

REGISTRAR OF COMPANIES

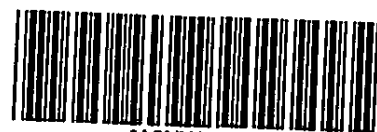
Queens Park Academy

Annual Report and Financial Statements

31 August 2013

Company Limited by Guarantee
Registration Number
07566528 (England and Wales)

TUESDAY



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24/12/2013
COMPANIES HOUSE

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Reference and administrative information

Directors (trustees)	F Birkett (Chair) C Friend S Le Page (Vice-chair) A McCormick V Tatum
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Governors	F Birkett * (Chair) E Bolton C Friend * G Khan* S Le Page (Vice-chair) A McCormick * E Mullins * R Shaikh V Tatum A Thwaites* J Yıldız
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* Members of the Business and Finance Committee

Senior Leadership Team

Executive Headteacher	A McCormick
Head of School	A Thwaites
Assistant Heads	V Wilson E Bolton C Norris
Business Manager	E Mullins
Site Manager	D Richardson

Registered address	Chestnut Avenue Bedford Bedfordshire MK40 4HA
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Company registration number	07566528 (England and Wales)
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Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
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Reference and administrative information

Bankers Lloyds TSB Bank plc
Westminster House
11 Portland Street
Manchester
M1 3HU

Solicitors Stone King LLP
16 St John's Lane
London
EC1M 4BS

Trustees' report 31 August 2013

The trustees of Queens Park Academy ('the Academy') present their statutory report together with the financial statements of the charitable company for the year ended 31 August 2013

The financial statements have been prepared in accordance with the accounting policies set out on pages 32 to 35 of the attached financial statements and comply with the School's memorandum and articles of association, applicable laws and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 ('SORP 2005')

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust 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 Academy Trust. The Charitable Company was incorporated on 16 March 2011 and Queens Park School converted to an Academy on 1 April 2011.

Five of the governors act as the trustees for the charitable activities of Queens Park Academy and as directors of the Charitable Company for the purposes of Company Law. The Charitable Company is known as Queens Park Academy.

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.

Principal activities

The principal activity of Queens Park Academy Trust is to employ all staff ensuring the highest quality of primary education to all children in our locality. We also run a 'Community Nursery' located in the Queens Park Neighbourhood Centre that offers day care provision for children aged 0 to 5. We are very proud of our school and its achievements over the years.

We admit children from Nursery (aged 3) to Year 4 (aged 9). We are a large school with over 500 children on our current roll. Our intake is representative of a vibrant multi-cultural community with over 22 languages spoken by the children and staff. We are an 'inclusive' school admitting children from all backgrounds, faiths or special needs.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees and governors

The following trustees were in office at 31 August 2013 and served throughout the period except where shown

Trustee	Appointing body
F Birkett	Chair of governors
C Friend	Parent body
S Le Page	Vice Chair
A McCormick	Ex Officio
V Tatum	Community

The following governors were in office at 31 August 2013 and served throughout the period except where shown

Governor	Appointed/Resigned	Appointing body
F Birkett		Chair of governors
E Bolton		Staff
C Friend		Parent body
G Kahn	Appointed January 2013	Staff
S Le Page		Vice Chair
A McCormick		Ex Officio
E Mullins	Appointed September 2012	Staff
M Rosamund	Resigned January 2013	Community
R Shaikh		Community
V Tatum		Community
A Thwaites	Appointed September 2012	Staff
J Williams	Resigned December 2013	Parent body
J Yildiz	Appointed June 2013	Parent Body

Method of recruitment and appointment or election of governors

The processes for appointing or electing the various types of Queens Park Academy governors are as follows

- 1 Academy Governors – The trustees of Queens Park Academy have the right to appoint the governors. Such appointments are usually made following consultation by the trustees with the governors of the Academy.

In addition to their overall role as governors, the Academy governors are appointed for the purpose of ensuring that the character of the Academy is preserved and developed. They are also appointed to ensure that the Academy is conducted in accordance with the Academy's governing documents as well as any trust deed relating to the Academy.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Method of recruitment and appointment or election of governors (continued)

- 2 Parent Governors – The Articles of Association require that there shall be a minimum of two and up to four Parent Governors. Parents, including carers, of registered pupils at the Academy are eligible to stand as individuals for election as a Parent Governor. They are elected by other parents at the Academy as individuals who are representative of the parental body. Suitable procedures have been put in place for the conduct of Parent Governor elections.

If insufficient parents stand for election, the Governing Body must appoint Parent Governors to bring their number up to that required by the Articles of Association. Such appointed Parent Governors would preferentially be parents or carers of registered pupils at the Academy. If, however, no such parents are willing to undertake the role then the Governing Body can appoint any person who is the parent or carer of one or more school-age children.

- 3 Staff Governors – A minimum of two and up to six Staff Governors are elected by the Academy staff as individuals, representative of the staff of the Academy. Both teaching and support staff paid to work at the Academy are eligible for staff governorship.

At Queens Park Academy the first and third Staff Governor places are reserved for teachers of the Academy. If, however, no teacher stands for election a member(s) of the support staff can be elected to take one or both of these places.

Additionally, the second Staff Governor place is reserved for a member of the Academy's support staff, but if no member of the support staff stands for election then a teacher can be elected to take that place.

Suitable procedures have been put in place for the conduct of Staff Governor elections.

- 4 Community Governors – Up to nine Community Governors can be appointed by the Governing Body. Community Governors can be people who live or work in the community served by the Academy, or people who live outside of the immediate area and who are committed to the good governance and success of the Academy.

Vacancies for Community Governors will be posted on the Academy web site. Anyone expressing an interest in becoming a Community Governor will be asked to provide an appropriate curriculum vitae with their letter of application. Following an informal interview with the Chair and Executive Headteacher each application will be considered by the Governing Body.

The Governors may not appoint an employee of Queens Park Academy as a Community Governor if the number of Governors who are employed by the Academy (including the Executive Headteacher) would thereby exceed one third of the total number of Governors.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Policies and procedures adopted for the induction and training of governors

Following their appointment/election all new governors receive an introduction to their role from the Chair and Executive Headteacher, this introduction includes tours of the Academy sites and the opportunity to meet other members of the Senior Leadership Team

The Governing Body at Queens Park Academy is committed to providing adequate opportunities for governors to undertake and receive suitable training so as to enable them to undertake their role more effectively

To this end the Governing Body maintains a Service Level Agreement with Bedford Borough Council Governor Services Department. This Agreement allows for any or all of the members of the Governing Body to attend any of the training courses provided by Bedford Borough Council.

All new governors are actively encouraged to take advantage of this Agreement so as to gain a better understanding of the role and responsibilities of being a School Governor. Additionally, governors with specific roles within the Governing Body are strongly encouraged to undertake specific training.

There is a nominated Link Governor who acts as liaison between Governor Services and the Governing Body.

Organisational structure

At Queens Park Academy the majority of the roles and responsibilities of the Governing Body have been delegated to a small number of committees. The full Governing Body has retained responsibility for certain aspects, again as defined in the Standing Orders.

Members of the Senior Leadership Team (SLT), in addition to the Executive Headteacher, attend governors' meetings as appropriate.

The governors are responsible for the strategic management of the Academy, deciding and setting key aspects of the Academy, including strategic direction, annual budgets, senior staff appointments, policy changes etc. Operational management is the responsibility of the Executive Headteacher and staff. The latter is carried out at a number of levels, i.e. by the Senior Leadership Team and Middle Leaders Team.

Academy policies are developed by senior members of the Academy staff, to reflect both the strategic direction agreed by the governors and also statutory requirements. These policies are approved and adopted by the Governing Body, and implemented as procedures and systems by the SLT and other designated members of staff.

During the year ended 31 August 2013 the Full Governing Body met four times, the Business and Finance Committee met four times, the Pay and Personnel Committee three times, and the Learning and Teaching Committee three times.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Risk management

Queens Park has undertaken a comprehensive assessment of possible risks to the future of the Academy. This has included the review and implementation of the following policies:

- ◆ Fixed Asset Policy
- ◆ Gifts & Hospitality Policy
- ◆ Risk Management Policy
- ◆ Fraud Policy & Procedure
- ◆ Whistleblowing Policy
- ◆ Financial Handbook

The Academy staff and governors are working within these guidelines to ensure the risk associated within the Academy status is protected in line with Audit Compliance.

Connected organisations, including related party relationships

The activities of Queens Park Academy are funded directly from the EFA.

For 2012-13 the Academy was commissioned by the Local Authority to support Southway Nursery School as it joined a federation of nursery schools in Bedford. The Head of School (early years) was seconded to Southway to offer operational support and the Executive Headteacher worked closely with governors on the strategic transition.

The Academy has a number of Service Level Agreements with local organisations specifically for site support – these are Edith Cavell Lower School, Priory Lower School and Livingstone Lower school. These SLA's are reviewed annually.

OBJECTIVES AND ACTIVITIES

Objects and aims

The Academy's key objective is

To help the children to develop the attitudes, knowledge and skills needed for living in the 21st Century

- ◆ By offering the children first hand experiences that motivate and enthuse them – encouraging a love of learning, and
- ◆ By ensuring the provision of good quality teaching through positive identification of indicators of good practice

This is then realised by our Academy's aims

- ◆ To develop a curriculum that excites and motivates the learner and the teacher,
- ◆ To promote high levels of self esteem in children and adults,
- ◆ To leave no-one behind,
- ◆ To promote a safe and healthy lifestyle,
- ◆ To promote community engagement and involvement,
- ◆ To continue to strive for improvement by critical self evaluation, and
- ◆ To develop a team environment

We are very proud of our school as you will see from the children's quotes below

"Our school is great We do lots of learning outside and go on exciting trips!" Husnain

"We all work hard and we want to be the star of the week!" Maria

"We talk to children from across the world and learn together in exciting ways" Simran

Objectives, strategies and activities

Development Plan Objectives for the Academic Year 2013/14 (all objectives are recorded, developed and evaluated using an online development tool – Schoolcentre net)

Our five core priorities are

To grow governor links

So that

- ◆ Children (and staff) know the governors

OBJECTIVES AND ACTIVITIES (continued)

Objectives, strategies and activities (continued)

To grow governor links (continued)

- ◆ Governors are informed and join in the 'adventure for learning'
- ◆ Governors are confident in their knowledge about the school

Actions

- ◆ Consult with staff on linking a governor with a class or year group
- ◆ Have a governors 'invitation' tea for all staff
- ◆ Establish a governor focus for celebration
- ◆ Ensure Governors are invited to all school events and on to external visits
- ◆ Establish a training programme for governors on the significant aspects of their role

To celebrate success

So that

- ◆ Aspirations are raised across the school community (teacher, child, parent)

Actions

- ◆ Hold an annual celebration event in a special location
- ◆ Advertise regularly in the local press – celebrating all achievements
- ◆ Ensure the website has a celebration element
- ◆ Build on the celebrations already in place

To implement the use of mobile technologies to enhance learning and teaching

So that

- ◆ The quality of teacher assessment is more robust
- ◆ A focused range of learning opportunities are offered

Actions

- ◆ Give all teachers (QTS) an iPad
 - ◇ Agree the protocol for use
 - ◇ Provide training on how to use the iPad to record achievements
 - ◇ Team leaders to regularly monitor in standards meetings

OBJECTIVES AND ACTIVITIES (continued)

Objectives, strategies and activities (continued)

To implement the use of mobile technologies to enhance learning and teaching
(continued)

- ◆ Review the use of technology in the classroom by the children
 - ◇ Further evaluation of pilot projects
 - ◇ Prepare a proposal for rolling out the pilot projects
 - ◇ Review budget requirements
 - ◇ Link with the ICT Strategy

To become a Primary School by 2016/17

So that

- ◆ We are in line with local and national schools
- ◆ We offer the best possible primary experience
- ◆ We achieve the highest standards in preparation for secondary education

Actions

- ◆ Write new 'Admissions Policy' reducing Pupil Admission Number (PAN) to 60
- ◆ Consult on the Policy with local community/stakeholders
- ◆ Publish statutory notices to change designation
- ◆ Review accommodation requirements and prepare plan for additional needs
- ◆ Begin training for staff on expectations re Upper Key Stage 2
- ◆ Visit primary schools to prepare for Years 5 and 6
- ◆ Plan for new staffing structure (2015)

To enable the 'pupil voice' to inform and impact on school experiences

So that

- ◆ Each child is offered enrichment activities relevant to their own interests
- ◆ The children feel empowered to develop their own learning

Actions

- ◆ Consult with all children as to their 'wish' for this year

OBJECTIVES AND ACTIVITIES (continued)

Objectives, strategies and activities (continued)

To enable the 'pupil voice' to inform and impact on school experiences (continued)

- ◆ Establish and programme of 1:1 conferencing
- ◆ Representative children to attend the QP-PLC 'student conference'
- ◆ Offer a residential experience to Year 4 that engages more of the year group
- ◆ Offer an 'overnight' opportunity for all of Key Stage 2
- ◆ Develop and expand the use of the mini buses for local trips

Public Benefit

In setting the Academy's objectives and planning its activities, the Governing Body have given careful consideration to the Charity Commission's general guidance on public benefit

The key public benefit delivered by Queens Park Academy is the maintenance and development of the high quality education to the children of Queens Park Community

In doing this Queens Park Academy not only offers a broadly-based academic education but aims to educate the whole individual. A very wide-range of extra-curricular activities, educational trips and visits are offered and undertaken by our children

In particular, in respect of Internationalism/Mindedness, the Academy has achieved the International Schools Award for the second time. This award recognises that we ensure the children engage in many enriching activities

We have developed links with schools in the following countries – China, The Netherlands, America and Canada

ACHIEVEMENTS AND PERFORMANCE

Review of activities

Our priorities for this year were

- ◆ Communication
- ◆ To raise standards in Writing
- ◆ To develop skills in Speaking and Listening
- ◆ To develop 'outstanding' teaching

ACHIEVEMENTS AND PERFORMANCE (continued)

Review of activities (continued)

Standards in writing this year have improved at an outstanding rate. For the first time we are very close to national expectations for ALL schools (please see analysis below). Writing is always challenging for children and especially so for those learning English as an additional language. Children become fluent in spoken language very quickly, but it takes longer for their confidence and experience to develop in writing. We are delighted with the progress this year.

Teaching at the Academy remains very good with some increasing elements of 'outstanding' practice (as defined by Ofsted). We have no teachers rated less than good and we continue to support our colleagues in aspiring to outstanding.

This year we have run two Outstanding Teacher programmes for colleagues in Bedford and this not only provides support for other schools but ensures that our team (who are observed during the programme) remain at their best. This year our results are the best yet – a further sign of increasing 'outstanding' teaching.

The Governing Body have now made a firm commitment to changing the designation of the school to a 'Primary School' – Nursery to Year 6 – from 2015 (for Year 5) and 2016 for (Year 6). They will be consulting with all families next year as to this change and this remains a priority for the coming year.

We continue to work closely with a number of community groups – no least of which is our parent body.

Governors have worked closely together led by our Chair of Governors, Fred Birkett. We are very pleased to advise that Fred is now a National Leader of Governance – a significant achievement for both Fred personally and for our school.

Collaborations

- ◆ To develop the Queens Park – Primary Leadership Collaborative (QP-PLC) with all the lower/primary schools in Bedford
- ◆ To support Southway Nursery School during 2012/13
- ◆ To develop international links

The QP- PLC has gone from strength to strength this year. We have been able to make a small profit from the training activities offered and this is supporting further opportunities we want to offer next year. As a National Support School it is our responsibility to offer 'school to school' support and through the PLC we have been able to engage with nearly all of the schools in Bedford Borough and a large number in Central Bedfordshire.

ACHIEVEMENTS AND PERFORMANCE (continued)

Review of activities (continued)

Attainment (assessment results)

Each year we have to assess the children at the end of their Reception Year (age 5), at the end of Year 2 (aged 6/7) and Year 4 (aged 8/9). The three charts below show the standard reached by these three year groups.

Reception

Last year (as the chart below shows) we exceeded the national expectation for achievement in the Foundation Stage. This is a result of a relentless focus on ensuring quality early years experiences.

This year, however, the 'assessment criteria' for children at the end of Year R has changed. Hence we are unable to make a comparison with previous achievements. We continue to assess the children and parents will receive reports in the various areas of the foundation curriculum. Children are assessed as 'emerging', 'expected' or 'exceeding' the appropriate standard.

Reception – average point scores for all the children in year R across all the areas of the Foundation Stage

2010	2011	2012	National Expectations
84	84	89	85

Year 2

In Year 2 these are the best results we have had. They are extremely close to the national expectation and demonstrate very good attainment for our children. We are particularly pleased with the 'writing' attainment as it is in this area that we have made the most progress.

Year 2 – average points scores for all the children in Year 2 (Children at the end of year 2 are expected to reach the 2B standard – 15 points)

Subject	2011	2012	2013	National Expectation
Reading	13.8	13.7	14.4	15.7
Writing	11.6	12.8	14.0	14.3
Maths	13.9	13.7	14.7	15.7

ACHIEVEMENTS AND PERFORMANCE (continued)

Review of activities (continued)

Attainment (assessment results) (continued)

Year 4

Last year we had the best results we have ever had at Queens Park Academy for Year 4 and this year we are delighted to advise that our results are even better. Indeed we have exceeded the national expectation for the end of Year 4 in both Reading and Maths and in Writing we are extremely close.

Year 4 – average points scores for all children in Year 4 (Children in Year 4 are expected to achieve the 3B standard – 21 points)

Subject	2011	2012	2013	National Expectation
Reading	19.6	19.4	22.0	21
Writing	17.3	18.5	20.7	21
Maths	18.1	19.1	21.2	21

Overall our attainment this year has been outstanding. We are delighted with these results as they demonstrate how high expectations, with all the support from home and school can really ensure we get the best results for the children.

Achievement (i.e. the progress that the children make)

This measure is extremely important as it takes into account the children's starting points and indicates how focussed they have been and how we have encouraged, supported and 'stretched' them.

In terms of achievement we expect the children to make at least **8 points** of progress between Year R and Year 2 and **6 points** of progress between Year 2 and Year 4. Below you will see the achievement for Reading, Writing and Maths.

Year 2 (expectation = 8 points)

Subject	2011	2012	2013
Reading	9.0	8.8	9.2
Writing	7.0	7.9	9.3
Maths	8.6	8.3	9.7

ACHIEVEMENTS AND PERFORMANCE (continued)

Review of activities (continued)

Achievement (i.e. the progress that the children make) (continued)

As you will see from this year's progress – we have exceeded the expectation in all areas. This is very good and demonstrates outstanding progress for children in Key Stage 1.

Year 4 (expectation = 6 points)

Subject	2011	2012	2013
Reading	6.7	8.2	8.6
Writing	6.3	7.3	9.6
Maths	4.7	5.9	7.7

As you will see, the children have also made outstanding progress in all three areas. Maths remains a priority for us (albeit significant progress from last year) but we must celebrate the Writing result as this represents the hard work by the children and their teachers over the past few years. This year we made explicit links between writing tasks and the topics the children were studying – thus joining up their learning in a creative way – and it has made a significant difference. Our children find writing quite demanding and to achieve nearly 10 points progress is truly outstanding. It just shows what high expectations can achieve.

KEY CELEBRATIONS THIS YEAR

This year we are really pleased to announce that we have achieved the following:

Investors in People accreditation – this is an assessment that happens every three years and we have exceeded the standard once again. Indeed, our assessor described the school as having 'a lovely environment' for everyone who works here.

ESU – we have taken part in the two competitions again this year and the children in Year 4 performed extremely well. Our EAL team came second overall and Sabine won 'Best Speaker'.

Singing events – this year we have taken part in a variety of singing events. In December we took a group of children to sing 'around the Christmas tree' at St Pauls Church. In January the Year 4 children went to the O2 in London for the 'Big Sing'. In February and March children took part in the Bedford Festival. Both Year 2 and Year 4 choirs received merits in their class. Year 3 came 3rd in 'Performance Poetry' and 1st in 'Creative Performance'.

KEY CELEBRATIONS THIS YEAR (continued)

In May our school choir performed with 'Voces 8' at the B Festival at Bedford School. Voces 8 are a professional singing group and the children really enjoyed being part of this concert. Year 3 then sang at the Sing Up festival at the Corn Exchange in Bedford and at the end of this term the Choir is singing again with the Philharmonia Orchestra at the Corn Exchange in the 'Hear and Now' concert.

Sporting events – our cricket team made it to the local finals this year and children have also taken part in the Gymnastics festival at Lincroft Middle School.

Partnership with Southway Nursery School – this year we have been working at Southway Nursery school as part of our National Support School work. Mrs Austin has been Head of School at Southway, whilst Anne McCormick has been Executive Head. We have supported the governors to a successful 'federation' with Peter Pan Nursery school which will begin in September. This was a one year project to support the school through this transition.

International Links – we have established a link with schools in Singapore and will be developing this next year. We visited schools in Canada and hosted visitors from the Netherlands. We also established links with local schools and the children in Denmark class visited their link school in Lidington.

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that Queens Park Academy 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

Financial report for the year

Most of the School's income is obtained from the Education Funding Agency (EFA) in the form of the General Annual Grant (GAG), the use of which is restricted for education purposes. The grants received from the EFA and other government bodies during the period and the associated expenditure are shown as restricted funds in the statement of financial activities.

The School also received grants for fixed assets from the EFA. In accordance with the Statement of Recommended Practice (SORP 2005), Accounting and Reporting by Charities, such a grant is shown in the statement of financial activities if spent during the period as restricted income within the fixed assets funds. The balance sheet restricted fixed assets fund is reduced by expenditure equivalent to any depreciation charges over the expected useful life of the assets concerned.

FINANCIAL REVIEW (continued)

Financial report for the year (continued)

The total income for the period was £2,744,024 (2012 - £6,387,492 which included a transfer of balances from the Local Authority of £2,371,836) Included within this balance was the General Annual Grant of £1,984,825 (2012 - £2,827,895) (see note 5)

Excluding the fixed assets fund the Academy incurred a deficit of £142,291 (2012 – surplus of £346,487)

At 31 August 2013, the School had total funds of £2,231,294 (2012 - £2,446,658) This was comprised of £2,114,999 (2012 - £1,918,546) of restricted funds and £116,295 (2012 – £528,112) of unrestricted general fund balances The pension reserve balance, relating to the Local Government defined benefit scheme for non teaching staff, was in deficit by £498,000 (2012 – £483,000) at 31 August 2013 and is included within restricted funds

The results for the period are shown on page 29

Financial and risk management objectives and policies

Principal risks and uncertainties

The objective of the Academy's risk management procedure is to identify the principal risks facing the Academy so that existing controls may be considered and further action taken if required, including external insurance

The principal risks identified by the Governing Body include governance, statutory compliance, finance, insurance, attendance, behaviour, health and safety, organisation, operation, safeguarding, reputation, HR and ICT

The Governing Body has a comprehensive risk management process to identify and monitor the risks faced by the Academy

Reserves policy

The Governing Body reviews the Academy's reserves policy annually The policy of the Academy is to carry forward a prudent level of resources to meet the long-term cyclical needs of renewal and any other unforeseen contingencies, subject to the constraint that the level of resources does not exceed the level permitted by the EFA The Governing Body intends to maintain free reserves of a minimum of £100,000 to provide sufficient working capital for the Academy

The Academy's free reserves at 31 August 2013 were £116,295 which is in line with the reserves policy

Trustees' report 31 August 2013

FINANCIAL REVIEW (continued)

Financial report for the year (continued)

Reserves policy (continued)

The Academy has a pension scheme liability of £498,000 as at 31 August 2013 which is included in the restricted reserves. This disclosure does not mean that the liability is already committed and is no longer available to the governors to further the Academy's objectives. Parliament has agreed, at the request of the Secretary of State for Education, in the event of Academy closure, outstanding Local Government Scheme liabilities would be met by the Department for Education. The guarantee came in to force on 18 July 2013. In the short term, the cash flow impact of having a pension scheme liability may be that the employer contributions may increase to reduce the liability.

Investment policy

The Academy currently has no investments, except for deposits in interest bearing accounts.

FUTURE ACTIVITIES AND PLANS

Our aspirations are to develop the Academy site and to become a full primary school in September 2015.

We will continue to develop the Queens Park Primary Learning Collaborative.

AUDITORS

In so far as the trustees are aware

- ♦ there is no relevant audit information of which the Academy'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.

Approved by the trustees on 18/12/13 and signed on their behalf by

Chair

Date


F BIRKETT
18/12/2013

Governance statement 31 August 2013

Scope of responsibility

As governors, we acknowledge we have overall responsibility for ensuring that the Queens Park Academy 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 Executive 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 the Academy and the Secretary of State for Education. The Executive Headteacher is 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 trustees' report and in the statement of trustees' responsibilities. The Governing Body has formally met four times during the period. Attendance during the period at meetings of the Governing Body was as follows:

Governor	Number of meetings attended	Out of a possible
F Birkett	4	4
E Bolton	3	4
C Friend	4	4
G Khan	2	2
S Le Page	4	4
A McCormick	4	4
E Mullins	4	4
M Rosamund	0	2
R Shaikh	3	4
V Tatum	3	4
A Thwaites	3	4
J Williams	0	2
J Yildiz	1	1

The Business and Finance Committee is a sub-committee of the main Governing Body. Its purpose is:

- ♦ To provide guidance and assistance to the Executive Headteacher & Governing Body in all matters relating to budgeting and finance
- ♦ To prepare the Academy's budget plan and review financial statements, including consideration of long term planning and resourcing
- ♦ To consider each year the School Development Plan priorities and to present an annual budget plan to the Governing Body for approval

Governance statement 31 August 2013

Governance (continued)

- ◆ To monitor all income and expenditure and to report on the financial situation to the Governing Body each term
- ◆ To monitor expenditure and discuss any variation with those responsible for the appropriate budgets
- ◆ To ensure that audit compliance is adhered to by the Academy and to receive and where appropriate respond to periodic audit reports of the Academy funds
- ◆ To review the policies which are within the remit of the committee

Attendance at meetings in the year was as follows

Governor	Number of meetings attended	Out of a possible
F Birkett	3	3
C Friend	3	3
A McCormick	3	3
E Mullins	3	3
A Thwaites	3	3
D Richardson	3	3
G Khan	2	3

The Audit Committee (Scrutiny) is also a sub-committee of the main board of trustees. Its purpose is to scrutinise the Academy finances in detail and to ensure all monies are spent in line with the EFA guide lines and to ensure audit compliance across the business. The key focus has been clear budget reporting, establishing 'actual' budget expenditure requirements in line with the business needs of the Academy.

Governor	Meetings attended	Out of a possible
F Birkett	3	3
C Friend	3	3
A McCormick	3	3
E Mullins	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 the Academy's 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 at the Academy for the year ended 31 August 2013 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 an ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year ended 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The risk and control framework

The Academy'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 Business and 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 decided not to appoint an internal auditor. However, the governors have appointed F Birkett as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a quarterly basis, the RO will report to the governors on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

Review of effectiveness

As Accounting Officer, the Executive Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the period 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 Senior Leadership Team within the Academy who have responsibility for the development and maintenance of the internal control framework

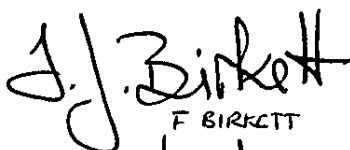
Governance statement 31 August 2013

Review of effectiveness (continued)

The Accounting Officer has advised the Business and Finance Committee of the implications of the result of their review of the system of internal control and a plan to address weaknesses and ensure continuous improvement of the system is in place

Approved by order of the Governing Body and signed on their behalf by

Chair


F BIRKETT

Approved on

18/12/2013.


A MCCORMICK

Executive Headteacher and Accounting
Officer

Statement on regularity, propriety and compliance 31 August 2013

As Accounting Officer of Queens Park Academy, I have considered my responsibility to notify the Academy Trust Governing Body 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 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.



A McCORMICK
Accounting Officer

Date 18/12/13.

Statement of trustees' responsibilities 31 August 2013

The trustees (who act as governors of the Academy and are also the directors of the Academy for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Academy and of its incoming resources and application of resources, including its income and expenditure, for that period. 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' Statement of Recommended Practice (the Charities' SORP),
- ♦ make judgments and estimates that are reasonable and prudent,
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Academy will continue in operation

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy's transactions and disclose with reasonable accuracy at any time the financial position of the Academy 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 Academy 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 Academy applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA have been applied for the purposes intended.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Academy'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 Board of Trustees on 18/12/13 and signed on its behalf by

Chair of Trustees

Date


F. BIRRELL
18/12/2013

Independent auditor's report on the financial statements to the members of Queens Park Academy

We have audited the financial statements of Queens Park Academy for the year ended 31 August 2013 which comprise the statement of financial activities, the balance sheet, the cash flow statement, the principal accounting policies 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 Academies Accounts Direction 2013 issued by the Education Funding Agency.

This report is made solely to the Academy'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'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 and the Academy's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

The trustees are also the directors of Queens Park Academy for the purpose of company law.

As explained more fully in the statement of trustees' responsibilities set out in the trustees' report, the trustees 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'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' 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.

Independent auditor's reports 31 August 2013

Opinion

In our opinion

- ◆ the financial statements give a true and fair view of the state of the Academy's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- ◆ the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- ◆ the financial statements have been prepared in accordance with the Companies Act 2006, and
- ◆ the financial statements have been prepared in accordance with the Academies Accounts Direction 2013 issued by the Education Funding Agency

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the trustees' 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



Simon Goodridge, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

20/12/13

Independent reporting auditor's assurance report on regularity to Queens Park Academy and the Education Funding Agency

In accordance with the terms of our engagement letter dated 4 October 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Queens Park Academy during the period from 1 September 2012 to 31 August 2013 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 Queens Park Academy and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Queens Park Academy 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 Queens Park Academy and the EFA, for our work, for this report, or for the conclusion we have formed

Respective responsibilities of Queens Park Academy's Accounting Officer and the reporting auditor

The Accounting Officer is responsible, under the requirements of Queens Park Academy's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2012, 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. 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 ended 31 August 2013 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 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

Approach (continued)

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's income and expenditure.

The work undertaken to draw to our conclusion includes

- ◆ An assessment of the risk of material irregularity and impropriety across all of the academy trust's activities,
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary, and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

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 ended 31 August 2013 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Buzzacott LLP

Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

20/12/13

Statement of financial activities 31 August 2013

		Restricted funds				Year ended 31 August 2013 Total funds £	17 month period ended 31 August 2012 Total funds £
	Notes	Un- restricted general funds £	EFA £	Other £	Fixed asset fund £		
Incoming resources							
Incoming resources from generated funds							
Voluntary income	2	1,089	—	—	—	1,089	1,573
Voluntary income - transfer from Local Authority on conversion		—	—	—	—	—	2,371,836
Activities for generating funds	3	163,302	—	218,060	—	381,362	701,190
Investment income	4	729	—	—	—	729	698
Incoming resources from charitable activities							
Funding for the academy's educational operations	5	—	2,041,905	243,443	61,323	2,346,671	3,272,344
Other income		14,173	—	—	—	14,173	39,851
Total incoming resources		179,293	2,041,905	461,503	61,323	2,744,024	6,387,492
Resources expended							
Charitable activities							
Academy's educational operations	7	295,192	2,055,692	459,503	165,396	2,975,783	3,717,462
Governance costs	8	—	14,605	—	—	14,605	25,372
Total resources expended	6	295,192	2,070,297	459,503	165,396	2,990,388	3,742,834
Net income (expenditure) for the year before transfers							
		(115,899)	(28,392)	2,000	(104,073)	(246,364)	2,644,658
Transfer between funds	15	(295,918)	—	—	295,918	—	—
Other recognised gains and losses							
Actuarial gain (loss) on defined benefit pension scheme	23	—	31,000	—	—	31,000	(198,000)
Net movement in funds		(411,817)	2,608	2,000	191,845	(215,364)	2,446,658
Reconciliation of funds							
Fund balances brought forward at 31 August 2012		528,112	(447,816)	—	2,366,362	2,446,658	—
Fund balances carried forward at 31 August 2013		116,295	(445,208)	2,000	2,558,207	2,231,294	2,446,658

All of the academy trust's activities derive from acquisitions in the prior financial period and continuing operations in the current financial period

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

Balance sheet 31 August 2013

	Notes	2013 £	2013 £	2012 £	2012 £
Fixed assets					
Tangible fixed assets	12		2,558,207		2,366,362
Current assets					
Debtors	13	116,799		210,551	
Cash at bank and in hand		292,012		537,690	
		<u>408,811</u>		<u>748,241</u>	
Creditors amounts falling due within one year	14	<u>(237,724)</u>		<u>(184,945)</u>	
Net current assets			<u>171,087</u>		<u>563,296</u>
Total assets less current liabilities			<u>2,729,294</u>		<u>2,929,658</u>
Net assets excluding pension scheme liability					
Pension scheme liability	23		<u>(498,000)</u>		<u>(483,000)</u>
Net assets including pension scheme liability			<u>2,231,294</u>		<u>2,446,658</u>
Funds of the Academy					
Restricted funds					
Fixed assets fund	15		2,558,207		2,366,362
EFA fund	15		52,792		35,184
Other restricted funds	15		2,000		—
Pension reserve	15		<u>(498,000)</u>		<u>(483,000)</u>
			<u>2,114,999</u>		<u>1,918,546</u>
Unrestricted funds					
General fund	15		116,295		128,112
Designated fund	15		—		400,000
Total funds			<u>2,231,294</u>		<u>2,446,658</u>

The financial statements on page 29 to 49 were approved by the Governors, and authorised for issue on 18/12/13 2013 and are signed on their behalf by

Chair

F BIRKETT

Queens Park Academy

Company Limited by Guarantee

Registration Number 07566528 (England and Wales)



Cash flow statement 31 August 2013

	Notes	Year ended 31 August 2013 £	17 month period ended 31 August 2012 £
Net cash inflow from operating activities	18	49,511	351,819
Cash transferred on conversion to academy trust		—	263,113
Liabilities transferred on conversion to academy trust		—	(9,749)
Returns on investment and servicing of finance	19	729	698
Capital expenditure	20	(295,918)	(68,191)
(Decrease) increase in cash in the period	21	(245,678)	537,690
Reconciliation of net cash flow to movement in net funds			
Net funds at 31 August 2012		537,690	—
Net funds at 31 August 2013		292,012	537,690

All of the cash flows derived from acquisitions in the prior financial period

Principal accounting policies 31 August 2013

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 EFA 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 company to continue as a going concern. The governors 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 year 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 is recognised in the period it is receivable.

Principal accounting policies 31 August 2013

Incoming Resources (continued)

Gifts in kind

The value of gifts in kind provided to the academy are recognised at a valuation attributed by the governors in the period in which they are receivable as incoming resources, where the benefit to the School can be reliably measured

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.

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 Governor's meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

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 academy's depreciation policy.

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

Principal accounting policies 31 August 2013

Tangible Fixed Assets (continued)

Leasehold property	4% per annum
Fixtures, fittings and equipment	20% per annum
IT equipment	33 1/3% per annum

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.

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 trust 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 trust 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 23, 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.

Pensions Benefits (continued)

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 trust at the discretion of the governors.

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

Restricted EFA funds comprise all other grants received from the Education Funding Agency.

Restricted other funds comprise all other restricted funds received and include grants from the Local Authority, Bedfordshire County Council.

Notes to the financial statements 31 August 2013

1 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the Academy was subject to limits at 31 August 2013 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy has not exceeded these limits during the year ended 31 August 2013.

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Year to 31 August 2013 Total funds £	17 month period to 31 August 2012 Total funds £
Donations	1,089	—	1,089	1,573

3 Activities for Generating Funds

	Unrestricted funds £	Restricted funds £	Year to 31 August 2013 Total funds £	17 month period to 31 August 2012 Total funds £
Hire of facilities	22,159	—	22,159	14,717
Catering income	32,455	—	32,455	37,149
Consultancy income	72,661	—	72,661	229,272
Queens Park Neighbourhood Centre	—	—	—	126,535
Community Nursery	—	171,990	171,990	210,410
Queens Park Primary Leadership Collaborative	—	46,070	46,070	—
Miscellaneous income	36,027	—	36,027	83,107
	163,302	218,060	381,362	701,190

4 Investment Income

	Unrestricted funds £	Restricted funds £	Year to 31 August 2013 Total funds £	17 month period to 31 August 2012 Total funds £
Interest receivable	729	—	729	698

Notes to the financial statements 31 August 2013

5 Funding for academy's educational operations

	Unrestricted funds £	Restricted funds £	Year to 31 August 2013 Total funds £	17 month period to 31 August 2012 Total funds £
DfE / EFA capital grant				
Devolved formula capital	—	61,323	61,323	27,947
Academies Maintenance grant	—	—	—	41,179
	—	61,323	61,323	69,126
DfE / EFA revenue grant				
General Annual Grant (GAG)	—	1,984,825	1,984,825	2,827,895
Other DfE / EFA	—	57,080	57,080	85,553
	—	2,041,905	2,041,905	2,913,448
Other government grants				
Local authority grants	—	243,443	243,443	289,770
	—	243,443	243,443	289,770
	—	2,346,671	2,346,671	3,272,344

6 Resources expended

	Non pay expenditure				
	Staff costs £	Premises £	Other costs £	Year to 31 August 2013 Total funds £	17 month period to 31 August 2012 Total funds £
Charitable activities					
School's educational operations					
Direct costs	1,415,963	165,396	165,527	1,746,886	2,515,316
Allocated support costs	621,702	315,048	292,147	1,228,897	1,202,146
	2,037,665	480,444	457,674	2,975,783	3,717,462
Governance costs	—	—	14,605	14,605	25,372
	2,037,665	480,444	472,279	2,990,388	3,742,834

Notes to the financial statements 31 August 2013

6 Resources expended (continued)

	Year to 31 August 2013 Total funds £	17 month period to 31 August 2012 Total funds £
Incoming resources for the year include		
Operating leases	14,071	14,071
Fees payable to auditor		
Statutory audit	8,400	8,200
Non statutory audit	1,000	1,000
Other services - current year	2,800	1,500
Other services - prior year under accrual	1,750	—

7 Charitable activities - academy's educational operations

	Unrestricted funds £	Restricted funds £	Year to 31 August 2013 Total funds £	17 month period to 31 August 2012 Total funds £
Direct costs				
Teaching and educational support staff costs	93,243	1,322,720	1,415,963	2,178,701
Depreciation	—	165,396	165,396	150,427
Educational supplies	—	44,929	44,929	53,217
Staff development	—	50,864	50,864	49,476
Staff recruitment	—	3,417	3,417	10,144
Other direct costs	9,111	57,206	66,317	73,351
	102,354	1,644,532	1,746,886	2,515,316
Allocated support costs				
Support staff costs	51,031	570,671	621,702	475,165
Recruitment and support	—	—	—	5,654
Other nursery costs	—	16,169	16,169	86,570
Maintenance of premises and equipment	95,242	101,593	196,835	239,895
IT costs	—	43,409	43,409	43,016
Cleaning	—	21,118	21,118	19,977
Rent and rates	6,648	35,973	42,621	50,063
Insurance	—	44,001	44,001	46,182
Security and transport	4,600	5,873	10,473	12,603
Catering	32,455	63,045	95,500	113,436
FRS 17 changes	—	17,000	17,000	16,000
Queens Park Primary Leadership Collaborative	—	46,070	46,070	—
Other support costs	2,862	71,137	73,999	93,585
	192,838	1,036,059	1,228,897	1,202,146
	295,192	2,680,591	2,975,783	3,717,462

Notes to the financial statements 31 August 2013

8 Governance costs

	Unrestricted funds £	Restricted funds £	Year to 31 August 2013 Total funds £	17 month period to 31 August 2012 Total funds £
Legal and professional fees	—	—	—	14,672
Auditor's remuneration	—	—	—	—
Audit services	—	9,400	9,400	9,200
Other services	—	3,050	3,050	—
Responsible officer services	—	1,500	1,500	1,500
Other expenses	—	655	655	—
	—	14,605	14,605	25,372

9 Staff costs

Staff costs during the period were

	Unrestricted funds £	Restricted funds £	Year to 31 August 2013 Total funds £	17 month period to 31 August 2012 Total funds £
Wages and salaries	144,274	1,502,803	1,647,077	2,181,613
Social security costs	—	104,944	104,944	140,327
Pension costs	—	223,979	223,979	269,585
	144,274	1,831,726	1,976,000	2,591,525
Supply teacher costs	—	61,665	61,665	62,341
	144,274	1,893,391	2,037,665	2,653,866

The average numbers of persons (including senior management team) employed by the School during the period expressed as full time equivalents was as follows

Charitable activities	2013 No	2012 No
Teachers	20	26
Administration and support	32	32
Management	4	4
	56	62

The number of employees whose annual emoluments fell within the following bands was

	2013 No	2012 No
£80,001 - £90,000	1	—
£90,001 - £100,000	—	1

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2013 pension contributions for this staff member amounted to £12,047 (2012 - £3,793)

Notes to the financial statements 31 August 2013

10 Governors' remuneration and expenses

The Executive Headteacher and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Executive 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 in respect of their role as trustees. The value of trustees' remuneration for the year to 31 August 2013 (2012 – 17 month period to 31 August 2012) was

	2013 £	2012 £
A McCormick, Executive Headteacher	85 – 90k	130 – 135k

During the year ended 31 August 2013 travel and subsistence expenses totalling £54 (2012 - £60) were reimbursed to one (2012 – one) governor

Other related party transactions involving the trustees are set out in note 24

11 Governors' and Officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,843,418 on any one claim and the cost for the year ended 31 August 2013 was £111 (2012 - £111)

12 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	IT Equipment £	Total funds £
Cost/valuation				
At 31 August 2012	2,468,792	29,890	18,107	2,516,789
Additions	149,474	109,736	98,031	357,241
At 31 August 2013	2,618,266	139,626	116,138	2,874,030
Depreciation				
At 31 August 2012	138,413	5,979	6,035	150,427
Charge in year	98,756	27,927	38,713	165,396
At 31 August 2013	237,169	33,906	44,748	315,823
Net book value				
At 31 August 2013	2,381,097	105,720	71,390	2,558,207
At 31 August 2012	2,330,379	23,911	12,072	2,366,362

The leasehold land and buildings value above relates to the academy site at Chestnut Avenue. As the site is designated for educational purposes only the land has no open market value and hence the value in these financial statements relates to the academy buildings only, which are included at a depreciated replacement cost valuation.

Notes to the financial statements 31 August 2013

13 Debtors

	2013 £	2012 £
Trade debtors	54,906	146,113
Prepayments	19,391	38,127
VAT debtor	42,502	9,958
Accrued income	—	16,353
	116,799	210,551

14 Creditors amounts falling due within one year

	2013 £	2012 £
Trade creditors	130,070	132,875
Accruals and deferred income	107,654	52,070
	237,724	184,945
Deferred income		
Deferred income at 1 September 2012	12,265	—
Resources deferred in the year	18,329	12,265
Released in the year	(12,265)	—
Deferred income at 31 August 2013	18,329	12,265

Deferred income related to £9,075 of pupil premium received in advance and £9,254 from the Academies Capital Maintenance fund which is to be spent in 2013/14

Notes to the financial statements 31 August 2013

15 Funds

	Balance at 1 September 2012 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2013 £
EFA revenue grant fund					
General Annual Grant (GAG)	35,184	1,984,825	(1,967,217)	—	52,792
Other EFA grants	—	57,080	(57,080)	—	—
	35,184	2,041,905	(2,024,297)	—	52,792
Pension reserve	(483,000)	—	(46,000)	31,000	(498,000)
	(447,816)	2,041,905	(2,070,297)	31,000	(445,208)
Fixed assets fund					
EFA capital grants	121,727	61,323	(15,592)	—	167,458
Academy building transferred from Local Authority	2,244,635	—	(95,179)	—	2,149,456
Unrestricted funds	—	—	(54,625)	295,918	241,293
	2,366,362	61,323	(165,396)	295,918	2,558,207
Other funds					
Other government grants	—	243,443	(243,443)	—	—
Queens Park Primary Leadership Collaborative	—	46,070	(46,070)	—	—
Other income	—	171,990	(169,990)	—	2,000
	—	461,503	(459,503)	—	2,000
Total restricted funds	1,918,546	2,564,731	(2,695,196)	326,918	2,114,999
Unrestricted funds					
General fund	128,112	179,293	(191,110)	—	116,295
Designated fund	400,000	—	(104,082)	(295,918)	—
Total unrestricted funds	528,112	179,293	(295,192)	(295,918)	116,295
Total funds	2,446,658	2,744,024	(2,990,388)	31,000	2,231,294

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

EFA revenue Grant

These grants relate to the academy's development and operational activities. This includes

General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2013. Note 1 discloses whether the limit was exceeded.

Pension reserve

The pension reserve relates to the Academy's Local Government Pension Scheme FRS17 liability for support staff.

Other restricted funds

This includes other specific income received towards ear marked projects/activities.

Notes to the financial statements 31 August 2013

15 Funds (continued)

Fixed assets fund

This fund relates to the tangible fixed assets of the Academy including unspent grants received to fund works of a capital nature

Designated fund

The designated fund relates to funds earmarked for planned future capital maintenance and development projects, this was fully utilised in the year

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds			Total 2013 £
		Restricted EFA funds £	Restricted other funds £	Restricted fixed asset fund £	
Fund balances at 31 August 2013 are represented by					
Tangible fixed assets	—	—	—	2,558,207	2,558,207
Current assets	116,295	290,516	2,000	—	408,811
Current liabilities	—	(237,724)	—	—	(237,724)
Pension scheme liability	—	(498,000)	—	—	(498,000)
Total net assets	116,295	(445,208)	2,000	2,558,207	2,231,294

17 Financial commitments

Operating leases

At 31 August 2013, the Academy had annual commitments under non cancellable operating leases as follows

	2013 £	2012 £
<u>Photocopier lease</u>		
Expiring within two and five years inclusive	14,071	14,071

Notes to the financial statements 31 August 2013

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

	2013 £	2012 £
Net (expenditure) income	(246,364)	5,221,149
Inherited pension deficit	—	261,000
Depreciation (note 12)	165,396	305,198
Capital grants from DfE and other capital income	(61,323)	(5,179,860)
Interest receivable (note 4)	(729)	(698)
Cash transferred on conversion of academy	—	(263,113)
Liabilities transferred on conversion	—	9,749
FRS 17 pension cost less contributions payable (note 23)	29,000	8,000
FRS 17 pension finance expense (note 23)	17,000	16,000
Decrease (increase) in debtors	93,752	(210,551)
Increase in creditors	52,779	184,945
Net cash inflow from operating activities	49,511	351,819

19 Returns on investment and servicing of finance

	2013 £	2012 £
Interest received	729	698
Net cash inflow from returns on investment and servicing of finance	729	698

20 Capital expenditure and financial investment

	2013 £	2012 £
Capital grants from DfE / EFA	61,323	69,126
Assets purchased	(357,241)	(137,317)
Net cash outflow from capital expenditure and financial investments	(295,918)	(68,191)

21 Analysis of changes in net funds

	At 1 September 2012 £	Cashflows £	At 31 August 2013 £
Cash in hand and at bank	537,690	(245,678)	292,012

22 Members' Liability

Each member of the Academy 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

23 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 Bedford Borough Council 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 2004 and of the LGPS was 31 March 2010

There were no outstanding or prepaid contributions at the end of the financial period

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract Teachers and lecturers are able to opt out of the TPS

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament 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 under arrangements governed by the above Act

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases) From 1 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

Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts First, a standard contribution rate (SCR) was determined This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service

23 Pension and similar obligations (continued)

Teachers' Pension Scheme (TPS) (continued)

Valuation of the Teachers' Pension Scheme (continued)

Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations 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 and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

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. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

23 Pension and similar obligations (continued)

Teachers' Pension Scheme (TPS) (continued)

Teachers' Pension Scheme Changes (continued)

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 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 just 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 were to be phased in from April 2012 on a 40/80/100% basis.

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 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 (LGPS)

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 2013 was £110,000 of which employer's contributions totalled £80,000 and employees' contributions totalled £30,000.

Principal Actuarial Assumptions	At 31 August 2013	At 31 August 2012
Rate of increase in salaries	5.1%	4.5%
Rate of increase for pensions in payment / inflation	2.8%	2.2%
Discount rate for scheme liabilities	4.6%	4.1%

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 2013	At 31 August 2012
<i>Retiring today</i>		
Males	21.6	21.6
Females	23.2	23.2
<i>Retiring in 20 years</i>		
Males	23.6	23.6
Females	25.6	25.6

23 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Expected return at 31 August 2013	Fair value at 31 August 2013 £	Expected return at 31 August 2012	Fair value at 31 August 2012 £
Equities	6.6%	555,000	5.5%	320,000
Bonds	4.0%	151,000	3.5%	105,000
Property	4.7%	63,000	3.7%	56,000
Cash	3.6%	24,000	2.8%	136,000
Total market value of assets		793,000		617,000
Present value of scheme liabilities		(1,291,000)		(1,100,000)
(Deficit) in the scheme		(498,000)		(483,000)

The actual return on scheme assets was £66,000

Amounts recognised in statement of financial activities	Year to 31 August 2013 £	17 month period to 31 August 2012 £
Current service costs (net of employee contributions)	109,000	120,000
Total operating charge	109,000	120,000

Analysis of pension finance income / (costs)

Expected return on pension scheme assets	30,000	46,000
Interest on pension liabilities	(47,000)	(62,000)
Pension finance costs	(17,000)	(16,000)

The actuarial gains and losses for the current period 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 loss of £167,000 (2012 - £198,000)

Movements in the overall deficit were as follows	2013 £	2012 £
At 1 September 2012	483,000	261,000
Current service cost	109,000	120,000
Employer contributions	(80,000)	(112,000)
Net finance interest	17,000	16,000
Actuarial (gain) loss	(31,000)	198,000
At 31 August 2012	498,000	483,000

23 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Movements in the present value of defined benefit obligations were as follows	2013 £	2012 £
At 1 September 2012	1,100,000	704,000
Current service costs	109,000	120,000
Interest costs	47,000	62,000
Employee contributions	30,000	46,000
Actuall loss	5,000	168,000
At 31 August 2013	1,291,000	1,100,000

Movements in the fair value of School's share of scheme assets	2013 £	2012 £
At 1 September 2012	617,000	443,000
Expected return on assets	30,000	46,000
Actuall gain (loss)	36,000	(30,000)
Employer contributions	80,000	112,000
Employee contributions	30,000	46,000
At 31 August 2013	793,000	617,000

The estimated value of the employer contributions for the year ended 31 August 2014 is £83,000

The experience adjustments are as follows

	2013 £	2012 £
Present value of defined benefit obligations	(1,291,000)	(1,100,000)
Fair value of share scheme assets	793,000	617,000
Deficit on the scheme	(498,000)	(483,000)
Experience adjustments on share of scheme assets	36,000	(30,000)
Percentage of scheme assets	4.5%	4.9%
Experience adjustments on scheme liabilities	—	—
Percentage of scheme liabilities	—	—

24 Related party transactions

Owing to the nature of the Academy's operations and the composition of the Board of Governors 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 Governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

There were no such transactions during the financial period (2012 – none)