-employer scheme and the School is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the School in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the School at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education/sponsor/other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency/Department for Education.

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

2 Voluntary Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
Capital grants	-	1,217	1,217	1,116
	<u>-</u>	<u>1,217</u>	<u>1,217</u>	<u>1,116</u>

3 Activities for Generating Funds

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
Hire of facilities	51	-	51	16
Catering income	358	-	358	260
Exam fees and teacher release	-	46	46	6
Other income	-	-	-	-
	<u>409</u>	<u>46</u>	<u>455</u>	<u>282</u>

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

4 Investment Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
Short term deposits	8	-	8	7
	<u>8</u>	<u>-</u>	<u>8</u>	<u>7</u>

5 Funding for Academy's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	6,649	6,649	6,745
	<u>-</u>	<u>6,649</u>	<u>6,649</u>	<u>6,745</u>
Other Government grants				
Formula capital		30	30	28
	<u>-</u>	<u>30</u>	<u>30</u>	<u>28</u>
	<u>-</u>	<u>6,679</u>	<u>6,679</u>	<u>6,773</u>

6 Resources Expended

	Staff Costs £000	Non Pay Expenditure Premises £000	Other Costs £000	Total 2015 £000	Total 2014 £000
Costs of generating voluntary income					
Costs of activities for generating funds					
Academy's educational operations					
Direct costs	4,542	242	434	5,218	5,268
Allocated support costs	647	510	512	1,670	1,559
	<u>5,189</u>	<u>752</u>	<u>946</u>	<u>6,887</u>	<u>6,827</u>
Governance costs including allocated support costs	64	-	26	90	87
	<u>5,253</u>	<u>752</u>	<u>972</u>	<u>6,977</u>	<u>6,914</u>

The method used for the apportionment of support costs is disclosed in the accounting policies

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

6 Resources Expended (continued)

	2015 £000	2014 £000
Incoming/outgoing resources for the year include		
Fees payable to auditor		
Audit	8	8
Other services	7	7
	<hr/>	<hr/>

7 Charitable Activities – School's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
Direct costs				
Teaching and educational support staff				
Costs	-	4,542	4,542	4,601
Depreciation	-	269	269	236
Educational supplies	-	202	202	232
Examination fees	-	159	159	146
Staff development	-	36	36	36
Other direct costs	-	10	10	17
	<hr/>	<hr/>	<hr/>	<hr/>
	-	5,218	5,218	5,268
Allocation supported costs				
Support staff costs	-	647	647	663
Maintenance of premises and equipment	-	349	349	291
Cleaning and trade waste	-	185	185	178
Rent, rates and utilities	-	161	161	133
Advertising	-	20	20	29
Insurance	-	51	51	57
Security and transport	-	9	9	7
Catering	199	-	199	146
Printing, postage and stationery	-	15	15	16
Telephone	-	13	13	21
Other support costs	-	19	19	18
	<hr/>	<hr/>	<hr/>	<hr/>
	199	1,470	1,669	1,559
	<hr/>	<hr/>	<hr/>	<hr/>
	199	6,688	6,887	6,827

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

8 Governance Costs

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
Legal and professional fees	-	11	11	11
Auditor's remuneration				
• Audit of financial statements	-	8	8	8
• Other audit costs	-	5	5	5
• Other services	-	2	2	2
Support staff costs	-	64	64	61
Governor's reimbursed expenses	-	-	-	-
	<u>-</u>	<u>90</u>	<u>90</u>	<u>87</u>

9 Staff Costs

	2015 £000	2014 £000
Staff costs during the period were		
Wages and salaries	4,262	4,340
Social security costs	312	321
Pension costs	615	603
	<u>5,189</u>	<u>5,264</u>

The average number of persons (including senior management team) employed by the Academy during the year, and the full time equivalents, was as follows

	2015 Number	2014 Number
Charitable Activities		
Teachers	99	97
Administration and support	56	63
Management	6	6
	<u>161</u>	<u>166</u>

93 (2014 94) of the above employees participated in the Teacher's Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £783,594 (2014 £770,528). 53 (2014 50) other employees participated in the Local Government Pension Scheme. Pension contributions amounted to £198,584 (2014 £184,582).

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

9 Staff Costs (continued)

The number of employees whose emoluments exceeded £60,000 was

	2015 £000	2014 £000
£60,001 - £70,000	2	1
£70,001 - £80,000	2	3
£100,001 - £110,000	-	1
£110,001 - £115,000	1	-
	<u>5</u>	<u>5</u>

5 of the above employees participated in the Teachers' Pension Scheme

10 Related Party Transactions - Governors' Remuneration and Expenses

The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the academy trust in respect of their role as governors. The value of governors' remuneration was as follows

J McNamara (principal and governor)		
Remuneration	£ 95,000 - £100,000	(2014 £90,000 - £95,000)
Employers' pension contribution	£ 10,000 - £ 15,000	(2014 £10,000 - £15,000)
J Minton (staff governor)		
Remuneration	£ 10,000 - £ 15,000	(2014 £10,000 - £15,000)
Employers' pension contribution	£ Nil	(2014 £ Nil)
C Ourabi (staff governor – to 24/05/14)		
Remuneration	£ Nil	(2014 £30,001 - £35,000)
Employers' pension contribution	£ Nil	(2014 £ Nil - £ 5 000)
A Williams (staff governor) to 16/10/14)		
Remuneration	£ Nil - £ 5,000	(2014 £40,000 - £45,000)
Employers' pension contribution	£ Nil - £ 5,000	(2014 £ 5,000 - £10,000)
R White – from 15/11/15		
Remuneration	£ 10,000 - £ 15,000	(2014 £ Nil)
Employers' pension contribution	£ Nil - £ 5,000	(2014 £ Nil)
S DelGaudio – from 15/1/15 to 31/8/15		
Remuneration	£ 30,001 - £ 35,000	(2014 £ Nil)
Employers' pension contribution	£ Nil - £ 5,000	(2014 £ Nil)

During the year ended 31 August 2015, travel and subsistence expenses totalling £Nil (2014 - £Nil) were reimbursed to governors. Related party transactions involving the trustees are set out in note 26

11 Governors' and Officers' Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,690 (2014 £1,950). The cost of this insurance is included in the total insurance cost.

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

12 Tangible Fixed Assets

	Freehold Land and Buildings £000	Furniture and Equipment £000	Computer Equipment £000	Motor Vehicles £000	Total £000
Cost					
At 1 September 2014	17,520	21	113	4	17,658
Additions	433	2	26	-	446
Disposals	-	-	-	-	-
At 31 August 2015	17,953	23	139	4	18,119
Depreciation					
At 1 September 2014	559	10	51	3	623
Charged in year	241	3	24	1	269
Disposals	-	-	-	-	-
At 31 August 2015	800	13	75	4	892
Net book values					
At 31 August 2015	17,152	10	64	-	17,227
At 31 August 2014	16,961	11	62	1	17,035

The trust's transactions relating to land and buildings included

- Building projects to increase the capacity of the Academy £0.01m
 - Re-fenestration and re-roofing project £0.03m
 - Sport hall and core projects £0.02m
 - E Block project £0.37m
- £0.43m**

13 Stock

	2015 £000	2014 £000
Stationery	2	1
Catering	-	7
	<u>2</u>	<u>8</u>

14 Debtors

	2015 £000	2014 £000
Trade debtors	17	2
VAT recoverable	110	176
Prepayments and accrued income	149	1,798
	<u>276</u>	<u>1,976</u>

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

15 Creditors amounts falling due within one year

	2015 £000	2014 £000
Trade creditors	377	320
Accruals and deferred income	554	1,219
	<u>931</u>	<u>1,539</u>

Deferred income

	2015 £000
Deferred Income at 1 September 2014	1,179
Resources deferred in the year	497
Amounts released from previous years	(1,179)
Deferred Income at 31 August 2015	<u>497</u>

16 Funds

	Balance at 1 September 2014 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2015 £000
Restricted general funds					
General Annual Grant (GAG)	1,645	6,725	(6,445)	-	1,925
	<u>1,645</u>	<u>6,725</u>	<u>(6,445)</u>	<u>-</u>	<u>1,925</u>
Pension reserve	(1,302)	-	(64)	(39)	(1,405)
	<u>343</u>	<u>6,725</u>	<u>(6,509)</u>	<u>(39)</u>	<u>520</u>
Restricted fixed asset funds					
DfE/EFA capital grants	3,030	1,217	-	-	4,247
Capital expenditure from unrestricted funds	2,186	-	-	(756)	1,430
Voluntary income	11,819	-	(269)	-	11,550
	<u>17,035</u>	<u>1,217</u>	<u>(269)</u>	<u>(756)</u>	<u>17,227</u>
Total restricted funds	<u>17,378</u>	<u>7,942</u>	<u>(6,778)</u>	<u>(795)</u>	<u>17,747</u>
Unrestricted funds	584	417	(199)	756	1,558
Total funds	<u>17,962</u>	<u>8,359</u>	<u>(6,977)</u>	<u>(39)</u>	<u>19,305</u>

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

17 Analysis of net assets between funds

Fund balances at 31 August 2015 are represented by

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	17,227	17,227
Current assets	1,558	2,854	-	4,412
Current liabilities	-	(931)	-	(931)
Pension scheme liability	-	(1,405)	-	(1,405)
Total net assets	1,558	520	17,227	19,305

18 Capital commitments

	2015 £000	2014 £000
Contracted for, but not provided in the financial statements	Nil	Nil

19 Financial commitments

Operating leases

At 31 August 2015 the School had annual commitments under non-cancellable operating leases as follows

	2015 £000	2014 £000
Land and buildings		
Expiring within one year	-	-
Expiring within two and five years inclusive	-	-
Expiring in over five years	-	-
Other		
Expiring within one year	-	-
Expiring within two and five years inclusive	23	23
Expiring in over five years	-	-
	23	23

20 Reconciliation of net income to net cash inflow from operating activities

	2015 £000	2014 £000
Net income	1,382	1,264
Depreciation (note 12)	269	236
Capital grants from DfE/EFA and other capital income	(1,217)	(1,116)
Pension service cost	64	61
Interest receivable (note 4)	(8)	(7)
(Increase) / decrease in stocks	6	(3)
(Increase) / decrease in debtors	1,700	(1,423)
Increase / (decrease) in creditors	(608)	860
Net cash (outflow) / inflow from operating activities	1,588	(128)

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

21 Returns on investments and servicing of finance

	2015 £000	2014 £000
Interest received	8	7
Net cash inflow from returns on investment and servicing of finance	8	7

22 Capital expenditure and financial investment

	2015 £000	2014 £000
Purchase of tangible fixed assets	(461)	(1,959)
Capital grants from DfE/EFA	1,217	1,116
Net cash outflow from capital expenditure and financial investment	756	(843)

23 Analysis of changes in net funds

	At 1 September 2014 £000	Cash flows £000	At 31 August 2015 £000
Cash in hand and at bank	1,784	2,352	4,136
	<u>1,784</u>	<u>2,352</u>	<u>4,136</u>

24 Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member

25 Pension and similar obligations

The Academy's employees belong to two principal pension schemes the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff Both are defined-benefit schemes

The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS 31 March 2013

Contributions amounting to £Nil (2014 £Nil) were payable to the schemes at 31 August and are included within creditors

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

25 Pension and similar obligations (continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%)),
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million,
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations, and
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £783,594 (2014: £770,528).

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

25 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £198,584 (2014 £184,582), of which employer contributions totalled £153,468 (2014 £142,043) and employees' contributions totalled £45,116 (2014 £42,539).

The agreed contribution rates for future years are 13.7% for employers and 5.5 – 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by The Department for Education. The guarantee came into force on 18 July 2013.

The scheme is in deficit and the entity has entered into an agreement with the Trustees to make additional contributions of £39,415 in addition to normal funding levels. It is anticipated that the additional contributions will be paid for the foreseeable future.

Principal Actuarial Assumptions

	At 31 August 2015	At 31 August 2014
Rate of increase in salaries	3.50 %	3.40%
Rate of increase for pensions in payment / inflation	2.60 %	2.60%
Discount rate for scheme liabilities	3.70 %	3.70%
Inflation assumption (CPI)	2.60 %	2.60%
Commutation of pensions to lump sums	50.00 %	50.00%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 August 2015	At 31 August 2014
<i>Retiring today</i>		
Males	22.0	22.0
Females	24.2	24.2
<i>Retiring in 20 years</i>		
Males	24.1	24.1
Females	26.6	26.6

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

25 Pension and similar obligations (continued)

The Academy's share of the assets and liabilities in the scheme and the expected rates of return were

	Expected return at 31 August 2015	Fair value at 31 August 2015 £000	Expected return at 31 August 2014	Fair v at 3 August 2014 £000
Equities	3.70%	968	6.40%	1,257
Bonds	3.70%	284	3.20%	346
Property	3.70%	85	4.50%	91
Cash	3.70%	85	3.30%	128
Total market value of assets		1,422		1,822
Present value of scheme liabilities				
- Funded		(2,827)		(3,124)
Deficit in the scheme		(1,405)		(1,302)

The actual return on scheme assets was £73,000 (2014 £192,000)

Amounts recognised in the statement of financial activities

	2015 £000	2014 £000
Current service cost (net of employee contributions)	240	167
Past service cost	-	-
Total operating charge	240	167

Analysis of pension finance income / (costs)

Expected return on pension scheme assets	99	99
Interest on pension liabilities	(117)	(134)
Pension finance costs	18	(35)

The actual gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £282,000 loss (2014 £243,000 loss)

Movements in the present value of defined benefit obligations were as follows

	2015 £000	2014 £000
At 1 September	3,124	2,863
Current service cost	240	167
Past service cost	-	-
Interest cost	117	134
Employee contributions	46	43
Actuarial loss	13	16
Curtailments and settlements	(593)	-
Benefits paid	(120)	(99)
At 31 August	2,827	3,124

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

25 Pension and similar obligations (continued)

Movements in the fair value of School's share of scheme assets

	2015 £000	2014 £000
At 1 September	1,822	1,703
Expected return on assets	99	99
Actuarial (losses) / gain	(26)	(65)
Employer contributions	156	141
Employee contributions	46	43
Assets distributed on settlements	(555)	-
Transfer in of new members	-	-
Benefits paid	(120)	(99)
At 31 August	1,422	1,822

The estimated value of employer contributions for the year ended 31 August 2016 is £155,000

The five-year history of experience adjustments is as follows

	2015 £000	2014 £000	2013 £000	2012 £000
Present value of defined benefit obligations	(2,827)	(3,124)	(2,863)	(2,512)
Fair value of share of scheme assets	1,422	1,822	1,703	1,356
Deficit in the scheme	(1,405)	(1,302)	(1,160)	(1,156)
Experience adjustments on share of scheme assets	(26)	(65)	124	(27)
Experience adjustments on scheme liabilities	4	(19)	-	-

26 Related Party Transactions

Owing to the nature of the School's operations and the composition of the board of governors being drawn from the local public and private sector organisations, it is inevitable that transactions take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the School's financial regulations and normal procurement policies.

Peter Baines Limited – a company in which Mr Baines, a Governor is a director and shareholder

Transactions totalling £Nil (2014 - £11,553), relating to property repairs took place in the year. At 31 August 2015 there was a balance of £Nil (2014 - £11,105) outstanding.

Flint Bishop LLP – an entity in which Mrs Dixon, a Governor was a partner until March 2015

Transactions totalling £1,080 (2014 - £4,096), relating to the provision of legal services took place in the year. At 31 August 2015 there was a balance of £1,428 (2014 - £288) outstanding.