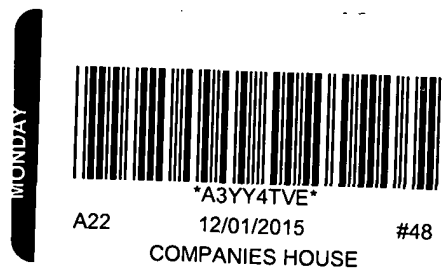


Skipton Girls' High School Academy Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements
Year ended 31st August 2014



Company Registration Number:
07553531 (England and Wales)

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Skipton Girls' High School Academy Trust

Reference and administrative details

Members	J Goodfellow (until 15 th September 2014) H Cutler J Pattinson J Renou (until 31 st August 2014) M Kelly (from 16 th September 2014) J Plews (from 16 th September 2014)
Trustees	M Kelly (Chairman)* J Goodfellow (resigned 15 th September 2014)* H Cutler (Vice Chair) A Clarke (Staff Trustee, resigned 30 th September 2014)* A Gregory (appointed 17 th September 2013) M Harrison (resigned 31 st October 2014) M Macintyre * A McClean* R Millington J Pattinson * J Pepper (resigned 26 th November 2013) J Plews (Headteacher and Accounting Officer) * J Renou (resigned 31 st August 2014) S Strickland (resigned 26 th August 2014) A Wray (Responsible Officer, appointed 25 th March 2014) *members of the Finance & Premises committee
Company Secretary	J Barker
Senior Leadership Team	
Headteacher	J Plews
Deputy Headteacher	C Dickinson (interim from 1 st September 2014)
Deputy Headteacher	Steven Haycocks (resigned 31 st August 2014)
Senior Assistant Headteacher	R Dyson
Assistant Headteacher	G Fisher
Assistant Headteacher	K Walter
Assistant Headteacher	F McMillan
Data Manager	C Haymes (from 1 st September 2014)
Finance Director	J Barker
Registered Office	Gargrave Road Skipton BD23 1QL Tel: 01756 707600
Company Registration Number	07553531 (England and Wales)
Auditors	Colman, Whittaker and Roscow Chartered Accountants The Close , Queen Square Lancaster LA1 1RS

TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2013 to 31st August 2014. The annual report serves the purpose of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 18 serving a catchment area across Skipton and the wider community. As at the October 2014 school census the academy has 797 pupils on roll.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity with no share capital (company number 07553531). The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy trust. The trustees of the academy trust are also the directors of the charitable company for the purposes of company law, and are also known as Governors. The charitable company is known as Skipton Girls' High School.

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 2.

Members' liability

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

Trustees' Indemnities

Subject to the provisions of the Companies Act 2006, every trustee or other officer of the academy trust shall be indemnified out of the assets of the academy trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy trust. As explained in note 11 to the financial statements the limit of this indemnity is £2,000,000.

Method of Recruitment and Appointment or Election of Trustees

The management of the academy trust is the responsibility of the trustees who are elected and co-opted under the terms set out in the Articles of Association.

The trustees are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of the charity legislation. Trustees are appointed by members. The trustees may appoint up to 3 co-opted trustees.

Trustees are appointed as and when vacancies occur or when individuals with the skills required are identified. Parent trustees shall be elected by parents of the registered pupils at the academy trust, using the procedures set out in the Articles of Association. The Secretary of State retains the power to appoint additional trustees.

The term of office for any trustee shall be four years, save that this time limit shall not apply to the Headteacher. Subject to remaining eligible to be a particular type of trustee, any trustee may be reappointed or re-elected.

The trustees who were in office at 31st August 2014 and who served during the year are listed on page 2.

TRUSTEES' REPORT (continued)

Policies and Procedures Adopted for the Induction and Training of Trustees

Training and induction for new trustees is given on an individual basis and includes one to one meetings with key staff and Trustees, visits to the school and a Governors Handbook.

Where necessary, induction will include training on educational, legal, and financial matters. All new trustees are provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and other documents that they need to undertake their role as trustees.

Organisational Structure

The academy trust has in place a governance and management structure deemed appropriate to the academy trust's constitution and objects. The academy trust's organisational structure consists of four levels – the Trustees, the Senior Leadership Team, Leadership Team, and Faculty and Support teams.

The trustees, as the governing body of the school, are responsible for setting general policy, adopting an annual plan and budget, monitoring its financial and operational performance and making strategic decisions about the direction of the academy trust, approving major items of expenditure and making senior staff appointments.

The trustees operate a committee structure reporting to the main governing body. Committees include Finance & Premises (including audit & risk), Education (including personnel and staffing), and a number of statutory sub-committees. All committees have approved terms of reference.

During the course of the period to 31st August 2014 the full Governing Body met 5 times.

The trustees have approved a scheme of financial and decision making delegation which clearly sets out the level of authority delegated to the Headteacher and members of the Senior Leadership Team.

The Senior Leadership Team (SLT) manages the academy trust at an executive level, implements the policies laid down by trustees and reports back to them. The SLT is led by the Headteacher who is the academy trust's accounting officer. Members of the SLT are responsible for developing and implementing academy trust plans that seek to deliver the best possible outcomes for its students within the agreed budget and scheme of delegation approved by trustees. The Finance Director is responsible for the supporting IT, premises and HR infrastructure and financial management. Members of the SLT in office for the period are set out on page 2.

J Plews became Headteacher on 1st September 2014, promoted from the position of Head of Academy following the departure of J Renou, Executive Headteacher. S Haycocks resigned at the year end, replaced on an interim basis by C Dickinson. C Haymes has joined SLT with effect from 1st September 2014 as Data Manager.

The Leadership Team comprises of Learning Directors as Heads of Faculties. Learning Directors are responsible for the day to day delivery of teaching and learning of the academy trust, in particular the teaching staff and students. Learning Directors have delegated budget management responsibilities.

Faculty teams comprise of teaching and student progress staff and the Support teams are responsible for a range of services including finance, facilities, student support, ICT and classroom technicians.

Connected Organisations, including Related Party Relationships

The academy trust has a wholly owned subsidiary, Northern Star Educational Trust, company number 08072585 (incorporated 17th March 2012), set up to enable the academy trust to support other schools in improving academic performance.

TRUSTEES' REPORT (continued)

The academy trust also has a 50% stake alongside Feversham College in a jointly owned subsidiary, Northern Lights Teaching School Alliance Limited, company number 08133729 (incorporated 6th July 2012), established to deliver teaching school activities under licence from National College.

Northern Lights Teaching School Alliance Limited traded during the year ended 31st August 2014 and the transactions between this entity and the Academy Trust are included within these financial statements. Northern Star Educational Trust did not trade during the period of these accounts.

These subsidiaries' operate within agreed policy and terms set out in the relevant legal and operational documentation of the above entities.

At Sixth form there is some shared provision for minority subjects. A number of students from the academy trust attend courses at Ermysted's Grammar School, and the academy trust hosts a number of students from Ermysted's Grammar School, under normal business arrangements.

Objectives and Activities

Objects and Aims

The principal object and activity of the charitable company is set out in the Articles of Association. In summary it is to advance for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

In addition, the academy trust aims to improve teaching and learning on a wider basis across school communities through partnership arrangements.

In accordance with the Articles of Association the academy trust has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things, the basis for admitting students to the academy trust, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the National Curriculum with an emphasis on engineering.

Objectives, Strategies and Activities

As an ambitious and progressive selective school for girls with an engineering specialism, the strategy for Skipton Girls' High School is encompassed in our Vision of:

- providing learning of the highest quality which will allow all our students to develop their potential to the full
- maintaining our commitment to excellence in all subjects while exploiting the focus presented by our specialism
- challenging gender stereotypes and contributing to social inclusion by raising standards in all areas of our work
- sharing innovative practice locally, regionally and nationally and contributing to the pool of able young women entering the professions of mathematics, science and engineering
- being a centre of academic excellence we will develop a culture that is creative, technological, enterprising and vocational
- raising and sustaining the post-16 participation rate in engineering, mathematics, science and technology
- building on active partnerships with business, industry and higher education partners to provide clear leadership in the field of engineering as a professional career for young women
- supporting the wider community by developing the school site and extending access to provide a resource for local schools and community groups.

TRUSTEES' REPORT (continued)

The Academy Trust's Development Plan sets out the intentions of Skipton Girls' High School on a three year rolling cycle and is the key planning document for the school. The driving force of the Plan is the need for ongoing and continuous improvement, with developments related to:

- Raising levels of student achievement
- Focus on challenge and stretch for all students
- Developing an innovative, inclusive curriculum fit for purpose
- Further developing the school in supporting its local community
- Establishing the school as a regional and national support school
- Establishing the school nationally for its excellence in promoting women into Engineering and STEM (Science Technology and Maths)
- Developing the school site and infrastructure to meet students' current and future needs.

Equal Opportunities Policy

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The academy trust aims to establish equal opportunities in all areas of its activities including creating a workplace environment in which the contribution and needs of all people are fully valued.

Disabled Persons

The trustees recognise their responsibility under disability legislation in relation to disabled students and employees and accessibility, in order to ensure that disabled students and employees do not receive less favourable treatment. The policy of the academy trust is to support the recruitment and retention of pupils and employees with disabilities by making resources available and through training and career development, and supports this by adapting the physical environment where practicable and reasonable.

Public Benefit

In setting the Academy Trust's objectives and planning activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Strategic Report

Achievements and Performance

Overview

Looking back at the Academy Trust's priorities for last year, there were areas of great success and some outstanding achievements for our staff and pupils. They include the following awards and achievements for the school:

- The school continues its work as a specialist Engineering School; continuing to operate as a Leading Edge and lead school for exceptionally able learners
- Recognition as a National Support School and the Executive Headteacher as a National Leader of Education by the National College for School Leadership
- Successful operation of Northern Lights Teaching School Alliance
- Northern Star Educational Trust – Ofsted Judgement 2013 'Good with Outstanding Leadership' for partner school
- DFE recognition as an Academy Sponsor

TRUSTEES' REPORT (continued)

Review of the year

We saw another year of outstanding results for the girls of Skipton Girls' High School against a national backdrop of educational change to the curriculum, assessment and qualifications. We are pleased to report that Skipton Girls' High School maintained its high standards with results well above the national average at A Level and GCSE.

A Level Results

This is the first year that AS and A level qualifications had to be taken in the summer term. In previous years, students had been able to take individual modules (or units) that formed part of their AS or A level qualification in the preceding January. They were able to resit those units (if they wished) in the June of the same year and the best result would have counted towards their final grade. This is no longer possible. There was no January 2014 series at all in England as a result of Government policy changes and regulatory decisions, and no AS January series in Wales or Northern Ireland (in Wales and Northern Ireland a January AS resit opportunity was available for students who started their AS in September 2012 or before).

At A level all subjects had a 100% pass rate, with 16% of grades at A*, 43.1% of grades being at A* or A and 69% of grades at B or above. In particular, a significant percentage of students achieved exceptionally well (A*/A) in Mathematics and Physics.

These outstanding results include numerous stunning individual performances.

- One student achieved five A* grades across her A Levels.
- Twenty-nine students achieved A*/A grades in all subjects.

75% of girls got their first choice university placements and all students holding offers for Oxford and Cambridge achieved their places. Two girls secured places in Medicine; one student secured a place for Dentistry, one in Veterinary Science and five students in Law. 44% of students are going on to study at The Russell Group Universities

GCSE Results

As last year, we have some outstanding performances at GCSE.

More than 69% of students achieved the English Baccalaureate measure. (denotes a student achieving a C grade or better across English, Mathematics, History or Geography, the sciences and a language).

In addition to these GCSE results a number of students also completed AS Levels a year early with some outstanding results.

Highlights include:

- 56% of grades were at A*- A
- Over 84% of all subject passes were at A*- B
- 63% of students achieved 5 A*- A grades.
- 99.2% of students gained the benchmark five passes at Grades A*- C,
- 83% of students taking Engineering (achieved in Y10) and History gained A* or A grades.
- 12 girls achieved A* and A grades across all their subjects
- In total around 34 girls achieved 10 or more GCSE passes at A* or A
- The average point score per student capped at Best 8 is 412.18 equivalents to 8 grade A's per student.
- 69% of students achieved the new English Baccalaureate measure

TRUSTEES' REPORT (continued)

English % of students making 3 Levels of Progress 97%

- English % of students making 4 Levels of Progress 65%,
- In English 3% of students made 6 Levels of Progress
- Mathematics % of students making 3 levels of Progress 91%,
- Mathematics % of students making 4 Levels of progress 65%,

The Academy Trust continued the development of personalising learning through differentiated means to ensure that all groups of learners (Pupil Premium, Ever 6, SEND, Ethnicity and Exceptionally able) made more than expected progress.

The use of netbooks to facilitate individualised learning and exploit the capacities of our VLE has been a powerful tool in allowing students to become co-constructors of their learning experience, this has been recognised by the National Teacher Enquiry Trust - Our students continue to be powerful advocates at conferences, with visiting schools and in published research from universities and the Specialist Schools and Academies Trust (SSAT)

The curriculum continues to evolve, be personalised and developed to offer breadth, depth and challenge. Girls are given the opportunity to take examinations when they are appropriate – giving chance for more time in Y11 for girls to gain support, to undertake project based learning or extend their studies into AS levels.

The Academy Trust continues to work to provide an extensive programme of enrichment for the girls. Lunchtime and after school activities cover a wide range of opportunities which are well attended by the girls.

The Duke of Edinburgh Awards programme is popular and successful in the school with girls involved at all three levels, Bronze, Silver and Gold. In support of the curriculum there has been an array of overseas visits to destinations including France, Germany, Iceland and Spain as well as many fieldtrips for science, geography history and art.

Key Performance Indicators

The Academy Trust complies with all the terms and conditions of its Funding Agreement and manages its reserves in line with the policies set out below.

Key performance indicators are set out each year with Trustees relating to student examination outcomes and key financial measures contained within the school budget. These are monitored on a termly basis by SLT members and the Governing Body committees.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

Overview

These financial statements reflect a 12 month accounting period from 1st September 2013 to 31st August 2014. The majority of income received is obtained from the Educational Funding Agency (EFA) in the form of recurrent General Annual Grant (GAG) funding, the use of which is restricted for the day to day running of the academy trust. Total grants received from the EFA are set out in the statement of financial activities.

TRUSTEES' REPORT (continued)

During the period the academy trust received £4,687,000 of income, of which £3,863,000 was GAG funding. Other grants and income amounted to £824,000.

Expenditure for the period totalled £4,318,000 (excluding depreciation), including £3,099,000 of staff related costs supporting the day to day running of the academy trust.

In aggregate, during the period, total income over total expenditure led to a surplus position of £369,000, excluding depreciation and movements in the pension fund.

As explained in note 27 to the financial statements, this aggregate position includes a donation of £15,687 in relation to the net surplus from activities of Northern Lights Teaching School Academy Trust to be held as a restricted fund.

The Local Government Pension Scheme (LGPS) liability stands at £942,000 as at the 31st August 2014, an increase from £642,000 in the prior year. This is detailed in note 26 to the financial statements.

As at the 31st August 2014 the net book value of fixed assets after depreciation is £12,112,000 as shown in note 12 of the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the academy trust.

Reserves Policy

The trustees review the reserve policy of the academy trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees determine what the appropriate level of uncommitted reserves should be.

The aims are (i) to provide sufficient working capital to cover delays between spending and receipt of grants, (ii) to provide contingency funding for unexpected emergencies, (iii) to remain appropriately funded over the medium term in order to deliver the academy trust's plan and in light of the academy trust's strategic risk register, and (iv) to provide funding capacity for future estate maintenance and planned capital investment.

As part of its annual business planning the academy trust runs a sensitivity analysis to ensure the school remains appropriately funded over the medium term based on a number of scenarios.

The trustees have reviewed these reserve levels and believe that they should provide sufficient working capital to cover its stated aims. Under normal circumstances the trustees would aim to maintain available reserves (combining GAG related and unrestricted reserves) equivalent to no less than 8 weeks of annual expenditure. This level will be reviewed annually in light of prevailing risks and plan developments.

Under Accounting Standard FRS 17 it is necessary to charge projected deficits on the LGPS to a specific restricted reserve. As at the 31st August 2014 the deficit on this reserve amounted to £942,000. The academy trust has agreed with the pension scheme a contribution plan for the scheme over future years in order to remove the deficit.

Investment Policy

The Trustees have approved plans to invest only in low risk bank deposit accounts, aligned to the academy trust's reserves policy, with the flexibility to invest across a range of account terms in order to balance liquidity and return.

Principal Risks and Uncertainties

The academy trust has in place a formal risk management infrastructure. The trustees have a risk management policy in place and reviews its risks at a strategic level (through its strategic risk register) and at an operational level (through its emerging risks log).

TRUSTEES' REPORT (continued)

The strategic risk register is formally reviewed annually by trustees. In addition, the Finance Director tracks progress of any outstanding actions termly, and SLT reviews the emerging risk log termly. Outstanding actions and emerging risks are reviewed termly by trustees via the Finance & Premises committee.

The strategic risk register seeks to identify the key strategic risks that the academy trust could be exposed to, identifies the likelihood of the risk occurring, its impact and the actions that are being addressed to mitigate the risk.

Risk categories considered are varied and include reputational, educational performance, operational and financial. Certain financial risks such as public and employee liability are mitigated through insurance cover.

The academy trust operates systems of internal financial control and checking and these are examined periodically by the academy trust's Responsible Officer and Auditors. The academy trust regularly reviews the appropriateness of its internal controls.

The academy trust manages its finances to ensure a healthy level of reserves adequate to cover unforeseen circumstances and to make planned use as a part of its medium term financial plan.

As an academy trust funded directly by the Department of Education, funding streams are considered to be relatively secure subject to management of pupil numbers, although the trustees recognise government policy and overall funding levels present an external risk for the school to manage.

The key financial risks that have been identified and are under management include failure to achieve planned pupil entry numbers (assessed as a low-medium residual risk) and failure to manage the day to day running of the academy trust in the medium term within forecast funding limits (assessed as a low-medium residual risk). Maintaining sustainable improvements in student achievement is one of the academy trust's key performance related risks and is effectively managed with a low residual risk score.

As at the 31st August 2014 the LGPS deficit amounted to £942,000. It should be noted that the academy trust has agreed with the pension scheme a contribution plan for the scheme over future years as detailed in note 26 and therefore the deficit is assessed as presenting low risk to the trust.

The academy trust has in place controls against its key identified risks and has initiated actions in order to mitigate and manage down risks. Where significant financial risk still remains the academy trust has ensured that adequate insurance cover is in place.

Plans for Future Periods

A key focus for the Academy Trust's developmental work will be to continue to provide real life contexts for student's academic study, bringing relevance and a greater understanding of the connectivity of individual subject areas. Amongst the wealth of approaches to learning offered to students we will see a greater focus being placed on pathways through learning which include opportunities for project based learning, giving more opportunities for students to work and learn in teams.

The Academy Trust's Development Plan sets out objectives and targets for 2014 which include:

1. The importance of skills progression to academic achievement is embedded in school culture. Students becoming autonomous, confident learners who take increasing responsibility for their development.
2. Exploring avenues to create global networks to explore cultures and share experiences.
3. The VLE and 'netbooks' increasingly used to transform learning through a shared approach to curriculum design and development.
4. A curriculum entitlement which offers enrichment, diversity and depth of study for students at all levels. Students more confident and engaged in their development, with greater satisfaction and achievement.

TRUSTEES' REPORT (continued)

5. Qualifications accredit the depth of knowledge and skills necessary to develop successful high level professionals for the 21st Century
6. As a Teaching School within the Northern Lights Teaching School Alliance and within the Northern Star Educational Trust, to continue to work with partners to extend and develop the work of the schools, raise standards and create greater cost effectiveness across the partnership.
7. Partnership development creating opportunities to attract develop and retain outstanding teachers.
8. Continuing phased development of the present school site to better meet its current and future needs.

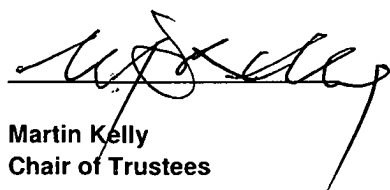
Auditor

Insofar as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees 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 appointment of the current auditors, Colman, Whittaker and Roscow, was made following a competitive process concluded in April 2011. The appointment was for an initial three year period to March 2014, to be reviewed and renewable annually at the discretion of the Trustees. On this basis the appointment has been extended to March 2016. A formal competitive tender will be undertaken at least every five years.

Approved by order of the governing body of trustees on the 9/12/14 and signed for and on their behalf by:



Martin Kelly
Chair of Trustees

GOVERNANCE STATEMENT

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Skipton Girls' High School Academy Trust has an effective and appropriate system of controlling financial and other risks. 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 of trustees has delegated the day-to-day responsibility to the Headteacher, 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 Skipton Girls' High School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The trustees have formally met 5 times during the period. Attendance during the period at meetings of the Governing Body of Trustees was as follows:

Trustee	Meeting Attended	Out of a possible
A Clarke	4	5
H Cutler	4	5
J Goodfellow	5	5
A Gregory	4	5
M Harrison	4	5
M Kelly	4	5
M Macintyre	4	5
A McClean	5	5
R Millington	4	5
J Pattinson	3	5
J Pepper	1	1
J Renou	5	5
S Strickland	4	5
A Wray	2	2

During the period J Pepper, J Renou and S Strickland resigned from the governing body of trustees and A Gregory and A Wray joined the governing body of trustees.

During the forthcoming year, the members will be reviewing the structure and composition of the governing body of trustees, incorporating an evaluation of required skillsets, in order to better support the academy trust's vision and strategy and governance obligations.

The Finance & Premises Committee is a sub-committee of the main governing body of trustees. Its purpose is to ensure sound management of the academy's finances and resources, including audit and risk management, proper planning, monitoring and probity. Attendance at meetings in the period was as follows:

Trustee	Meeting Attended	Out of a possible
A Clarke	2	3
J Goodfellow	3	3
M Kelly	2	3
M Macintyre	3	3
A McClean	1	3
J Pattinson	2	3
J Pepper	1	1
J Renou	3	3

GOVERNANCE STATEMENT (continued)

The Education Committee is a sub-committee of the main governing body of trustees. Its purpose is to ensure sound management in the areas of curriculum, achievement and standards, and staffing. Attendance at meetings in the period was as follows:

Trustee	Meeting Attended	Out of a possible
H Cutler	3	3
J Goodfellow	3	3
M Harrison	3	3
M Macintyre	3	3
A Gregory	2	3
R Millington	3	3
J Renou	3	3
S Strickland	3	3

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 ongoing 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 and economically. The system of internal control has been in place in Skipton Girls' High School Academy Trust for the period 1st September 2013 to 31st August 2014, with developments implemented during the year, and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The trustees have reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The trustees are 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 period 1st September 2013 to 31st August 2014, with developments implemented during the year and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body of trustees.

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 trustees
- Regular reviews by the Finance and Premises 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.

GOVERNANCE STATEMENT (continued)

The trustees have considered the need for a specific internal audit function and has decided to appoint A Wray, a trustee, as Responsible Officer ('RO'), supported by an externally sourced audit service provider in order to carry out additional checks and review significant areas of risk as directed. The trustees have re-tendered the service and have appointed School Business Services, under the RO's supervision and direction of the governing body of trustees.

The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the RO reports to the governing body of trustees on the operation of the systems of control and on the discharge of the trustees' financial responsibilities. The scope of work will also be influenced by the register of strategic risks held by trustees.


Review of Effectiveness

As Accounting Officer, the Headteacher 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 in conjunction with the appointed auditors;
- the work of the external auditor;
- 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 results of their review of the system of internal control by the Finance and Premises committee and, if appropriate, a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the governing body of trustees on 9/12/14 and signed for and on their behalf by:

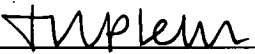

Martin Kelly
Chair of Trustees
Jenn Plews
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Skipton Girls' High School Academy Trust I have considered my responsibility to notify the academy trust governing body of trustees and the Education Funding Agency 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 governing body 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 identified after the date of this statement, these will be notified to the governing body of trustees and EFA.



Jenn Plews
Accounting Officer

Date: 9/12/14

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who act as governors of Skipton Girls' High School Academy Trust are also directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Annual Report including the Strategic 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 published by the Education Funding Agency.

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the 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 trustees 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 trustees 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 trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees 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 trustees 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 Board of Trustees on the 9/12/14 and signed on its behalf by:



Martin Kelly
Chair of Trustees

Independent Auditor's Report to the Members of Skipton Girls' High School Academy Trust

We have audited the financial statements of Skipton Girls' High School Academy Trust for the year ended 31st August 2014 which comprise 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 2013 to 2014 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 trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 16, the trustees (who are also the directors of the Academy Trust for the purposes of company law) 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 Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at the 31st August 2014, 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 2013 to 2014 issued by the Education Funding Agency.

(continued)

Independent Auditor's Report to the Members of Skipton Girls' High School Academy Trust (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

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 J Bellamy FCA (Senior Statutory Auditor)
For and on behalf of Colman Whittaker and Roscow
Statutory Auditor
The Close
Queen Square
Lancaster
LA1 1RS

Date:16-12-14.....

Independent Reporting Accountant's Assurance Report on Regularity to Skipton Girls' High School Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 19th August 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Skipton Girls' High School Academy Trust during the year 1st September 2013 to the 31st August 2014 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 Skipton Girls' High School Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Skipton Girls' High School Academy Trust and 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 Skipton Girls' High School Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Skipton Girls' High School Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Skipton Girls' High School Academy Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from the 1st September 2013 (updated October 2013), 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 2013 to 2014. 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 year from the 1st September 2013 to the 31st August 2014 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 2013 to 2014 issued by 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.

The work undertaken to draw our conclusions includes:

- Obtaining evidence including those tests relevant to the circumstances of the academy as prescribed in Section 10.4 of the Academies Accounts Direction 2013 to 2014 issued by the EFA in May 2014; and
- Planning and performing any additional tests we deemed necessary to express an opinion on regularity.


(continued)

Skipton Girls' High School Academy Trust

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

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 year from the 1st September 2013 to the 31st August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Mr J Bellamy FCA (Senior Statutory Auditor)
For and on behalf of Colman Whittaker and Roscow
Statutory Auditor
The Close
Queen Square
Lancaster
LA1 1RS

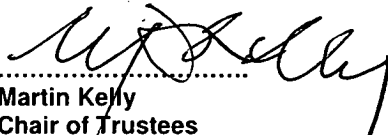
Date:16-12-14.....

Skipton Girls' High School Academy Trust

Balance sheet as at 31st August 2014

	Notes	2014 £000	2014 £000	2013 £000	2013 £000
Fixed assets					
Tangible assets	12		12,112		12,173
Current assets					
Stock	13	4		4	
Debtors	14	164		158	
Cash at bank and in hand		1,080		836	
		<u>1,248</u>		<u>998</u>	
Liabilities					
Creditors: Amounts falling due within one year	15	<u>(235)</u>		<u>(324)</u>	
Net current assets			<u>1,013</u>		<u>674</u>
Total assets less current liabilities			13,125		12,847
Pension scheme liability	26		(942)		(642)
Net assets including pension liability			<u>12,183</u>		<u>12,205</u>
Funds of the academy:					
Restricted funds					
Fixed asset fund(s)	16		12,354		12,173
General fund(s)	16		381		293
Pension reserve	16		(942)		(642)
Total restricted funds			<u>11,793</u>		<u>11,824</u>
Unrestricted income funds					
General fund(s)	16		390		381
Total funds			<u>12,183</u>		<u>12,205</u>

The financial statements on pages 22 to 41 were approved by the trustees, and authorised for issue on the 9/12/14 and are signed on their behalf by:


Martin Kelly
Chair of Trustees

Company Limited by Guarantee
 Registration Number 07553531

Statement of Financial Activities for the year ended 31st August 2014
(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2014 £000	Total 2013 £000
	Note					
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income	2	-	301	-	301	285
Activities for generating funds	3	115	8	-	123	142
Investment income	4	8	-	-	8	4
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	5	-	3,938	317	4,255	4,207
Total incoming resources		123	4,247	317	4,687	4,638
Resources expended						
<i>Cost of generating funds:</i>						
Costs of generating voluntary income		-	294	-	294	245
Costs of activities for generating funds		114	8	-	122	127
<i>Charitable activities:</i>						
Academy's educational operations	7	-	3,885	118	4,003	4,255
Governance costs	8	-	17	-	17	10
Total resources expended	6	114	4,204	118	4,436	4,637
Net incoming resources before transfers		9	43	199	251	1
Gross transfers between funds	16	-	18	(18)	-	-
Net income for the year		9	61	181	251	1
Other recognised gains and losses						
Actuarial (losses)/gains on defined benefit pension schemes	16, 26	-	(273)	-	(273)	2
Net movement in funds		9	(212)	181	(22)	3
Reconciliation of funds						
Funds brought forward at 1 st September 2013	16	381	(349)	12,173	12,205	12,202
Funds carried forward at 31st August 2014		390	(561)	12,354	12,183	12,205

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

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

Skipton Girls' High School Academy Trust

Cash Flow Statement for the year ended 31st August 2014

	Notes	2014 £000	2013 £000
Net cash inflow from operating activities	20	(24)	(229)
Returns on investments and servicing of finance	21	8	4
Capital expenditure	22	260	176
Increase/(Decrease) in cash in the year	23	<u>244</u>	<u>(49)</u>
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 st September 2013		836	885
Net funds at 31st August 2014		<u>1,080</u>	<u>836</u>

Notes to the Financial Statements for the year ended 31st August 2014

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 2013 to 2014 issued by 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 trustees 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.

- **Donated Services and Gifts in Kind**

The value of donated services and gifts in kind provided to the Academy are recognised at an estimate of their gross value in the period in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy's accounting policies.

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

1 Accounting Policies (continued)

Resources Expended

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 Academy's educational operations.

- **Governance Costs**

These include the costs attributable to the Academy'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.

Tangible Fixed Assets

Assets costing £5,000 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 Academy'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 life, as follows:

Long leasehold buildings	Over 125 years straight line
Fixtures, fittings and equipment	33% straight line
ICT equipment	33% straight line

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.

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

1 Accounting Policies (continued)

Leased Assets

Rentals under operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against the statement of financial activities on a straight line basis over the period of the lease.

Stock

Stocks consists of unused stationery stores and are valued at the lower of cost and net realisable value..

Taxation

The Academy 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 Academy 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.

Pensions Benefits

Retirement benefits to employees of the Academy 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 Academy 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 26, the TPS is a multi-employer scheme and the Academy 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 Academy 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 Academy at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education Funding Agency/Department for Education.

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

2 Voluntary Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2014 £000	Total 2013 £000
Trips and other non public funds	-	98	98	127
Other donations	-	203	203	158
	-	301	301	285

3 Activities for Generating Funds

	Unrestricted Funds £000	Restricted Funds £000	Total 2014 £000	Total 2013 £000
Hire of facilities	7	-	7	17
Catering income	5	-	5	4
Sale of educational goods and services	14	-	14	7
Exam income	6	-	6	17
Supplies of staff	83	8	91	97
	115	8	123	142

4 Investment Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2014 £000	Total 2013 £000
Short term deposits	8	-	8	4

5 Funding for Academy's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2014 £000	Total 2013 £000
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	3,863	3,863	3,853
Capital Grants	-	317	317	-
Other DfE/EFA grants	-	30	30	249
	-	4,210	4,210	4,102
Other Government grants				
Local authority grants	-	9	9	41
Special educational projects	-	36	36	64
	-	45	45	105
	-	4,255	4,255	4,207

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

6 Resources Expended

	Staff Costs £000	Non Pay Expenditure Premises £000	Other Costs £000	Total 2014 £000	Total 2013 £000
Costs of generating voluntary income	3	-	291	294	245
Costs of activities for generating funds	94	2	26	122	127
Academy's educational operations					
Direct costs	2,406	94	344	2,844	2,817
Allocated support costs	592	281	286	1,159	1,438
	<u>3,095</u>	<u>377</u>	<u>947</u>	<u>4,419</u>	<u>4,627</u>
Governance costs including allocated support costs	4	-	13	17	10
	<u>3,099</u>	<u>377</u>	<u>960</u>	<u>4,436</u>	<u>4,637</u>

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

	2014 £000	2013 £000
Incoming/outgoing resources for the year include:		
Operating leases		
Plant and Machinery	<u>7</u>	<u>7</u>

No transactions have taken place under Section 2.4.33 of the 2013 Academies Financial Handbook which require additional disclosure.

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

7 Charitable Activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2014 £000	Total 2013 £000
Direct costs – educational operations				
Teaching and educational support staff costs	-	2,406	2,406	2,352
Depreciation	-	94	94	99
Educational supplies	-	221	221	248
Examination fees	-	94	94	87
Staff development	-	17	17	15
Educational consultancy	-	12	12	16
	-	2,844	2,844	2,817
Support costs – educational operations				
Support staff costs	-	592	592	603
Depreciation	-	24	24	25
Recruitment and support	-	49	49	29
Maintenance of premises and equipment	-	89	89	369
Cleaning	-	13	13	15
Rent and rates	-	56	56	59
Energy costs	-	67	67	57
Insurance	-	32	32	32
Security and transport	-	56	56	50
Catering	-	18	18	26
Careers Co-ordinator	-	15	15	15
16-18 Bursary payments	-	14	14	11
Other support costs	-	134	134	147
	-	1,159	1,159	1,438
Total direct and support costs	-	4,003	4,003	4,255

8 Governance Costs

	Unrestricted Funds £000	Restricted Funds £000	Total 2014 £000	Total 2013 £000
Legal and professional fees	-	3	3	-
Auditor's remuneration				
• Audit of financial statements	-	3	3	3
• Accountancy, taxation and other services	-	7	7	3
Support staff costs:				-
Clerk to the governors	-	4	4	4
	-	17	17	10

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

9 Staff

(a) Staff costs

	2014 £000	2013 £000
Staff costs during the period were:		
Wages and salaries	2,499	2,496
Social security costs	188	186
Pension costs	351	328
	<u>3,038</u>	<u>3,010</u>
Supply staff costs	61	45
Staff restructuring costs	-	-
	<u>3,099</u>	<u>3,055</u>

(b) Staff numbers

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

	2014 Number	2014 Full-time equivalent	2013 Number	2013 Full-time equivalent
Charitable Activities				
Teachers	46	42	49	45
Administration and support	44	32	46	32
Management	8	8	6	6
	<u>98</u>	<u>82</u>	<u>101</u>	<u>83</u>

(c) Higher paid staff

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

	2014 No.	2013 No.
£60,001 - £70,000	2	-
£70,001 - £80,000	-	1
£100,001 - £110,000	1	1
	<u>3</u>	<u>2</u>

The above employees participated in the Teacher's Pension Scheme. During the year ended 31st August 2014 employer's pension contributions for these staff amounted to £31,948 (2013: £24,406).

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

10 Related Party Transactions - Trustees' Remuneration and Expenses

The Headteacher and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as trustees. The value of trustees' remuneration was as follows:

J Renou (Headteacher and Trustee):	£100,000 - £105,000	(2013: £100,000 - £105,000)
A Clarke (Staff Trustee):	£40,000 - £45,000	(2013: £35,000 - £40,000)

Related party transactions involving the trustees are set out in note 27.

11 Trustees' 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 £2,000,000 on any one claim and the cost for the year ended 31st August 2014 was £874 (2013: £824). The cost of this insurance is included in the total insurance cost.

12 Tangible Fixed Assets

	Leasehold Land and Buildings £000	Furniture and Equipment £000	Computer Equipment £000	Total £000
Cost				
At 1 st September 2013	12,382	29	46	12,457
Additions	57	-	-	57
Disposals	-	-	-	-
At 31 st August 2014	12,439	29	46	12,514
Depreciation				
At 1 st September 2013	239	22	23	284
Charged in year	99	6	13	118
Disposals	-	-	-	-
At 31 st August 2014	338	28	36	402
Net book values				
At 31 st August 2014	12,101	1	10	12,112
At 31 st August 2013	12,143	7	23	12,173

13 Stock

	2014 £000	2013 £000
Stationery	4	4
	4	4

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

14 Debtors

	2014 £000	2013 £000
Trade debtors	4	10
VAT recoverable	2	-
Other debtors	91	81
Prepayments and accrued income	67	67
	<u>164</u>	<u>158</u>

15 Creditors: amounts falling due within one year

	2014 £000	2013 £000
Trade creditors	49	55
Taxation and social security	52	54
Other creditors	49	126
Accruals and deferred income	85	89
	<u>235</u>	<u>324</u>

16 Funds

	Balance at 1 st September 2013 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 st August 2014 £000
Restricted general funds					
General Annual Grant (GAG)	239	3,863	(3,801)	18	319
Other DfE/EFA grants	-	30	(30)	-	-
Local authority grants	-	9	(9)	-	-
Other restricted funds	54	345	(337)	-	62
	<u>293</u>	<u>4,247</u>	<u>(4,177)</u>	<u>18</u>	<u>381</u>
Pension reserve	(642)	-	(27)	(273)	(942)
	<u>(349)</u>	<u>4,247</u>	<u>(4,204)</u>	<u>(255)</u>	<u>(561)</u>
Restricted fixed asset funds					
DfE/EFA capital grants	-	299	-	(57)	242
Other capital grants	-	18	-	(18)	-
Assets capitalised post conversion	66	-	(19)	57	104
Assets on conversion	12,107	-	(99)	-	12,008
	<u>12,173</u>	<u>317</u>	<u>(118)</u>	<u>(18)</u>	<u>12,354</u>
Total restricted funds	<u>11,824</u>	<u>4,564</u>	<u>(4,322)</u>	<u>(273)</u>	<u>11,793</u>
Unrestricted funds					
Unrestricted funds	381	123	(114)	-	390
Total unrestricted funds	<u>381</u>	<u>123</u>	<u>(114)</u>	<u>-</u>	<u>390</u>
Total funds	<u>12,205</u>	<u>4,687</u>	<u>(4,436)</u>	<u>(273)</u>	<u>12,183</u>

The specific purposes for which the funds are to be applied are as follows:

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

16 Funds (continued)

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 31st August 2014. At the year end the carry forward of GAG funding was £319,000.

Other DfE/EFA grants include monies received outside of GAG funding for example the Pupil Premium. These funds have been spent in full by 31st August 2014.

Local Authority grants represent amounts payable to the Academy Trust predominantly from North Yorkshire County Council. As at the 31st August 2014 these funds had been spent in full.

Other restricted funds include monies from trips & non public funds and donations. During the period the trips & non public funds had no excess expenditure over income. Donations received were for restricted purposes and as at the year end £46,201 which was brought forward at the start of the year, together with a donation received in the year of £15,687, remained unspent. The total of donations carried forward to the next accounting period is £61,888.

DfE/EFA capital grants represent capital monies received during the year from the EFA. As at the year end unspent grants amounting to £242,100 are carried forward to the next accounting period toward the cost of a new building on the school site.

Assets on conversion represent the transfer of leasehold assets valued at £12,366,000 per a valuation in February 2011 by Bruton and Knowles Surveyors, into the Academy Trust on conversion to academy status depreciated over a 125 year period.

Unrestricted funds represents funds generated via activities such as from lettings, catering and bank interest receivable. This fund also includes the surplus on conversion to academy status of £335,000. The surplus on this fund at the period end was £390,000 and these funds can be used at the discretion of the Trustees to meet the charitable objectives of the Academy Trust.

17 Analysis of net assets between funds

Fund balances at 31st August 2014 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	12,112	12,112
Current assets	390	616	242	1,248
Current liabilities	-	(235)	-	(235)
Pension scheme liability	-	(942)	-	(942)
Total net assets	390	(561)	12,354	12,183

18 Capital commitments

	2014 £000	2013 £000
Contracted for, but not provided in the financial statements	-	-

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

19 Financial commitments

Operating leases

At 31st August 2014 the Academy had annual commitments under non-cancellable operating leases as follows:

	2014 £000	2013 £000
Land and buildings	-	-
Other		
Expiring within one year	-	-
Expiring within two and five years inclusive	7	7
Expiring in over five years	-	-
	<u>7</u>	<u>7</u>

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

	2014 £000	2013 £000
Net income	251	1
Depreciation (note 12)	118	124
Capital grants from DfE/EFA and other capital income	(317)	(209)
Interest receivable (note 4)	(8)	(4)
FRS 17 pension cost less contributions payable (note 26)	6	-
FRS 17 pension finance costs (note 26)	21	-
Increase in debtors	(6)	(28)
Decrease in creditors	(89)	(113)
Net cash inflow from operating activities	<u>(24)</u>	<u>(229)</u>

21 Returns on investments and servicing of finance

	2014 £000	2013 £000
Interest received	8	4
Net cash inflow from returns on investment and servicing of finance	<u>8</u>	<u>4</u>

22 Capital expenditure and financial investment

	2014 £000	2013 £000
Purchase of tangible fixed assets	(57)	(33)
Capital grants from DfE/EFA	317	209
Net cash outflow from capital expenditure and financial investment	<u>260</u>	<u>176</u>

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

23 Analysis of changes in net funds

	At 1 st September 2013 £000	Cash flows £000	At 31 st August 2014 £000
Cash in hand and at bank	836	244	1,080
	<u>836</u>	<u>244</u>	<u>1,080</u>

24 Contingent Liabilities

During the year of the funding agreement, in the event of the sale or disposal by other means of any leasehold building the Academy Trust is required to either re-invest the proceeds or to repay the Secretary of State for Education or Charities Commission the proceeds of the sale or disposal as these two bodies would jointly have an interest in the proceeds of any sale.

25 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.

26 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, which is managed by Yorkshire County Pension Fund. 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 31st March 2012 and of the LGPS 31st March 2013.

Contributions amounting to £41,080 (2013: £42,697) were payable to the schemes at 31st August 2014 and are included within creditors.

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 1st April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1st 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.

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1st April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

26 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

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 for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1st April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of normal pension age on 1st April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in since April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1st April 2014. Communications are being rolled out and the reformatted scheme will commence on 1st April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

26 Pension and similar obligations (continued)

Teachers' Pension Scheme Changes (continued)

contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

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 31st August 2014 was £106,000, of which employer's contributions totalled £82,000 and employees' contributions totalled £24,000. The agreed contribution rates for future years are 16.5% for employers and the rate for the employees remains dependent on the salary of the employee.

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 the 18th July 2013.

As described in note 1 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year/period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

Principal Actuarial Assumptions	At 31 st August 2014	At 31 st August 2013
Rate of increase in salaries	3.7%	4.15%
Rate of increase for pensions in payment / inflation	2.2%	2.4%
Discount rate for scheme liabilities	4.0%	4.5%
Inflation assumption (CPI)	2.2%	2.4%
Commutation of pensions to lump sums	50%	50%

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

	At 31 st August 2014	At 31 st August 2013
<i>Retiring today</i>		
Males	23.0	22.6
Females	25.5	25.3
<i>Retiring in 20 years</i>		
Males	25.3	24.4
Females	27.8	27.2

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

26 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Expected return at 31 st August 2014	Fair value at 31 st August 2014 £000	Expected return at 31 st August 2013	Fair value at 31 st August 2013 £000
Equities	7.0%	215	7.0%	372
Government Bonds	2.9%	39	3.4%	52
Other Bonds	3.8%	48	4.4%	64
Property	6.2%	20	5.7%	20
Cash	0.5%	2	0.5%	12
Other	7.0%	31	7.0%	47
Total market value of assets		355		567
Present value of scheme liabilities				
- Funded		(1,297)		(1,209)
Deficit in the scheme		(942)		(642)

The actual return on scheme assets was £78,000 (2013: £68,000).

Amounts recognised in the statement of financial activities

	2014 £000	2013 £000
Current service cost (net of employee contributions)	88	103
Past service cost	-	-
Total operating charge	88	103
Analysis of pension finance income / (costs)		
Expected return on pension scheme assets	35	17
Interest on pension liabilities	(56)	(42)
Pension finance costs	(21)	(25)

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 £310,000 loss (2013: £37,000 loss).

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

26 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2014 £000	2013 £000
At 1st September	1,209	779
Current service cost	88	103
Past service cost	-	-
Interest cost	56	42
Employee contributions	24	27
Actuarial gain	(55)	-
Curtailments and settlements	-	-
Benefits paid	(25)	258
At 31st August	<u>1,297</u>	<u>1,209</u>

Movements in the fair value of Academy's share of scheme assets:

	2014 £000	2013 £000
At 1st September	567	135
Expected return on assets	35	17
Actuarial (loss)/gain	(328)	51
Employer contributions	82	79
Employee contributions	24	27
Assets distributed on settlements	-	-
Transfer in of new members	-	-
Benefits paid	(25)	258
At 31st August	<u>355</u>	<u>567</u>

The estimated value of employer contributions for the year ended 31st August 2015 is £98,000.

The five-year history of experience adjustments is as follows:

	2014 £000	2013 £000	2012 £000
Present value of defined benefit obligations	(1,297)	(1,209)	(779)
Fair value of share of scheme assets	355	567	135
Deficit in the scheme	<u>(942)</u>	<u>(642)</u>	<u>(644)</u>
Experience adjustments on share of scheme assets	(328)	51	(5)
Experience adjustments on scheme liabilities:	<u>54</u>	-	-

Notes to the Financial Statements for the year ended 31st August 2014 (continued)

27 Related Party Transactions

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

No transactions with Trustees were undertaken during the course of the year ended 31st August 2014.

During the accounting year the Academy Trust leased the buildings on the school site from The Skipton Girls' High School Foundation Trustee Limited (Company number 07543564) as a trustee of Skipton Girls' High School Foundation which is an unincorporated charity (Charity number 1047961). The lease is to be over a period of 125 years and all of the buildings are leased for a peppercorn rental each year.

During the year the Academy received a donation of £167,000 from the Skipton Girls' High School Foundation.

During the accounting year the Academy had transactions with Northern Lights Teaching School Alliance Limited (NLTSA) a company limited by guarantee (Company number 08133729). NLTSA was set up as a joint venture between the Academy and Feversham College for the operation of a Teaching School. The Academy and Feversham College are the only members of the company. During the year the Academy invoiced NLTSA £122,068. A donation of £15,687 was owed by NLTSA to the Academy at 31st August 2014 which is included in Other Debtors.