

# REGISTRAR OF COMPANIES

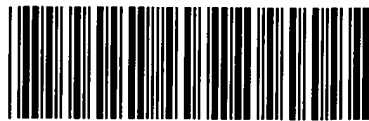
## Queens Park Academy

### Annual Report and Financial Statements

31 August 2015

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

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## Reference and administrative information

<b>Directors/Trustees/Members</b>	C Friend S Le Page A Thwaites (Headteacher) Q Stone (Chair)
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<b>Governors</b>	S Arif* E Bolton K Boucher* C Friend S Le Page Z Rana R Shaikh N Shepherd Q Stone (Chair)* L Tanner A Thwaites* D Workman* J Yildiz
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<b>Associate Governors</b>	J Petty* D Richardson*
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\* Members of the Business and Finance Committee

### Senior Leadership Team

Headteacher	A Thwaites
Assistant Heads	V Wilson E Bolton G Shreeves C Sweet (maternity leave) S Kirby (acting assistant head)
Facilities Manager	D Richardson

<b>Registered address</b>	Chestnut Avenue Bedford Bedfordshire MK40 4HA
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<b>Company registration number</b>	07566528 (England and Wales)
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## Reference and administrative information

**Auditor** Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

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

**Solicitors** Stone King LLP  
Boundary House  
91 Charterhouse Street  
London  
EC1M 6HR

## **Trustees' report 31 August 2015**

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 2015. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 39 to 42 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.

Four 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 have taken Year 5 (aged 10) in September 2015 as part of our move to become a primary school. 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 2015 and served throughout the period except where shown.

<b>Trustee</b>	<b>Appointed/Resigned</b>	<b>Appointing body</b>
V Tatum	Resigned August 2015	Chair
C Friend	Re-appointed March 2015	Parent body
S Le Page	Re-appointed March 2015	Vice Chair
A McCormick	Retired August 2015	Ex Officio
Q Stone	Appointed July 2015	Community
A Thwaites	Appointed September 2015	Ex-Officio

The following governors were in office at 31 August 2015 and served throughout the period except where shown.

<b>Governor</b>	<b>Appointed/Resigned</b>	<b>Appointing body</b>
V Tatum	Resigned August 2015	Chair
E Bolton	Re-appointed March 2015	Staff
C Friend	Re-appointed March 2015	Parent body
S Le Page	Re-appointed March 2015	Vice Chair
A McCormick	Retired August 2015	Ex-Officio
E Mullins	Resigned November 2015	Staff
S Arif	Appointed October 2014	Parent body
R Shaikh	Appointed April 2015	Community
Z Rana	Appointed November 2014	Parent body
A Thwaites	Resigned as staff governor December 2014 Appointed as associate governor December 2014	Associate governor
N Shepherd	Appointed January 2015	Community
L Rudd	Appointed February 2015 and resigned July 2015	Staff
Q Stone	Appointed July 2015	Community
D Workman	Appointed October 2014	Community
J Yildiz		Parent body
G Khan	Resigned February 2015	Staff
I Burrows	Appointed December 2014 Resigned January 2015	Community

**Method of recruitment and appointment or election of trustees/governors**

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

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

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Method of recruitment and appointment or election of trustees/governors** (continued)

In addition to their overall role as trustees, the trustees are also governors and they 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.

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 Headteacher each application will be considered by the Governing Body.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

### **Method of recruitment and appointment or election of trustees/governors (continued)**

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 Headteacher) would thereby exceed one third of the total number of Governors.

### **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 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 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 Headteacher and staff. 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.



## **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

### **Organisational structure (continued)**

During the year ended 31 August 2015 the Full Governing Body met four times; the Business and Finance Committee met three times; the Pay and Personnel Committee three times; and the Learning and Teaching Committee three times.

### **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 in order to manage the Academy's risks.

### **Connected organisations, including related party relationships**

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

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, Livingstone Lower school, and Kempton Rural 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 21<sup>st</sup> 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:

## OBJECTIVES AND ACTIVITIES (continued)

### Objects and aims (continued)

- ◆ 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:

*"I like break time because it makes us feel safe and I like ICT because it teaches us how to use computers and we'll have to use them in the future." Remy*

*"I like the learning goals because it makes the school an even better and happier place. I feel excited when I get a Head teacher's Award. It makes my heart pop up!" Maria*

*"I like it when the football coach comes because he teaches us all different skills. I remember getting Head teacher's awards for Literacy and Maths." Evan*

*"I like enrichment. I like art because it's creative, cooking because we can make yummy stuff and forest school because we did pond dipping and learnt about making homes for the creatures we found." Aayan*

### Objectives, strategies and activities

Development Plan Objectives for each Academic Year. All of our objectives are recorded, developed and evaluated using an online development tool – Schoolcentre.net.

Our core priorities are:

#### ***To develop and enhance the curriculum offered***

*So that:*

- ◆ The school demonstrates a response to the changes in the national curriculum
- ◆ Learners and teachers feel the relevance and excitement in the curriculum, thus realising 'an adventure in learning'.
- ◆ Learning is focused and immersed in actual real life experiences
- ◆ Standards continue to rise

**OBJECTIVES AND ACTIVITIES** (continued)

**Objectives, strategies and activities** (continued)

***To develop and enhance the curriculum offered*** (continued)

**Review:** This year teachers have reviewed the curriculum in line with the requirements of the new National Curriculum. This is particularly relevant in respect of the assessment processes – which changed significantly this year. All but Year 2 were subject to this change and this remains an on-going priority in to next year.

***To close any gaps in achievement***

*So that:*

- ◆ *Aspirations are raised for all children*
- ◆ *All children achieve and aspire to improve*
- ◆ *Pupil Premium funding is focused and effective*
- ◆ *High levels of wellbeing and involvement are maintained*

**Review:** We continue to raise aspiration across all aspects of learning and am pleased to advise that any gaps are closing. You will see from the results section that children in receipt of the Pupil Premium achieved excellent results – often out performing other children. In Key Stage 2 however there is still a gap and teachers will be focusing on this next year.

***To develop the pupil voice***

*So that:*

- ◆ *Learning is focussed on the children's interests and aspirations*
- ◆ *Children grow in confidence taking responsibility across a variety of roles and activities*
- ◆ *Peer review, student ambassadors, role models are all strategies enhancing achievement.*
- ◆ *Self-belief is sustained and promoted*

**Review:** This year the School Council continued and over the year we have discussed and acted upon a number of projects. This term the Council have reviewed our Golden Minutes system and suggested some improvements that Mrs Thwaites is going to consider for next year. The children have reviewed playtime activities, lunches, behaviour and charities for this term. Confidence in this group has grown over the year.

**OBJECTIVES AND ACTIVITIES** (continued)

**Objectives, strategies and activities** (continued)

***To develop the parent voice***

*So that:*

- ◆ *Parental contribution to learning is acknowledged and enhanced*
- ◆ *Family learning activities are supportive of parental aspirations*
- ◆ *Parents recognise and feel the partnership with the school*
- ◆ *Parents aspirations for their children are high*

**Review:** Families have been invited into school on a number of occasions this year. We are absolutely delighted with the level of support for our home activities – the standard of the children's work and their commitment to this has been outstanding this year. We are very grateful for all the help you have given us. We need to continue to work in partnership together and I know there are plans for this next year.

***To continue to develop and improve Governor partnership in the life of the school***

*So that:*

- ◆ *Relationships between governors and pupils, staff and parents is strong and focussed*
- ◆ *Governors feel confident in their knowledge and understanding of the school*
- ◆ *Governors are able to challenge the school to be the best it can be*

**Review:** This year we have been able to recruit a number of new governors. This has really enhanced the potential of our governing body to challenge and support our schools development. As over half of the Governing Body is new there have been a good deal of discussion and exploration of roles and responsibilities – supported very well by our outstanding clerk.

***To develop and enhance the links with the local community***

*So that:*

- ◆ *The transition to a primary school is as smooth as possible*
- ◆ *The school hears and responds to the local community and other significant stakeholders*
- ◆ *The school develops and actively promotes links with other schools*
- ◆ *The focus of the National Support School is maintained and developed*

## **OBJECTIVES AND ACTIVITIES (continued)**

### **Objectives, strategies and activities (continued)**

#### ***To develop and enhance the links with the local community (continued)***

**Review:** The transition to primary has been very smooth with over half of the current year 4 staying with us into year 5. We have been involved in a number of community projects this year – particularly in respect of the Community Orchard and the Diversity Carnival. We remain an active partner in the Bedford Borough Learning community and work closely with other schools on a number of projects. We are a member of Schools of Tomorrow which gives us access to support and challenge from schools across the country.

### **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.

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

## **STRATEGIC REPORT**

### **Achievements and performance**

#### ***Review of activities***

Our priorities for this year were:

- ◆ Attainment & Achievement
- ◆ Attendance
- ◆ Behaviour
- ◆ Parental Engagement
- ◆ Celebrations
- ◆ Key Priorities for next year

## STRATEGIC REPORT (continued)

### Achievements and performance (continued)

#### *Review of activities (continued)*

##### *Attainment (assessment results)*

Each year we are required to assess the children at the end of their Reception Year (age 5); at the end of Year 1 in terms of phonics screening and at the end of Year 2 (aged 6/7) in reading, writing and maths. We also assess children at the end of Year 1, 3 and 4 as part of our internal assessment processes. As currently Year 4 is our final year we have continued to include the results for that year in this report. However as we will have Year 5 next year and then Year 6 so the focus will move to these years groups then.

#### ◆ **Reception**

This is the third year of assessing children in Reception against the new criteria. Children are assessed as 'emerging', 'expected' or 'exceeding' the appropriate standard and are expected to achieve a 'good level of development' (GLD) by the end of their reception year. Children are defined as having made a good level of development if they achieve at least the expected level in -

- ◇ the Early Learning Goals in the **prime** areas of learning ( Personal, Social and Emotional Development, Physical Development and Communication and language); and
- ◇ In the Early Learning Goals in the **specific** areas of Mathematics and Literacy.

Overall 36.7% of the Reception cohort achieved a GLD – this compares to 22.5% % last year which is an excellent improvement. However this remains below the national expectation. It does reflect our context however, as many of our children finish the Foundation Stage at the emergent level – especially in Communication and Literacy. Looking at the outcomes of the 'core' group of 54 children (children who have been with us for all of the Foundation Stage), the overall GLD is slightly higher at 38.9%. Girls are outperforming boys attaining a GLD (43.1% to 28.2%). The 29 pupil premium children have attained slightly ahead of their non-pupil premium peers (37.9% to 36.1%).

#### ◆ **Year 1 Phonics Screening**

Of the 89 pupils taking the Year 1 Phonics Test, 48 (53.9%) achieved the required pass mark or above. Girls did better than boys in the test, with 60.9% of girls achieving the expected level compared to 46.5% of the boys. This is well below the national outcome in 2014 of 74% overall (70% boys and 78% girls). Although fewer pupils achieved the threshold mark, there has been an increase in the number of pupils achieving above 10 marks in the test compared to 2014. We will be continuing to work on phonics with the children as it is an important part of learning how to read.

**STRATEGIC REPORT** (continued)

**Achievements and performance** (continued)

**Review of activities** (continued)

**Attainment (assessment results)** (continued)

◆ **Year 2**

This year our attainment results have gone down in comparison to the past 2 years - see chart below. However the results for children receiving the Pupil Premium have improved in Reading and in Maths. (We receive additional funding for children entitled to the Pupil Premium and details are included on our website). Given it is a significant investment we have detailed the assessment comparisons. We are disappointed that the attainment has not continued to rise however this is sometimes the case when we look at different cohorts. You will see from the achievement section that progress is much improved however.

Next steps into the coming academic year are more use of 'Talk for Writing' techniques, tracking the progress of writing intervention groups more closely and to cross reference groups on the provisions maps. 'Reading partner' work will continue with assessments used to judge pupils' understanding of comprehension and grammar.

Subject	2013	2014	2015	<i>National Expectation</i>
Reading	14.4	14.5	<b>14.0</b>	16.3
Writing	14.0	13.7	<b>12.9</b>	14.9
Maths	14.7	14.5	<b>14.1</b>	16.1

**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). This is the last year that attainment will be assessed using the points system.

**Pupil Premium Results** - The 26 pupil premium children attained well in comparison to their non- pupil premium peers and in Reading and Maths exceeded the National Expectation.

Subject	2013	2014	2015	<i>National Expectation</i>
Reading	14.3	14.7	<b>15.1</b>	14.8
Writing	13.6	13.7	<b>13.4</b>	13.5
Maths	14.8	15.0	<b>15.1</b>	14.7

**STRATEGIC REPORT** (continued)

**Achievements and performance** (continued)

***Review of activities*** (continued)

*Attainment (assessment results)* (continued)

**Year 4 – this year assessments were made against the new National Curriculum.**

The new assessment process expects that children will be working within a band for their year group – hence for Year 4, Band 4. This change is significant in that expectations have been raised with standards set that are much higher than previous years.

Of the 85 pupils currently in Year 4, 31 pupils are working at or above age related expectations in reading, with 6 of these working above expectations. This means that the majority of pupils are working below age related expectations (63.5%) in reading. In writing, just 17 pupils are working in line with expectations, with no pupils exceeding. 80% of pupils remain working below age related expectations. In mathematics, 35.3% of pupils are either working in line or above age related expectations (4 pupils working above).

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

Overall for children who have been with us for all of Years 3 and 4 57% are working within Band 4 in Reading, 39% in Writing and 57% in Maths.

The Year Group leader has identified a number of actions to address issues emerging from this year's data and to address the expectations of the new primary curriculum. These will commence from the start of term in September. There will be weekly pupil progress meetings taking the place of the more general standards' meeting already in place. There will be a more rigorous teaching of grammatical skills for all pupils and the use of 'Sounds Write' to support pupils who still require this approach. In mathematics, a focus on numerical skills from the start of the term with 'First Class @number' to begin straight away for targeted groups in September.

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 term of achievement we expect the children to make at least 8 points of progress between the beginning of Year 1 and end of Year 2. (Once again this is the last year that progress will be assessed in this way). Next year, Year 2 will be assessed against the new National Curriculum as the current situation for Year 4.

This year we are unable to make a progress comparison at Year 4 due to the changes in the assessment criteria. However in 2016 we will be able to compare results to 2015.



**STRATEGIC REPORT** (continued)

**Achievements and performance** (continued)

*Review of activities* (continued)

**Year 2 (expectation = 8 points)**

Subject	2013	2014	2015
Reading	9.2	9.0	<b>9.7</b>
Writing	9.3	9.1	<b>8.9</b>
Maths	9.7	8.8	<b>9.3</b>

We are pleased to say that the results have exceeded the 8 points expected and in Reading and Maths they have exceeded progress from last year. This is a very good result given the concerns over the drop in attainment. Overall, the Year 2 teaching team members are pleased with the progress made by pupils across all three subjects. Writing remains a focus for next year as previously advised.

*Attendance*

This year our target for the children's attendance was 96%. This is the expected standard across the country, yet remains a challenging target for our community. This year we nearly made 95% (94.9!). We have worked with a number of families to improve attendance and have been monitoring others quite closely. We do not authorise any 'holidays' in term time and we have encouraged families to let us know of any 'unforeseen' events so that the children's record of attendance can be supported.

We continue to meet with those families whose attendance falls below 85% (Persistently Absent).

The school is judged by Ofsted on its attendance data and children who miss even 5% of their time at school suffer in their progress. 5% is equivalent to half a day off each week!

	2011-12	2012-13	2013-14	2014-15
<b>Overall</b>	93.8%	94.2%	94.9	<b>94.9</b>
<b>Yr R</b>				<b>92.3</b>
<b>Yr 1</b>	92.5	93.4	92.9	<b>93.4</b>
<b>Yr 2</b>	94.4	93.5	95.0	<b>94.4</b>
<b>Yr 3</b>	94.0	95.4	95.7	<b>95.4</b>
<b>Yr 4</b>	94.3	94.6	95.9	<b>96.2</b>

## STRATEGIC REPORT (continued)

### Achievements and performance (continued)

#### *Review of activities (continued)*

##### *Attendance (continued)*

Attendance this year remains very similar to last year's results. Many congratulations to the Year 4 children however as they achieved the challenging target of 96%! All other year groups achieved a similar result to last year – and this year we have included the Reception result as you will see we need to improve in this year group.

One of the ways in which we can improve on our attendance is to ensure that those children who have a 'persistent absence' (PA) is as few as possible. A child is considered to be Persistently Absent if they attend for less than 85% of the year. (15% absent equates to 1 ½ days off every week!!!). This has a significant effect on the children's learning and must be avoided.

Our PA record has improved considerably over previous years, and this year it is excellent with only 13 children out of 336 (statutory school age) regarded as persistently absent. The table below shows that 3.8% of children were persistently absent. The aim however must be 0%!

	2012-13	2013-14	2014-15
<b>PA</b>	5.54%	3%	<b>3.8% *</b>

This year the benchmark for Persistently Absent children remained at 85%, however for next year this has been raised to 90% - which is a challenging target for us. To help us to improve on PA results, any families who fall below 90% will be asked to come to school to discuss why this is. These meetings have been very successful in the past and we have helped a number of families celebrate better attendance.

##### *Behaviour*

Behaviour at our school remains 'outstanding'. We have a rigorous policy for promoting positive behaviour and this is followed without exception. This year our Early Intervention Officer and our Learning Mentor have both been working with children who find managing their behaviour difficult and this has been very successful.

We continue to support those children who sometimes forget about our school rules and we celebrate regularly when children demonstrate our values that underpin the schools success. All team leaders monitor closely any behavioural issues to ensure that concerns are addressed immediately as we support the children in their tolerance and respect of each other. Our Learning Goals/Values that were launched this year have been particularly effective.

## **STRATEGIC REPORT** (continued)

### **Achievements and performance** (continued)

#### ***Review of activities*** (continued)

##### *Behaviour* (continued)

The Heads of our World Families (Africa, America, Asia, and Australia) act as role models to all the children and our 'competition' to win the World Cup each year sustains the effort to behave well.

This year we have asked our parents to evaluate our school by using the Ofsted Questionnaire on line again. At the time of writing this booklet we have had 37 responses in this academic year and we continue to support parents with accessing this site on Independent Learning Days.

97% of parents responding felt that their child was happy at school and 92% of parents said they would recommend our school to other families. This is an improvement on the results from last year. The results of the survey can be viewed at any time. Please follow this link - <https://parentview.ofsted.gov.uk/parent-view-results/survey/result-print/23739/current>

##### *Parental engagement*

We continue to value the support offered by our parents and continually look for ways in which we might support you with your child's learning. Thank you very much for joining us on Family Learning Trips – this year we tried to make sure they were outside of the Ramadan period as requested by a number of families. They have proven to be very successful over the years.

Attendance at our assemblies this year has also been very good. We were particularly pleased to see our Early Years hall packed out (before we had the flood!) and certainly events on the CA site are also very well attended.

We had to relocate our Early Years children to the Neighbourhood Centre as a result of the flood just before half term. We would just like to comment on this in this section as the support we have received from the community has been outstanding. The transition for the children – so ably handled by the Early Years team – has ensured that the children enjoyed the adventure rather than being upset by it. Everyone in the community has come to our aid to help us – we are extremely grateful.

##### ***Key celebrations this year***

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

**English Speaking Union** – every year we take part in the Bedford Lower Schools competition of public speaking. This year the standard was extremely high and we did not win an award this time. However we did host a very special event for the ESU at school to launch a book on English speaking and listening. We helped develop this resource for the ESU and it was wonderful to see our children demonstrate some of the activities for a very special invited audience.

## **STRATEGIC REPORT** (continued)

### **Achievements and performance** (continued)

#### ***Key celebrations this year*** (continued)

**Musical success this year** – As usual we have taken part in a variety of musical events this year – included the Bedford Festival of Music and Drama.

**Sporting achievements** – Our membership of the Sports Partnership this year has allowed us access to level 2 and 3 competitions and training opportunities for staff. It has also provided sports leaders as role models. This year we taken part in a lot of competitions often coming first in competition with other local lower schools and competing in many new sports for the first time – golf, cross country and tennis.

We celebrated National Sports week – which was extremely successful with the children trying out some new activities.

We are also delighted to advise that this year we have achieved the Silver Sports award. Very well done to everyone involved in this.

**Visit to the Houses of Parliament and to the Mayor's Parlour** – Year 4 school councillors were shown around the Houses of Parliament by our MP Mr Richard Fuller and Years 1 - 3 visited the Mayor's Parlour. Both visits were planned to help the children understand the importance of democracy and accountability in their roles.

#### **Key priorities for 2015-16**

As usual the Governing Body met to review the year past and agree the priorities for this year. We will continue to use the four Schools of Tomorrow areas to provide a framework for our priorities so we can build on what is already going on at QPA.

We have set some challenging targets around our achievement particularly in light of the changes to the curriculum and assessment but we feel that it is always better to aim high.

#### ***Achievement***

- ◆ 50% of matched children to reach their age expectation in maths, reading and writing (GLD in Early Years);
- ◆ staff to moderate evidence across the School and externally to ensure confidence in assessment against NC and EYFS in maths, English and science.

#### ***Family and community engagement***

- ◆ increased evidence of parental/business links in curriculum;
- ◆ family focus groups;
- ◆ governor photos and evidence of the work of governors in school and on website;
- ◆ increased evidence of parent voice; and

**STRATEGIC REPORT** (continued)

**Key priorities for 2015-16** (continued)

*Family and community engagement (continued)*

- ♦ continue and strengthen links with partners.

*Wellbeing*

- ♦ monitoring of wellbeing for all children
- ♦ home visits for all children
- ♦ item on pupil progress meetings every two weeks
- ♦ review of staff processes and procedures to include induction, supervision, performance management, coaching and mentoring
- ♦ increase governor awareness of wellbeing and involvement

*Preparation for adult life*

- ♦ involvement and opportunities for all in enrichment activities
- ♦ new life skills areas developed on both sites
- ♦ increased evidence of pupil voice
- ♦ development of consistent problem solving tools across the school

## **STRATEGIC REPORT (continued)**

### **Going concern**

From October 2015 the Academy had several changes in the Board of Trustees, a new Head Teacher and a new Chair Of Governors. At this point it was discovered that Queens Park Academy did not have adequate resources to continue to operate as previously. A deficit was forecast for 2015/16 and a challenging cash flow position was identified. The business manager left. Since then experienced colleagues from other local academies have helped staff produce a cash flow plan that ensures running costs, including the wage bill, are covered and that we can clear our outstanding debts. We anticipate addressing the current cash flow difficulties by March 2016. We are already making good progress to achieve this. We have already paid over a third of our creditors off completely. We have set up a team that consists of the head teacher, the facilities manager, the office manager and the finance clerk to authorise the payment of all invoices. A new finance committee has been created, led by the Chair of Governors and staffed by governors with financial experience to provide robust challenge. We have started to track all monies owing to us much more carefully than previously and plan to widen the range of our suppliers and contractors and use benchmarking information more thoroughly. We are actively pursuing other funding streams with the help of a newly formed bidding committee and a 'Friends of Queens Park Academy' made up of parents, staff and any other supportive members of the community. The staffing structure for 2015/16 was designed to eliminate the need for external supply as much as possible and this has produced substantial savings already. We aim to be in a position to start to rebuild our reserves in line with policy by the summer of 2016.

After making appropriate enquiries and considering the points above, the Board of Trustees have 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.

### **Financial review**

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.

The total income for the period was £2,979,534 (2014 - £2,723,093). Included within this balance was the General Annual Grant of £1,890,823 (2014 - £1,896,798) (see note 4).

**Financial review** (continued)

Excluding the fixed assets fund the Academy incurred a deficit of £272,233 (2014 – 128,190) before transfers.

At 31 August 2015, the School had total funds of £1,374,440 (2014 - £1,736,347). This was comprised of £1,374,440 (2014 - £1,696,951) of restricted funds and £ nil (2014 – £39,396) 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 £884,000 (2014 – £795,000) at 31 August 2015 and is included within restricted funds.

The results for the period are shown on page 36.

**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 2015 were £nil which is below the minimum targeted in the reserves policy. As noted on page 20 the Academy has put in place a number of strategies to improve its financial position with the aim of building reserves in line with the policy.

The Academy has a pension scheme liability of £884,000 as at 31 August 2015 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.

**STRATEGIC REPORT** (continued)

**Financial and risk management objectives and policies** (continued)

***Principal risks and uncertainties*** (continued)

*Investment policy*

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

**AUDITOR**

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.

Trustees' report, incorporating a strategic report, approved by order of the members of the board of trustees on **18/12/2015** and signed on its behalf by:

Q Stone  
Chair



18/12/15



**Scope of responsibility**

As Trustees, 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 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 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:

<b>Governor</b>	<b>Number of meetings attended</b>	<b>Out of a possible</b>
V Tatum	4	4
E Bolton	4	4
C Friend	4	4
S Le Page	4	4
A McCormick	4	4
E Mullins	4	4
S Arif	2	2
R Shaikh	3	4
Z Rana	1	2
A Thwaites	1	1
N Shepherd	2	2
Q Stone	0	0
G Khan	2	3
L Rudd	1	2
D Workman	3	3
J Yildiz	4	4

*Governance Review*

At the end of the summer term 2014 it was identified that the governing board was in need of expansion and lacked experience/expertise particularly in relation to finance, premises and community engagement.

**Governance** (continued)

*Governance Review (continued)*

With the help of the School Governors One-Stop Shop and Bedford Borough Council additional governors were appointed in the autumn term. A parent election was also held asking for financial expertise and we were successful in that an appropriate person self-nominated and was elected.

With new members on board the skills audit was carried out in order to assess further needs as and when they arose or if an application was received to assess if the skill set could be enhanced. We shall be updating the skills audit in the spring term.

The 20 Questions exercise was the board's self-evaluation exercise for 2014-15 and is a work in progress that is slightly behind schedule due to the unexpected events of this term but included on the work plan for 2015-16.

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

- ◆ To provide guidance and assistance to the 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.
- ◆ 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
C Friend (Chair)	3	3
A McCormick	3	3
E Mullins	3	3
S Arif	2	2
D Richardson	3	3
J Yildiz	3	3

**Governance** (continued)

*Governance Review (continued)*

The Audit Committee (Scrutiny) is also a sub-committee of the main Governing Body. 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, reviewing 'actual' expenditure against budget in line with the business needs of the Academy.

Governor	Meetings attended	Out of a possible
C Friend	3	3
A McCormick	3	3
E Mullins	3	3

**Review of value for money**

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

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

**Value for money statement -Year ended 31 August 2015**

*Improving educational results*

Our priorities for this year were to develop and enhance the curriculum offered, to close any gaps in achievement, to develop the pupil voice, to develop the parent 'voice', to continue to develop and improve Governor Partnership in the school life and to develop and enhance the links with the local community. All of these areas are addressed above within Objectives, strategies and activities.

*Collaboration*

- ◆ We continue to support the Teaching School Status with Peter Pan & Southways Nursery Federation which was achieved within the year.
- ◆ We were very successful with the Schools Direct programme and have employed 4 of the now qualified teachers with placements in the school for 2015/16 in Years 2 and 4. We are continuing with this programme for 2015/16.
- ◆ We were successful in attaining Primary status and became a Primary School for September 2015.

**Review of value for money** (continued)

***Value for money statement -Year ended 31 August 2015 (continued)***

*Financial governance and oversight*

- ◆ Financial regulations implemented to ensure separation of duties within the procurement process and delegated authorities. Ensuring a minimum of 3 quotes are obtained for any purchase over £5000.
- ◆ Budget approved by Full Governing Body at the beginning of the year. This is then reviewed in detail by the Scrutiny Committee throughout the year to both challenge efficiency and effectiveness ensuring audit compliance and budget controls.
- ◆ All purchase orders are authorised by delegated budget holders
- ◆ Clear segregation of duties for order process, goods receipt, invoice payment and Bank Account reconciliation.
- ◆ Plans provided for capital and project expenditure items, reviewed and approved at Governor meetings.

*Better Purchasing*

- ◆ Streamlined process for tenders in compliance with EFA financial manual and audit compliance.
- ◆ All contracts reviewed annually or when due for best value for money.
- ◆ Economy of Scale is used where possible for large purchases and at times in collaboration with schools within the external service level agreements.

*Better Income generation*

- ◆ Monitoring of student numbers in line with Census returns to ensure we receive all funding where applicable.
- ◆ Liaising with LA for SEN and Children in Need for specific funding
- ◆ Improved invoicing for Community Nursery payments.
- ◆ External Facilities Service Level Agreements.
- ◆ Seeking other income streams including grants

*Reviewing controls and managing risk*

- ◆ Risk Management – Implementation of the following Policies:
  - ◇ Fixed Asset, Gifts & Hospitality, Risk Management, Fraud and Whistleblowing.
- ◆ Periodic internal assurances visits.

**Review of value for money (continued)**

***Value for money statement -Year ended 31 August 2015 (continued)***

***Reviewing controls and managing risk (continued)***

- ◆ Independent External Full Audit is carried out once a year and findings reported to the Full Governors Meeting.
- ◆ Periodic budget reports.

**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 2015 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is an ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year ended 31 August 2015 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 should include:

- ◆ 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 risk and control framework** (continued)

While all of these systems were implemented during the year there were a number of instances where some were not operating effectively. In particular:

- ◆ While budgets and management accounts were produced, these were not always accurate and the financial position of the Academy was not communicated effectively to the Governors which lead to a delay in action being taken to rectify the challenging Financial position the Academy finds itself in which includes a deficit for 2015/16 and a challenging cash flow position;
- ◆ Information recorded on the financial accounting system was not always classified accurately, making it more difficult for the Academy to monitor its financial position;
- ◆ The Academy's Procurement policies and procedures were not always followed with regards to a tender process and authorisation of invoices; and
- ◆ Errors in VAT accounting and information requested by HMRC not being provided in a timely fashion have led to a penalty charge being payable.

The Academy has already started to address these issues and has taken the following actions:

- ◆ The Academy has now sought help from other local academies to produce a cash flow plan that ensures running costs, including the wage bill, are covered and outstanding debts can be cleared. We anticipate addressing the current cash flow difficulties by March 2016. We are already making good progress in achieving this.
- ◆ We have set up a team that consists of the head teacher, the facilities manager, the office manager and the finance clerk to authorise the payment of all invoices.
- ◆ A new finance committee has been created, led by the Chair of Governors and staffed by governors with financial experience to provide robust challenge.
- ◆ We have started to track all monies owing to us much more carefully than previously and plan to widen the range of our suppliers and contractors and use benchmarking information more thoroughly.

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 the external auditor to provide internal assurance and perform a range of checks on the Academy's financial systems. The internal assurance role includes giving advice on financial matters and reviewing checks on the Academy's financial systems. On a periodic basis, a report will be provided to the governors on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. The internal assurance work has been delivered as planned and no material control issues arose as a result of the internal assurance work.

## Governance statement 31 August 2015

### Review of effectiveness

As Accounting Officer, the 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 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.

The Accounting Officer has advised the Business and Finance Committee of the implications of the result of the 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:



Q Stone  
Chair



A Thwaites  
Headteacher and Accounting Officer

Approved on: 18/12/15

**Statement on regularity, propriety and compliance 31 August 2015**

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.

Instances of irregularity, impropriety or funding non-compliance were discovered, where the levels of controls and financial reporting as required by the Academies Financial Handbook were not maintained. Details of these irregularities, improprieties and funding non-compliance are provided in the Governance Statement on pages 27 and 28.

Other than these instances, I confirm that no other 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 board of governors and EFA.

A Thwaites  
Accounting Officer

*A. Thwaites*

Date: *18/12/2015*



## Statement of trustees' responsibilities 31 August 2015

The trustees (who 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/DfE 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 *15<sup>th</sup> December* and signed on its behalf by:

Q Stone  
Chair of Trustees

*Q Stone*  
*18/12/15*

**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 2015 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 2014 to 2015 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, including the strategic 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.

**Emphasis of matter – going concern**

The financial statements have been prepared on a going concern basis. In forming our opinion we have considered the adequacy of the disclosures made in the financial statements concerning the future viability of the Academy. Details of the circumstances relating to the going concern position are described in the Trustees' report and in the Statement of Accounting Policies. We consider that these disclosures need to be brought to the reader's attention in view of their significance. Our opinion is not qualified in this respect.

**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 2015 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 2014 to 2015 issued by the Education Funding Agency.

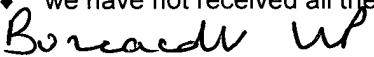
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the trustees' 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.

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

18/12/15

**Independent reporting accountant'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 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Queens Park Academy during the year from 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 accountant**

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 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

**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**

Instances of irregularity, impropriety or funding non-compliance were discovered, where the levels of controls and financial monitoring and reporting as required by the Academies Financial Handbook were not maintained. Details of these irregularities, improprieties and funding non-compliance are provided in the Governance Statement on pages 27 and 28.

In the course of our work, no other instances of irregularity, impropriety or funding non-compliance were discovered and nothing else has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London  
EC2V 6DL

18/12/15

# Statement of financial activities 31 August 2015

(including income and expenditure account and statement of recognised gains and losses)

			Restricted funds				
	Notes	Un-restricted general funds £	EFA £	Other £	Fixed asset fund £	2015 Total funds £	2014 Total funds £
<b>Incoming resources</b>							
Incoming resources from generated funds							
. Activities for generating funds	2	83,613	—	78,802	—	162,415	307,319
. Investment income	3	543	—	—	—	543	256
Incoming resources from charitable activities							
. Funding for the academy's educational operations	4	—	2,097,102	541,821	84,749	2,723,672	2,400,520
Other income		92,904	—	—	—	92,904	14,998
<b>Total incoming resources</b>		<b>177,060</b>	<b>2,097,102</b>	<b>620,623</b>	<b>84,749</b>	<b>2,979,534</b>	<b>2,723,093</b>
<b>Resources expended</b>							
Charitable activities							
. Academy's educational operations	6	83,838	2,446,807	620,623	175,423	3,326,691	2,961,890
Governance costs	7	—	15,750	—	—	15,750	18,150
<b>Total resources expended</b>	5	<b>83,838</b>	<b>2,462,557</b>	<b>620,623</b>	<b>175,423</b>	<b>3,342,441</b>	<b>2,980,040</b>
<b>Net income (expenditure) for the year before transfers</b>							
		93,222	(365,455)	—	(90,674)	(362,907)	(256,947)
<b>Transfer between funds</b>	14	(132,618)	79,106	—	53,512	—	—
<b>Other recognised gains and losses</b>							
Actuarial gain (loss) on defined benefit pension scheme	22		1,000			1,000	(238,000)
<b>Net movement in funds</b>		(39,396)	(285,349)	—	(37,162)	(361,907)	(494,947)
<b>Reconciliation of funds</b>							
Fund balances brought forward at 1 September 2014		39,396	(795,000)	2,000	2,489,951	1,736,347	2,231,294
<b>Fund balances carried forward at 31 August 2015</b>		—	(1,080,349)	2,000	2,452,789	1,374,440	1,736,347

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

# **Balance sheet** 31 August 2015

	Notes	2015 £	2015 £	2014 £	2014 £
<b>Fixed assets</b>					
Tangible fixed assets	11		2,452,789		2,444,143
<b>Current assets</b>					
Debtors	12	59,198		58,375	
Cash at bank and in hand		63,067		114,067	
		<u>122,265</u>		<u>172,442</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(316,614)</u>		<u>(85,238)</u>	
<b>Net current (liabilities) assets</b>			<u>(194,349)</u>		<u>87,204</u>
Total assets less current liabilities			2,258,440		2,531,347
Pension scheme liability	22		(884,000)		(795,000)
<b>Net assets including pension scheme liability</b>			<u>1,374,440</u>		<u>1,736,347</u>
<b>Funds of the Academy</b>					
Restricted funds					
. Fixed assets fund	14		2,452,789		2,489,951
. EFA fund	14		(196,349)		—
. Other restricted funds	14		2,000		2,000
. Pension reserve	14		(884,000)		(795,000)
			<u>1,374,440</u>		<u>1,696,951</u>
Unrestricted funds					
. General fund	14		—		39,396
<b>Total funds</b>			<u>1,374,440</u>		<u>1,736,347</u>

The financial statements on page 36 to 56 were approved by the Trustees, and authorised for issue on 18<sup>th</sup> December 2015 and are signed on their behalf by:

Q Stone  
Chair

*Q Stone*  
18/12/15

## Cash flow statement 31 August 2015

	Notes	2015 £	2014 £
<b>Net cash inflow (outflow) from operating activities</b>	17	<b>47,777</b>	(163,508)
Returns on investment and servicing of finance	18	543	256
Capital expenditure	19	(99,320)	(14,693)
<b>Decrease in cash in the period</b>	20	<b>(51,000)</b>	(177,945)
<b>Reconciliation of net cash flow to movement in net funds:</b>			
Net funds at 1 September 2014		114,067	292,012
<b>Net funds at 31 August 2015</b>		<b>63,067</b>	114,067



### **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 2014 to 2015 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**

From October 2015 the Academy had several changes in the Board of Trustees, a new Head Teacher and a new Chair Of Governors. At this point it was discovered that Queens Park Academy did not have adequate resources to continue to operate as previously. A deficit was forecast for 2015/16 and a challenging cash flow position was identified. The business manager left. Since then experienced colleagues from other local academies have helped staff produce a cash flow plan that ensures running costs, including the wage bill, are covered and that we can clear our outstanding debts. We anticipate addressing the current cash flow difficulties by March 2016. We are already making good progress to achieve this. We have already paid over a third of our creditors off completely. We have set up a team that consists of the head teacher, the facilities manager, the office manager and the finance clerk to authorise the payment of all invoices. A new finance committee has been created, led by the Chair of Governors and staffed by governors with financial experience to provide robust challenge. We have started to track all monies owing to us much more carefully than previously and plan to widen the range of our suppliers and contractors and use benchmarking information more thoroughly. We are actively pursuing other funding streams with the help of a newly formed bidding committee and a 'Friends of Queens Park Academy' made up of parents, staff and any other supportive members of the community. The staffing structure for 2015/16 was designed to eliminate the need for external supply as much as possible and this has produced substantial savings already. We aim to be in a position to start to rebuild our reserves in line with policy by the summer of 2016.

After making appropriate enquiries and considering the points above, the Board of Trustees have 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.

### **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.

**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:

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 and the assets are held separately from those of the academy.

**Pensions Benefits** (continued)

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 22, 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 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, Bedford Borough Council.

## Notes to the financial statements 31 August 2015

### 1 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the Academy was subject to limits at 31 August 2015 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 2015.

### 2 Activities for Generating Funds

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Hire of facilities	23,389	—	23,389	19,320
Catering income	—	26,536	26,536	39,422
Consultancy income	—	—	—	3,272
Community Nursery	—	52,266	52,266	167,047
Miscellaneous income	60,224	—	60,224	78,258
	<u>83,613</u>	<u>78,802</u>	<u>162,415</u>	<u>307,319</u>

### 3 Investment Income

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Interest receivable	543	—	543	256

### 4 Funding for academy's educational operations

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
<b>DfE / EFA capital grant</b>				
Devolved formula capital	—	84,749	84,749	55,062
	<u>—</u>	<u>84,749</u>	<u>84,749</u>	<u>55,062</u>
<b>DfE / EFA revenue grant</b>				
. General Annual Grant (GAG)	—	1,890,823	1,890,823	1,896,798
. Other DfE / EFA	—	339,143	339,143	220,699
	<u>—</u>	<u>2,229,966</u>	<u>2,229,966</u>	<u>2,117,497</u>
<b>Other government grants</b>				
. Local authority grants	—	408,957	408,957	227,961
	<u>—</u>	<u>408,957</u>	<u>408,957</u>	<u>227,961</u>
	<u>—</u>	<u>2,723,672</u>	<u>2,723,672</u>	<u>2,400,520</u>

## Notes to the financial statements 31 August 2015

### 5 Resources expended

	Staff costs £	Non pay expenditure		2015 Total funds £	2014 Total funds £
		Premises £	Other costs £		
Charitable activities					
. School's educational operations					
.. Direct costs	1,489,363	175,423	278,597	1,943,383	1,758,696
.. Allocated support costs	833,254	234,009	316,045	1,383,308	1,203,194
	<u>2,322,617</u>	<u>409,432</u>	<u>594,642</u>	<u>3,326,691</u>	<u>2,961,890</u>
Governance costs	—	—	15,750	15,750	18,150
	<u>2,322,617</u>	<u>409,432</u>	<u>610,392</u>	<u>3,342,441</u>	<u>2,980,040</u>

	2015 Total funds £	2014 Total funds £
<b>Incoming resources for the year include:</b>		
Operating leases	15,093	3,233
Fees payable to auditor		
. Statutory audit	8,800	8,600
. Non statutory audit/assurance	3,500	3,300
. Other services	2,500	2,400

**6 Charitable activities - academy's educational operations**

	2015 Total funds £	2014 Total funds £
<b>Direct costs</b>		
Teaching and educational support staff costs	1,489,363	1,431,722
Depreciation	175,423	174,565
Educational supplies	176,624	47,605
Staff development	30,471	35,370
Staff recruitment	790	—
Other direct costs	70,712	69,434
	<b>1,943,383</b>	<b>1,758,696</b>
<b>Allocated support costs</b>		
Support staff costs	833,254	757,373
Other nursery costs	3,565	4,210
Maintenance of premises and equipment	106,182	85,985
IT costs	112,026	18,256
Cleaning	17,735	20,129
Rent and rates	53,477	39,652
Insurance	34,505	66,459
Security and transport	22,110	21,712
Catering	88,456	55,507
FRS 17 charges	11,000	13,000
Other support costs	100,998	120,911
	<b>1,383,308</b>	<b>1,203,194</b>
	<b>3,326,691</b>	<b>2,961,890</b>

**7 Governance costs**

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Auditor's remuneration:				
. Audit/assurance services – current year	—	12,300	12,300	7,200
. Audit/assurance services – prior year	—	750	750	2,400
. Other services	—	2,700	2,700	7,950
Other expenses	—	—	—	600
	—	15,750	15,750	18,150

## 8 Staff

### (a) Staff costs

Staff costs during the period were:

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Wages and salaries	—	1,854,022	1,854,022	1,743,619
Social security costs	—	108,102	108,102	106,615
Pension costs (including FRS 17 adjustment of £79,000 (2014: £46,000))	—	306,391	306,391	255,127
	—	2,268,515	2,268,515	2,105,361
Supply teacher costs	—	54,102	54,102	83,735
	—	2,322,617	2,322,617	2,189,096

### (b) Staff numbers

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	2015 No.	2014 No.
Teachers	20	19
Administration and support	57	54
Management	3	4
	80	77

### (c) Higher paid staff

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

	2015 No.	2014 No.
£60,001 - £70,000	1	1

The above employee participated in the Teachers' Pension Scheme. During the prior year, this staff member opted out of the pension scheme therefore, in the year ended 31 August 2015 there were no pension contributions for this staff member (2014 - £4,613).



## 9 Trustees' remuneration and expenses

The Headteacher only received remuneration in respect of services they provided undertaking the role of Headteacher and not in respect of her services as a trustee. 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 2015 was:

	2015 £	2014 £
A McCormick, Headteacher		
· Remuneration	60-65k	60-65k
· Employer's pension contributions	—	0-5k

A McCormick opted out of the pension scheme for the year ended 31 August 2015.

During the year ended 31 August 2015 no expenses were reimbursed to governors (2014 - £130 reimbursed to one governor).

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

## 10 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 £2,652,250 on any one claim and the cost for the year ended 31 August 2015 was £477 (2014 - £285).

## 11 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	IT Equipment £	Total funds £
<b>Cost/valuation</b>				
At 1 September 2014	2,669,146	144,971	120,414	2,934,531
Additions	116,934	67,135	—	184,069
At 31 August 2015	2,786,080	212,106	120,414	3,118,600
<b>Depreciation</b>				
At 1 September 2014	342,601	62,901	84,886	490,388
Charge in year	110,894	30,427	34,102	175,423
At 31 August 2015	453,495	93,328	118,988	665,811
<b>Net book value</b>				
At 31 August 2015	2,332,585	118,778	1,426	2,452,789
At 31 August 2014	2,326,545	82,070	35,528	2,444,143

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 2015

**11 Tangible fixed assets** (continued)

The fixed assets fund included £nil (2014 - £45,808) unspent capital funding held as cash at the year end.

**12 Debtors**

	2015 £	2014 £
Trade debtors	6,408	12,943
Prepayments	19,910	20,200
Accrued income	22,880	25,133
Other debtors	10,000	99
	<b>59,198</b>	<b>58,375</b>

**13 Creditors: amounts falling due within one year**

	2015 £	2014 £
Trade creditors	192,920	32,954
Accruals and deferred income	80,353	14,300
VAT	43,341	37,984
	<b>316,614</b>	<b>85,238</b>
<b>Deferred income</b>		
Deferred income at 1 September 2014	—	18,329
Resources deferred in the year	46,905	—
Released in the year	—	(18,329)
Deferred income at 31 August 2015	<b>46,905</b>	<b>—</b>

**14 Funds**

	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2015 £
<b>EFA revenue grant fund</b>					
. General Annual Grant (GAG)	—	1,890,823	(2,166,278)	79,106	(196,349)
. Pupil premium	—	148,335	(148,335)	—	—
. Other EFA grants	—	57,944	(57,944)	—	—
	—	2,097,102	(2,372,557)	79,106	(196,349)
. Pension reserve	(795,000)	—	(90,000)	1,000	(884,000)
	(795,000)	2,097,102	(2,462,557)	80,106	(1,080,349)
<b>Fixed assets fund</b>					
. EFA capital grants	249,005	84,749	(21,496)	—	312,258
. Academy building transferred from Local Authority	2,054,277	—	(95,179)	—	1,959,098
. Unrestricted funds	186,669	—	(58,748)	53,512	181,433
	2,489,951	84,749	(175,423)	53,512	2,452,789
<b>Other funds</b>					
. Other government grants	—	541,821	(541,821)	—	—
. Other income	2,000	78,802	(78,802)	—	2,000
	2,000	620,623	(620,623)	—	2,000
<b>Total restricted funds</b>	1,696,951	2,802,474	(3,258,603)	133,618	1,374,440
<b>Unrestricted funds</b>					
. General fund	39,396	177,060	(83,838)	(132,618)	—
<b>Total unrestricted funds</b>	39,396	177,060	(83,838)	(132,618)	—
<b>Total funds</b>	1,736,347	2,979,534	(3,342,441)	1,000	1,374,440

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 2015. Note 1 discloses whether the limit was exceeded. Transfers relate to expenditure on educational operations in excess of GAG funding which have been met from unrestricted funds.

**Pension reserve**

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

#### 14 Funds (continued)

##### Other restricted funds

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

##### 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. Transfers relate to capital expenditure from unrestricted funds.

#### 15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds			Total 2015 £
		Restricted EFA funds £	Restricted other funds £	Restricted fixed asset fund £	
<b>Fund balances at 31 August 2015 are represented by:</b>					
Tangible fixed assets	—	—	—	2,452,789	2,452,789
Current assets	—	120,265	2,000	—	122,265
Current liabilities	—	(316,614)	—	—	(316,614)
Pension scheme liability	—	(884,000)	—	—	(884,000)
<b>Total net assets</b>	—	<b>(1,080,349)</b>	<b>2,000</b>	<b>2,452,789</b>	<b>1,374,440</b>

#### 16 Financial commitments

##### Operating leases

At 31 August 2015, the Academy had annual commitments under non cancellable operating leases as follows:

	2015 £	2014 £
Photocopiers and printers		
Expiring within one year	—	888
Expiring within two and five years inclusive	15,093	2,345

## Notes to the financial statements 31 August 2015

### 17 Reconciliation of net income to net cash inflow from operating activities

	2015 £	2014 £
Net expenditure	(362,907)	(256,947)
Depreciation (note 11)	175,423	174,565
Capital grants from DfE and other capital income	(84,749)	(45,808)
Interest receivable (note 18)	(543)	(256)
FRS 17 pension cost less contributions payable (note 22)	79,000	46,000
FRS 17 pension finance expense (note 22)	11,000	13,000
Decrease (increase) in debtors	(823)	58,424
Increase (decrease) in creditors	231,376	(152,486)
<b>Net cash outflow from operating activities</b>	<b>47,777</b>	<b>(163,508)</b>

### 18 Returns on investment and servicing of finance

	2015 £	2014 £
Interest received	543	256
<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>543</b>	<b>256</b>

### 19 Capital expenditure and financial investment

	2015 £	2014 £
Capital grants from DfE / EFA	84,749	45,808
Assets purchased	(184,069)	(60,501)
<b>Net cash outflow from capital expenditure and financial investments</b>	<b>(99,320)</b>	<b>(14,693)</b>

### 20 Analysis of changes in net funds

	At 1 September 2014 £	Cashflows £	At 31 August 2015 £
Cash in hand and at bank	114,067	(51,000)	<b>63,067</b>

### 21 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.

## 22 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 2012 and of the LGPS was 31 March 2013.

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

### *Teachers' Pension Scheme*

#### *Introduction*

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

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

The Teachers' Pensions Regulations require an annual 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*

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- ♦ employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);

## 22 Pension and similar obligations (continued)

### *Teachers' Pension Scheme (continued)*

#### *Valuation of the Teachers' Pension Scheme (continued)*

- ◆ 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 assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy 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.

The pension costs paid to TPS in the year amounted to £98,391 (2014 - £102,126).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>).

### *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 2015 was £172,000 of which employer's contributions totalled £129,000 and employees' contributions totalled £43,000.

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

**22 Pension and similar obligations (continued)**

**Local Government Pension Scheme (LGPS) (continued)**

Principal Actuarial Assumptions	At 31 August 2015	At 31 August 2014
Rate of increase in salaries	3.6%	3.5%
Rate of increase for pensions in payment / inflation	2.7%	2.7%
Discount rate for scheme liabilities	3.8%	3.7%
Commutation of pension to lump sums (pre April 2008)	50%	50%
Commutation of pension to lump sums (post April 2008)	75%	75%

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

	At 31 August 2015	At 31 August 2014
<i>Retiring today</i>		
Males	22.4	22.4
Females	24.3	24.3
<i>Retiring in 20 years</i>		
Males	24.4	24.4
Females	26.8	26.8

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

	Fair value at 31 August 2015 £	Expected return at 31 August 2014*	Fair value at 31 August 2014 £
Equities	825,000	6.3%	715,000
Bonds	222,000	3.3%	197,000
Property	135,000	4.5%	93,000
Cash	49,000	3.3%	31,000
Total market value of assets	1,231,000		1,036,000
Present value of scheme liabilities	(2,115,000)		(1,831,000)
(Deficit) in the scheme	(884,000)		(795,000)

\* For accounting periods beginning on or after 1 January 2015, the expected return and interest cost will be replaced with a single net interest cost. This will effectively set the expected return at a level equal to the discount rate of 3.8%.



## 22 Pension and similar obligations (continued)

### *Local Government Pension Scheme (continued)*

The actual return on scheme assets was £97,000.

Amounts recognised in statement of financial activities	2015 £	2014 £
Current service costs	208,000	153,000
Total operating charge	208,000	153,000
<b>Analysis of pension finance costs</b>		
Expected return on pension scheme assets	61,000	51,000
Interest on pension liabilities	(72,000)	(64,000)
<b>Pension finance costs</b>	<b>(11,000)</b>	<b>(13,000)</b>

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 £404,000 (2014 - £405,000).

Movements in the overall deficit were as follows:	2015 £	2014 £
At 1 September 2014	795,000	498,000
Current service cost	208,000	153,000
Employer contributions	(129,000)	(107,000)
Net finance interest	11,000	13,000
Actuarial (gain) loss	(1,000)	238,000
<b>At 31 August 2015</b>	<b>884,000</b>	<b>795,000</b>

Movements in the present value of defined benefit obligations were as follows:	2015 £	2014 £
At 1 September 2014	1,831,000	1,291,000
Current service costs	208,000	153,000
Interest costs	72,000	64,000
Employee contributions	43,000	40,000
Actuarial (gains) losses	(37,000)	284,000
Estimated benefits paid	(2,000)	(1,000)
<b>At 31 August 2015</b>	<b>2,115,000</b>	<b>1,831,000</b>

## 22 Pension and similar obligations (continued)

### *Local Government Pension Scheme (continued)*

	2015 £	2014 £
<b>Movements in the fair value of School's share of scheme assets:</b>		
At 1 September 2014	1,036,000	793,000
Expected return on assets	61,000	51,000
Actuarial (loss) gain	(36,000)	46,000
Employer contributions	129,000	107,000
Employee contributions	43,000	40,000
Estimated benefits paid	(2,000)	(1,000)
<b>At 31 August 2015</b>	<b>1,231,000</b>	<b>1,036,000</b>

The estimated value of the employer contributions for the year ended 31 August 2015 is £123,000.

The experience adjustments are as follows:

	2015 £	2014 £	2013 £
<b>Present value of defined benefit obligations</b>	<b>(2,115,000)</b>	<b>(1,831,000)</b>	<b>(1,291,000)</b>
<b>Fair value of share scheme assets</b>	<b>1,231,000</b>	<b>1,036,000</b>	<b>793,000</b>
<b>Deficit on the scheme</b>	<b>(884,000)</b>	<b>(795,000)</b>	<b>(498,000)</b>
<b>Experience adjustments on share of scheme assets</b>	<b>(36,000)</b>	<b>46,000</b>	<b>36,000</b>
Percentage of scheme assets	(2.9%)	4.4%	4.5%
<b>Experience adjustments on scheme liabilities</b>	<b>3,000</b>	<b>(160,000)</b>	<b>—</b>
Percentage of scheme liabilities	(0.1%)	8.7%	—

## 23 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 (2014 – none).