

Registration number: 08023322

Gartree High School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2015

Haines Watts Leicester LLP
Chartered Accountants and Senior Statutory Auditor
Hamilton Office Park
31 High View Close
Leicester
LE4 9LJ

Gartree High School

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Gartree High School

Reference and Administrative Details

Members	Mr P Pancholi Mrs D Parmar (Chair) Mr P E Bannister Mr P Storey
Trustees (Directors)	Ms S L Singleton
Governors and Trustees (Directors)	Dr D B Candlin Mr M Chhatrishia Ms S I Furlong Mrs B Odedra (Resigned 4 September 2014) Mrs H Patel Mrs A L Patrick (resigned 10 September 2015) Mr S Thanki Mr P E Bannister Mr P Storey Mrs D Parmar (Chair) Mrs M A Joseph (appointed 7 November 2014)
Company Secretary	Mrs E J Delday
Company Registration Number	08023322
Auditors	Haines Watts Leicester LLP Chartered Accountants and Senior Statutory Auditor Hamilton Office Park 31 High View Close Leicester LE4 9LJ
Senior Leadership Team	Ms S L Singleton, Head Teacher Mr P E Bannister, Deputy Head Mr B Rackley, Deputy Head Ms C Bradshaw, Assistant Head Mr D Allard, Assistant Head Mrs E J Delday, Business Manager
Principal and Registered Office	Ridge Way Oadby Leicester Leicestershire LE2 5TQ

Gartree High School

Reference and Administrative Details (continued)

Bankers

Lloyds Bank Plc
7 High Street
Leicester
Leicestershire
LE1 9FS

Solicitors

Legal Services
Leicestershire County Council
County Hall
Glenfield
Leicester
LE3 8RB

Gartree High School

Trustees' Report for the Year Ended 31 August 2015

The Trustees present their annual report together with the financial statements and auditors' report 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 Trust operates an Academy for pupils aged 10-14 serving a catchment area of Oadby and the surrounding villages. It has 779 on roll as per the school census of Spring 2015.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company was incorporated on 10 April 2012 and commenced operation as an academy on 1 June 2012.

The Governors act as the Trustees for the charitable activities of Gartree High School and are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the 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.

Trustees' indemnities

The Academy through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

Method of recruitment and appointment or election of Trustees

Any new Trustees will be appointed in accordance with the guidelines set out in the Funding Agreement. Parent Trustees shall be elected by parents of registered pupils at the School. A Parent Trustee must be a parent of a pupil at the Academy at the time when he/she is elected. The Board of Trustees shall make all necessary arrangements for an election of Parent Trustee. The Members of the Academy Trust shall comprise:

- the signatories to the Memorandum;
- 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose;
- the chairman of the Board of Trustees; and
- any additional person agreed unanimously in writing by the Members

Trustees

As detailed in the Memorandum and Articles, the Academy Trust should have the following Trustees:

- 2 Staff Trustees
- A minimum of 2 and up to 4 Parent Trustees
- Up to 4 Community Trustees
- The Head Teacher

The Members may appoint up to 1 Trustee save that no more than one third of the total number of individuals appointed as Trustees shall be employees of the Academy Trust (including the Head Teacher). The Head Teacher shall be treated for all purposes as being an ex officio Trustee. The Parent Trustees shall be elected by parents of registered pupils at the Academy.

Gartree High School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Policies and procedures adopted for the induction and training of Trustees

There is a commitment by the Board of Trustees to ensure that new Trustees are given the necessary information and support to fulfil their role with confidence. The process is seen as an investment, leading to more effective governance and retention of Trustees. A Trustees Induction Pack is made available for new Trustees which provides a comprehensive guide to the school and its governance.

The "Link Trustee" provides the initial induction, which includes a tour of the school to meet staff and students, establishing any training needs and initiating a link with a member of the Senior Leadership Team who in turn links the Trustee with specific department heads.

Organisational structure

Gartree High School has a simple and unified management structure to ensure efficiency. The structure consists of three levels: the Trustees, the Senior Leadership Team and the Middle Leadership Team. The aim of the management structure is to devolve responsibility, encourage involvement in decision-making at all levels and maximise opportunities for succession planning.

The Trustees fulfil a largely strategic role. They adopt a School Improvement Plan, approve the annual budget, monitor the school's performance and, on advice, make decisions about the strategic direction of Gartree High School its capital expenditure and senior staff appointments.

The SLT consists of the Head Teacher, two Deputy Head Teachers, two Assistant Head Teachers and the Business Manager. These leaders control the academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group, the senior leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff, other than those for which the Board of Trustees is responsible (having regard to the Head Teacher's advice).

The middle leadership consists of the Heads of Departments. As a group, the middle leaders have financial responsibility for their set budgets.

The Head Teacher is the Academy's Accounting Officer.

Risk management

As Trustees, we acknowledge we have overall responsibility for the School's system of internal financial control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material mis-statement or loss.

The Board of Trustees has delegated day-to-day responsibility to the Head Teacher, as Accounting Officer, for maintaining a sound system of internal control that supports the achievements of the School's policies, aims and objectives, whilst safeguarding the public funds and assets for which she is personally responsible, in accordance with the responsibilities assigned to her in the Financial Memorandum between Gartree High School and the Education Funding Agency (EFA). The Head Teacher is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Gartree High School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Connected organisations, including related party relationships

The Academy works with a number of partners to share best practice and increase opportunities for students. Locally we work with Oadby Learning Partnership (OLP), Learning South Leicestershire (LSL) and Leicestershire Secondary Heads (LSH). Nationally we work with The Schools, Students and Teacher Network (SSAT) and Partners in eXceLLence (PiXL).

As of December 2015 the Academy has no plans to join other academies as part of a multi-academy trust, but will be exploring options in 2016.

Objectives and activities

Objects and aims

Gartree High School regards education as a lifelong process and aims to provide the highest quality education for all its students regardless of age, ability, gender or ethnic background. It expects high standards of achievement and behaviour in a positive, caring environment in which there exists a mutual respect between students, staff and parents. The Academy regards its staff as its most important resource and is committed to their professional development to achieve its aims.

Aspiring to personal excellence in a supportive community.

At Gartree High School:

- Learning is central to everything we do, so that all pupils can reach their potential
- Everyone in our school is treated with respect and valued
- We work with honesty, trust and integrity
- We nurture self-belief, confidence and aspiration
- We celebrate success

Our aims are underpinned by the core values we hold:

- The uniqueness and potential of each individual
 - Respect for our self and others
 - Individual responsibility and self-discipline
 - Trust, honesty and integrity
 - Commitment, hard work and high aspirations
 - Recognition of success
-
- To provide a broad and balanced curriculum in an atmosphere conducive to effective learning.
 - To develop teaching and learning styles which enable students to reach their full potential.
 - To provide a disciplined, caring and safe environment where students feel valued.
 - To encourage students to work co-operatively, respecting each other, adults and their environment.
 - To support students in developing the varied skills and attitudes which will equip them for the future, enabling them to make a positive contribution to the community and society.
 - To create an effective partnership with parents, Trustees and the wider community.
 - To establish professional working relationships and to facilitate the professional development of staff to achieve the Academy's aims.
 - To work within a framework of equal opportunities and to encourage an awareness and appreciation of cultural and religious diversity.
 - To provide effective and efficient administration and use of resources.

Gartree High School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Objectives, strategies and activities

The school's objectives are expressed in its mission statement – Aspiring to personal excellence in a supportive community. This is underpinned by the published aims of the school. The main objectives for 2014-15 are expressed within our annual improvement plan.

- Appendix A – School Improvement Plan 2014-2015

We are researching and exploring transforming Gartree High School from a 10-14 to an 11-16 school.

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the school's objectives and aims and in planning future activities for the year. The Trustees consider that the school's aims are demonstrably to the public benefit.

Gartree High School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report

Achievements and performance

Gartree High School continues to be a high achieving school and pupils' progress and attainment at the school outstanding.

Students transfer to Gartree High School at age 10 from five main feeder primary schools. At age 14 almost every student transfers to Beauchamp college.

In February 2015 Ofsted judged Gartree High School to be an outstanding school in all aspects.

"Outstanding achievement is the result of the school's high expectations, outstanding teaching, excellent support and pupils' wholly positive attitudes to learning."

"Pupils achieve outstandingly well and reach standards that are well above those expected for their age."

"Leaders know exactly what has to be done to maintain the school's many strengths and improve the very few areas that are not yet outstanding."

"Governors are highly effective. They have a very clear idea of how well the school is doing but continue to challenge leaders to improve teaching and achievements further."

Gartree High School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report

Key Stage 2 results for Summer 2015

Measure	2014	2015	2014 Comp
Reading level 4+	89	92	3
Reading level 4b+	72	85	13
Reading level 5+	45	48	3
Reading 2LP	86	88	2
*Writing level 4+	90	91	1
*Writing level 5+	35	32	-3
*Writing 2LP	91	91	0
GPS 4+	80	83	3
GPS 4b+	73	80	7
GPS 5+	55	63	8
Maths level 4+	82	87	5
Maths level 4b+	71	79	8
Maths level 5+	42	42	0
Maths 2LP	85	85	0
Re/Wr/Ma L4+	77	81	4
Re/Wr/Ma L5+	22	23	1

Gartree High School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report

Key Stage 3 results for summer 2015

KS3 targets and outcomes 2014-15						
Subject	Level 5+		Level 6+		Level 7+	
	Target	Attained	Target	Attained	Target	Attained
Art	99	99	85	77	19	20
D&T	99	99	97	93	51	41
English	98	98	81	77	34	35
Geography	99	99	77	80	16	34
History	99	99	81	74	15	33
ICT	99	99	93	95	21	30
Maths	95	92	75	77	44	50
Mod Lang	94	95	71	76	20	30
Music	99	99	96	93	41	39
PE	99	100	85	81	6	15
RE	98	98	63	59	12	9
Science	99	99	88	78	39	40

Going concern

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

Key financial performance indicators

Gartree High School benchmarks income against curriculum and staffing needs. Key financial indicators are used to drive the type and appropriateness of the curriculum offered. Development planning activities are cross-referenced to relevant cost centres and success criteria monitor the efficiency and effectiveness with which resources are deployed. Different curriculum models are explored each year and decisions made, based on financial information available, cost effectiveness and likely student outcomes.

Gartree High School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report

Financial review

The majority of the Academy's income is derived from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2015 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), capital grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2015, total restricted expenditure of £3,359,620 was more than covered by recurrent grant funding from the EFA together with other incoming resources.

At 31 August 2015 the net book value of fixed assets was £15,136,613 and the movement in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and associated support services to the students of the Academy.

The school's cash flow is strong due to the profile of its incoming resources. In particular, the receipt of core grant funding at the start of the financial year means that reserves are not required for working capital purposes.

The pension liability does not have an immediate cash flow impact. The cash flow impact will be the increased contributions as a result of the scheme deficit.

Gartree High School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report

Financial and risk management objectives and policies

This is the third year of operation as an Academy for Gartree High School. The Academy has developed and adopted an appropriate system of internal control, including financial, operational and risk management which is designed to protect the Academy's assets and reputation.

A Risk Register is maintained at Academy level which is reviewed at least annually by the Finance Committee and more frequently where necessary. The Risk Register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy and the actions being taken to reduce and mitigate the risks.

The principal risks that may affect the Academy are outlined below. Not all factors are within the Academy's control. Other factors besides those listed below may also adversely affect the Academy.

1. Government Funding

The Academy has full reliance on continued government funding through the EFA. The majority of the Academy's revenue was public funded and this level of requirement is expected to continue. There can be no assurance that government policy or practise will remain the same or that public funding will continue at the same levels or on the same terms. Staffing costs have increased through NI contributions, pay uplifts and increases in pension contributions.

The risk is mitigated in a number of ways:

- by ensuring staffing ratios and contact time are cost effective
- by ensuring the Academy is rigorous in continuing to deliver high quality education
- to continue the development of Gartree High School and its provision in line with cost and budget

2. Maintain adequate funding of pension liabilities

The financial statements report the share of the Local Government Pension Scheme deficit on the Academy's balance sheet in line with the requirements of FRS 17.

Reserves policy

The Academy is required to consider what level of reserves it is appropriate for the Academy to hold in order to demonstrate appropriate financial management, stewardship and sustainability. The Board of Trustees wish to do this to provide assurance to all stakeholders that the Academy is managed in a prudent manner for the best interests of its beneficiaries. The Board of Trustees also want to provide confidence that there is a strong justification for the reserves held by the Academy, and that they wish to be open and transparent on all aspects concerning the Academy's reserves policy. In doing this the Academy has considered the following areas.

The financial risks that are mitigated by the holding of reserves include variability of income, variability of expenditure and the risks identified as serious, major or critical that have financial significance.

No funds from reserves were used in this financial year to support the budget. It would be our intention to hold reserves at a similar level until the uncertainty regarding the reorganisation of the school structure and age range change in Leicestershire has been implemented in our locality. We are currently consulting on change.

Gartree High School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report

Investment policy

The purpose of the policy is to consider the management of the Academy's funds bearing in mind the responsibilities that come with the receipt of central government funding.

The Trustees have agreed to:

- To regularly monitor Cash Flow and current account balances to ensure immediate financial commitments can be met (payroll and payments runs) and that the current account has adequate balances to meet forthcoming commitments.
- To identify funds surplus to immediate cash requirements and transfer the funds to the Gartree High School deposit account bearing a higher interest rate.
- To review periodically and at least annually interest rates and compare with other investment opportunities.
- To review periodically and at least annually the academy's current policy to only invests funds in risk free and immediately accessible deposit accounts.

Plans for future periods

The Trustees are considering plans for transformational change at Gartree High School. A business case is evolving in light of significant reorganisation of education in Leicestershire and the Local Authority's strategic aim to end 10+ education. Gartree High School is currently consulting to convert from a 10-14 to an 11-16 school. We aim to submit a business plan for change to the Regional Schools' Commissioner in due course.

Auditor

In so far as the Trustees are aware:

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

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Haines Watts Leicester LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Trustees' Report, incorporating a Strategic Report, approved by order of the members of the Board of Trustees on 16 December 2015 and signed on its behalf by:

.....
Mrs D Parmar (Chair)
Governor and trustee

Gartree High School

Governance Statement

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to Ms S L Singleton, 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 Gartree High School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs D Parmar (Chair)	4	4
Mr P E Bannister	4	4
Dr D B Candlin	4	4
Mr P Storey	4	4
Mrs A L Patrick	4	4
Ms S I Furlong	4	4
Mrs B Odedra	0	0
Mr M Chhatrishia	4	4
Mrs H Patel	4	4
Ms S L Singleton	3	4
Mr S Thanki	2	4
Mrs M A Joseph	2	3

Gartree High School

Governance Statement (continued)

The Finance and Infrastructure Committee is a sub-committee of the main Board of Trustees. Its purpose is to guide and assist the Head Teacher and Board of Trustees in all matters concerning budgeting, finance, personnel and premises; including grounds, security and Health and Safety.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr P E Bannister	3	3
Ms S I Furlong	2	3
Mr M Chhatrisha	3	3
Mrs H Patel	3	3
Mrs D Parmar (Chair)	3	3
Ms S L Singleton	2	3

Review of value for money

As accounting officer the member has responsibility for ensuring that the academy trust 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 trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Achievement and standards have continued to improve. We were inspected by Ofsted in February 2015 and found to be outstanding in all areas.
- We ensure robust financial Governance through our Finance and Infrastructure Committee.
- Contracts and procurement are reviewed regularly.
- Financial analysis and benchmarking of all costs takes place to achieve value for money.
- Meeting structure and communication ensures strong internal controls.
- Partnerships locally and nationally ensure our working is best practice.

We strive to ensure the Academy is using its resources effectively to meet the needs of our pupils.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Gartree High School 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 Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

Gartree High School

Governance Statement (continued)

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and Infrastructure 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 Board of Trustees has considered the need for a specific internal audit function and has decided:

- to appoint Leicestershire County Council internal audit department as internal auditor

The auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. Annually, the auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees's financial responsibilities.

Review of effectiveness

As Accounting Officer, Ms S L Singleton has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor ;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 16 December 2015 and signed on its behalf by:

.....
Mrs D Parmar (Chair)
Governor and trustee

.....
Ms S L Singleton
Accounting Officer

Gartree High School

Statement on Regularity, Propriety and Compliance

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

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

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

.....
Ms S L Singleton
Accounting Officer

16 December 2015

Gartree High School

Statement of Trustees' Responsibilities

The Trustees (who are the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction 2014 to 2015 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 charitable company 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 apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board on 16 December 2015 and signed on its behalf by:

.....
Mrs D Parmar (Chair)
Governor and trustee

Gartree High School

Independent Auditor's Report on the Financial Statements to the Members of Gartree High School

We have audited the financial statements of Gartree High School for the year ended 31 August 2015, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 17), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company'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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

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

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.

Gartree High School

Independent Auditor's Report on the Financial Statements to the Members of Gartree High School (continued)

Matters on which we are required to report by exception

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

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

.....
S K Khullar (Senior Statutory Auditor)

For and on behalf of Haines Watts Leicester LLP, Statutory Auditor

Hamilton Office Park
31 High View Close
Leicester
LE4 9LJ

16 December 2015

Gartree High School

Independent Reporting Accountant's Report on Regularity to Gartree High School and the Education Funding Agency

In accordance with the terms of our engagement letter dated 30 July 2013 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 Gartree High School during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to the Board of Trustees and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to the Board of Trustees 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 Board of Trustees and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the Board of Trustees's funding agreement with the Secretary of State for Education dated 1 June 2012 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 year 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 Education Funding Agency. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes:

We have confirmed that the activities conform to the Academy Trust's framework of authorities. As identified by the review of minutes, management accounts, discussion with the accounting officer and other key management personnel.

We have carried out an analytical review as part of the consideration of whether general activities of the Academy Trust are within the Academy Trust's framework of authorities.

We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the Academy Trust and extended the procedures required for financial statements to include regularity.

Gartree High School

Independent Reporting Accountant's Report on Regularity to Gartree High School and the Education Funding Agency (continued)

We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.

Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.

In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.

We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 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.

.....
S K Khullar (Senior Statutory Auditor)
For and on behalf of Haines Watts Leicester LLP, Chartered Accountants

Hamilton Office Park
31 High View Close
Leicester
LE4 9LJ

16 December 2015

Gartree High School

Statement of Financial Activities for the Year Ended 31 August 2015 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income						
Other voluntary income	2	17,452	-	-	17,452	-
Activities for generating funds	3	338,406	-	-	338,406	326,514
Investment income	4	3,435	-	-	3,435	1,260
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	5	<u>-</u>	<u>3,375,991</u>	<u>6,666</u>	<u>3,382,657</u>	<u>3,469,867</u>
Total incoming resources		<u>359,293</u>	<u>3,375,991</u>	<u>6,666</u>	<u>3,741,950</u>	<u>3,797,641</u>
Resources expended						
<i>Cost of generating funds:</i>						
Cost of generating funds		247,011	-	-	247,011	243,199
<i>Charitable activities:</i>						
Academy's educational operations		3,650	3,354,345	354,268	3,712,263	3,684,849
Governance costs	8	<u>-</u>	<u>5,275</u>	<u>-</u>	<u>5,275</u>	<u>5,338</u>
Total resources expended	6	<u>250,661</u>	<u>3,359,620</u>	<u>354,268</u>	<u>3,964,549</u>	<u>3,933,386</u>
Net incoming/(outgoing) resources before transfers		108,632	16,371	(347,602)	(222,599)	(135,745)
Gross transfers between funds		<u>-</u>	<u>(94,873)</u>	<u>94,873</u>	<u>-</u>	<u>-</u>
Net income/(expenditure) for the year		108,632	(78,502)	(252,729)	(222,599)	(135,745)
Other recognised gains and losses						
Actuarial loss on defined benefit pension scheme	23	<u>-</u>	<u>(27,000)</u>	<u>-</u>	<u>(27,000)</u>	<u>(233,000)</u>
Net movement in funds/(deficit)		108,632	(105,502)	(252,729)	(249,599)	(368,745)

Gartree High School

Statement of Financial Activities for the Year Ended 31 August 2015 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) (continued)

Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
Reconciliation of funds					
Funds/(deficit) brought forward at 1 September 2014	<u>549,833</u>	<u>(850,164)</u>	<u>15,389,342</u>	<u>15,089,011</u>	<u>15,457,756</u>
Funds/(deficit) carried forward at 31 August 2015	<u><u>658,465</u></u>	<u><u>(955,666)</u></u>	<u><u>15,136,613</u></u>	<u><u>14,839,412</u></u>	<u><u>15,089,011</u></u>

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

Gartree High School
(Registration number: 08023322)
Balance Sheet as at 31 August 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	12	15,136,613	15,389,342
Current assets			
Stocks	13	2,442	-
Debtors	14	90,559	134,508
Cash at bank and in hand		<u>1,167,143</u>	<u>1,005,032</u>
		1,260,144	1,139,540
Creditors: Amounts falling due within one year	15	<u>(379,345)</u>	<u>(362,871)</u>
Net current assets		<u>880,799</u>	<u>776,669</u>
Total assets less current liabilities		<u>16,017,412</u>	<u>16,166,011</u>
Net assets excluding pension liability		16,017,412	16,166,011
Pension scheme liability	23	<u>(1,178,000)</u>	<u>(1,077,000)</u>
Net assets including pension liability		<u><u>14,839,412</u></u>	<u><u>15,089,011</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		222,334	226,836
Restricted fixed asset fund		15,136,613	15,389,342
Restricted pension fund		<u>(1,178,000)</u>	<u>(1,077,000)</u>
		14,180,947	14,539,178
Unrestricted funds			
Unrestricted general fund		<u>658,465</u>	<u>549,833</u>
Total funds		<u><u>14,839,412</u></u>	<u><u>15,089,011</u></u>

The financial statements on pages 22 to 43 were approved by the Trustees, and authorised for issue on 16 December 2015 and signed on their behalf by:

.....
Mrs D Parmar (Chair)
Governor and trustee

Gartree High School

Cash Flow Statement for the Year Ended 31 August 2015

	Note	2015 £	2014 £
Net cash inflow from operating activities	18	260,215	501,951
Returns on investments and servicing of finance	19	3,435	1,260
Capital expenditure and financial investment	20	<u>(101,539)</u>	<u>(237,466)</u>
Increase in cash in the year	21	<u>162,111</u>	<u>265,745</u>
Reconciliation of net cash flow to movement in net funds			
Increase in cash in the year		162,111	265,745
Net funds at 1 September 2014		<u>1,005,032</u>	<u>739,287</u>
Net funds at 31 August 2015		<u>1,167,143</u>	<u>1,005,032</u>

All of the cash flows are derived from continuing operations during the above two periods.

Gartree High School

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

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going concern

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

Incoming resources

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

Grants receivable

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

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

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt.

Donations

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

Other income

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

Gartree High School

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

1 Accounting policies (continued)

Donated services and gifts in kind

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

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.

All resources expended are inclusive of irrecoverable VAT.

Cost of generating funds

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

Charitable activities

These are costs incurred on the Academy Trust's educational operations.

Governance costs

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

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 Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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

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

Gartree High School

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

1 Accounting policies (continued)

Asset class	Depreciation method and rate
Long leasehold land	Not depreciated
Long leasehold buildings	50 years straight line basis
Furniture and equipment	5 years straight line basis
Computer equipment	5 years straight line basis

Leased assets

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

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Taxation

The Academy Trust 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.

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust. 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 Trust 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 the notes to the financial statements, the TPS is a multi-employer scheme and the Academy Trust 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 Trust 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.

Gartree High School

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

1 Accounting policies (continued)

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 trustees.

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

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

Gartree High School

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

2 Voluntary income

	Unrestricted funds	Total 2015
	£	£
Other voluntary income		
Other donations	17,452	17,452

3 Activities for generating funds

	Unrestricted funds	Total 2015	Total 2014
	£	£	£
Hire of facilities	12,294	12,294	14,395
Recharges and reimbursements	247,390	247,390	233,604
Other sales	78,722	78,722	78,515
	338,406	338,406	326,514

4 Investment income

	Unrestricted funds	Total 2015	Total 2014
	£	£	£
Short term deposits	3,435	3,435	1,260

5 Funding for Academy's educational operations

	Restricted funds	Restricted fixed asset funds	Total 2015	Total 2014
	£	£	£	£
DfE/EFA capital grants				
Devolved capital income	-	6,666	6,666	16,960
DfE/EFA revenue grants				
General Annual Grant (GAG)	3,095,202	-	3,095,202	3,084,874
Other government grants				
SEN funding from local authority	102,965	-	102,965	139,878
Other Dfe/EFA grants	155,672	-	155,672	91,168
	258,637	-	258,637	231,046

Gartree High School

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

5 Funding for Academy's educational operations (continued)

	Restricted funds £	Restricted fixed asset funds £	Total 2015 £	Total 2014 £
Non-government grants and other income				
Other income	22,152	-	22,152	48,108
Other capital income	-	-	-	88,879
	<u>22,152</u>	<u>-</u>	<u>22,152</u>	<u>136,987</u>
Total grants	<u><u>3,375,991</u></u>	<u><u>6,666</u></u>	<u><u>3,382,657</u></u>	<u><u>3,469,867</u></u>

6 Resources expended

	Staff costs £	Premises £	Other costs £	Total 2015 £	Total 2014 £
Costs of activities for generating funds	-	-	247,011	247,011	243,199
Academy's educational operations					
Direct costs	2,358,791	-	276,039	2,634,830	2,618,581
Allocated support costs	<u>392,382</u>	<u>582,876</u>	<u>102,175</u>	<u>1,077,433</u>	<u>1,066,268</u>
	2,751,173	582,876	378,214	3,712,263	3,684,849
Governance costs including allocated support costs	<u>-</u>	<u>-</u>	<u>5,275</u>	<u>5,275</u>	<u>5,338</u>
	<u><u>2,751,173</u></u>	<u><u>582,876</u></u>	<u><u>630,500</u></u>	<u><u>3,964,549</u></u>	<u><u>3,933,386</u></u>

Gartree High School

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

6 Resources expended (continued)

Net incoming/outgoing resources for the year include:

	2015	2014
	£	£
Fees payable to auditor - audit	4,500	4,400
- other audit services	775	938
Depreciation of fixed assets	<u>354,268</u>	<u>330,550</u>

7 Charitable activities - Academy's educational operations

	Total 2015	Total 2014
	£	£
Direct costs - educational operations		
Teaching and educational support staff costs	2,358,791	2,355,861
Educational supplies	108,047	167,122
Staff development	15,123	12,579
Educational consultancy	-	3,283
Other direct costs	<u>152,869</u>	<u>79,736</u>
	<u>2,634,830</u>	<u>2,618,581</u>
Support costs - educational operations		
Support staff costs	345,382	359,645
FRS 17 service cost adjustment	47,000	26,000
Depreciation	354,268	330,550
Maintenance of premises and equipment	69,872	50,704
Cleaning	78,279	73,645
Rent, rates and utilities	13,808	61,635
Insurance	66,649	67,850
Recruitment and support	7,785	10,531
Security and transport	1,090	-
Bank interest and charges	30	30
Expected return on scheme assets	(42,000)	(35,000)
Interest on defined benefit pension scheme	69,000	66,000
Professional fees	550	1,500
Other support costs	<u>65,720</u>	<u>53,178</u>
	<u>1,077,433</u>	<u>1,066,268</u>
Total direct and support costs	<u>3,712,263</u>	<u>3,684,849</u>

Gartree High School

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

8 Governance costs

	Total 2015 £	Total 2014 £
Auditors' remuneration		
Audit of financial statements	4,500	4,400
Other audit services	775	938
	5,275	5,338

9 Staff

Staff costs

	2015 £	2014 £
Staff costs during the year were:		
Wages and salaries	2,179,401	2,224,273
Social security costs	152,948	157,404
Pension costs	358,418	313,076
Supply teacher costs	52,305	26,509
Compensation payments	-	7,500
Staff restructuring costs	8,101	12,744
	2,751,173	2,741,506

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £8,101 (2014: £7,500).

Staff numbers

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

	2015 No	2014 No
Charitable Activities		
Teachers	38	38
Administration and support	29	32
Management	5	5
	72	75

Gartree High School

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

9 Staff (continued)

Higher paid staff

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

	2015 No	2014 No
£70,001 - £80,000	<u>1</u>	<u>1</u>

1 (2014 - 1) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £10,990 (2014 - £10,195).

10 Related party transactions - trustees' remuneration and expenses

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

Ms S L Singleton (Head teacher): £75,000 - £80,000 (2014 - £75,000 - £80,000)

Mr P E Bannister (Staff trustee): £55,000 - £60,000 (2014 - £55,000 - £60,000)

Ms S I Furlong (Staff trustee): £25,000 - £30,000 (2014 - £25,000 - £30,000)

Mrs A L Patrick (Staff trustee): £45,000 - £50,000 (2014 - £40,000 - £45,000)

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

11 Trustees' 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 £3,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,243 (2014 - £1,243).

The cost of this insurance is included in the total insurance cost.

Gartree High School

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

12 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2014	15,843,294	132,566	138,857	16,114,717
Additions	-	22,532	79,007	101,539
	15,843,294	155,098	217,864	16,216,256
Depreciation				
At 1 September 2014	621,597	57,474	46,304	725,375
Charge for the year	279,675	31,018	43,575	354,268
	901,272	88,492	89,879	1,079,643
Net book value				
At 31 August 2015	14,942,022	66,606	127,985	15,136,613
At 31 August 2014	15,221,697	75,092	92,553	15,389,342

13 Stock

		2015
		£
Catering		2,442

14 Debtors

	2015	2014
	£	£
Trade debtors	976	5,181
Prepayments	41,121	34,683
Accrued grant and other income	29,800	13,537
VAT recoverable	18,662	81,107
	90,559	134,508

Gartree High School

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

15 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	-	91,959
Other taxation and social security	88,234	90,850
Other creditors	122,703	23,972
Accruals	151,176	156,090
Deferred income	17,232	-
	379,345	362,871

		2015 £
Deferred income		
Resources deferred in the period		17,232

Deferred income includes devolved formula capital relating to the 2015-16 year and parental contributions received for school trips taking place in 2016.

16 Funds

	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2015 £
Restricted general funds					
General Annual Grant (GAG)	202,066	3,095,202	(2,980,061)	(94,873)	222,334
Other Dfe/EFA grants	9,471	155,672	(165,143)	-	-
Local authority grants	15,299	102,965	(118,264)	-	-
Other income	-	22,152	(22,152)	-	-
	226,836	3,375,991	(3,285,620)	(94,873)	222,334
Restricted fixed asset funds					
Tangible fixed assets	15,389,342	6,666	(354,268)	94,873	15,136,613
Restricted pension funds					
Pension reserve	(1,077,000)	-	(74,000)	(27,000)	(1,178,000)
Total restricted funds	14,539,178	3,382,657	(3,713,888)	(27,000)	14,180,947
Unrestricted funds					
Unrestricted general funds	549,833	359,293	(250,661)	-	658,465

Gartree High School

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

16 Funds (continued)

	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2015 £
Total funds	<u>15,089,011</u>	<u>3,741,950</u>	<u>(3,964,549)</u>	<u>(27,000)</u>	<u>14,839,412</u>

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

Restricted general funds

This fund represents grants received for the Academy's operational activities and development. It includes the pension reserve, which represents the potential liability due by the Academy at the period end.

Restricted fixed asset fund

The fund represents the net book value of fixed assets that the Academy has purchased out of grants received or were transferred on conversion.

Unrestricted funds

The unrestricted fund represents funds available to the trustees to apply for the general purposes of the Academy.

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

17 Analysis of net assets between funds

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	15,136,613	15,136,613
Current assets	658,465	601,679	-	1,260,144
Current liabilities	-	(379,345)	-	(379,345)
Pension scheme liability	-	(1,178,000)	-	(1,178,000)
Total net assets	<u>658,465</u>	<u>(955,666)</u>	<u>15,136,613</u>	<u>14,839,412</u>

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

18 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2015	2014
	£	£
Net expenditure	(222,599)	(135,745)
Depreciation	354,268	330,550
Interest receivable	(3,435)	(1,260)
FRS 17 expected return on scheme assets	(42,000)	(35,000)
FRS 17 interest on defined benefit pension scheme	69,000	66,000
FRS17 service cost adjustment	47,000	26,000
Increase in stocks	(2,442)	-
Decrease in debtors	43,949	45,446
Increase in creditors	16,474	205,960
	<u>260,215</u>	<u>501,951</u>
Net cash inflow from operating activities	<u>260,215</u>	<u>501,951</u>

19 Returns on investments and servicing of finance

	2015	2014
	£	£
Interest received	3,435	1,260
	<u>3,435</u>	<u>1,260</u>
Net cash inflow from returns on investments and servicing of finance	<u>3,435</u>	<u>1,260</u>

20 Capital expenditure and financial investment

	2015	2014
	£	£
Purchase of tangible fixed assets	(101,539)	(237,466)
	<u>(101,539)</u>	<u>(237,466)</u>

21 Analysis of changes in net funds

	At 1	Cash flows	At 31 August
	September		2015
	2014	£	£
	£		
Cash at bank and in hand	1,005,032	162,111	1,167,143
	<u>1,005,032</u>	<u>162,111</u>	<u>1,167,143</u>

22 Members' liability

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

Gartree High School

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

23 Pension and similar obligations

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hymans Robertson LLP. Both are multi-employer defined benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

Gartree High School

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

23 Pension and similar obligations (continued)

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to TPS in the period amounted to £211,482 (2014: £214,009).

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

Under the definitions set out in Financial Reporting Standard 17 (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.

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £134,000 (2014 - £127,000), of which employer's contributions totalled £104,000 (2014 - £97,000) and employees' contributions totalled £30,000 (2014 - £30,000). The agreed contribution rates for future years are 21.4 per cent for employers and 5.5 - 12.5 per cent for employees.

Principal actuarial assumptions

	At 31 August 2015 %	At 31 August 2014 %
Rate of increase in salaries	4.50	4.40
Rate of increase for pensions in payment/inflation	2.60	2.60
Discount rate for scheme liabilities	3.70	3.70
Inflation assumptions (CPI)	2.60	2.60
Commutation of pensions to lump sums	<u>50.00</u>	<u>50.00</u>

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

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

23 Pension and similar obligations (continued)

	At 31 August 2015	At 31 August 2014
Retiring today		
Males retiring today	22.00	22.00
Females retiring today	24.00	24.00
Retiring in 20 years		
Males retiring in 20 years	24.00	24.00
Females retiring in 20 years	<u>27.00</u>	<u>27.00</u>

The academy's share of the assets and liabilities in the scheme were:

	At 31 August 2015	At 31 August 2014
	£	£
Equities	571,000	493,000
Government bonds	182,000	120,000
Property	95,000	70,000
Cash	<u>17,000</u>	<u>21,000</u>
Total market value of assets	865,000	704,000
Present value of scheme liabilities - funded	<u>(2,043,000)</u>	<u>(1,781,000)</u>
Deficit in the scheme	<u>(1,178,000)</u>	<u>(1,077,000)</u>

The expected rates of return were:

	At 31 August 2015	At 31 August 2014
	%	%
Equities	4.00	6.00
Government bonds	4.00	3.00
Property	4.00	5.00
Cash	<u>4.00</u>	<u>3.00</u>

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect the default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on scheme assets was £30,000 (2014 - £75,000).

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

23 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2015	2014
	£	£
Current service cost	147,000	123,000
Total operating charge	<u>147,000</u>	<u>123,000</u>

Analysis of pension finance income/(costs)

	2015	2014
	£	£
Expected return on pension scheme assets	42,000	35,000
Interest on pension liabilities	<u>(69,000)</u>	<u>(66,000)</u>
Pension finance costs	<u>(27,000)</u>	<u>(31,000)</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is £68,000 (2014 - £95,000).

Movements in the present value of defined benefit obligation

	2015	2014
	£	£
At 1 September	1,781,000	1,352,000
Current service cost	147,000	123,000
Interest cost	69,000	66,000
Employee contributions	30,000	30,000
Actuarial losses	16,000	214,000
Curtailments and settlements	<u>-</u>	<u>(4,000)</u>
At 31 August	<u>2,043,000</u>	<u>1,781,000</u>

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

	2015	2014
	£	£
At 1 September	704,000	565,000
Expected return on assets	42,000	35,000
Actuarial losses	(11,000)	(19,000)
Employer contributions	104,000	97,000
Employee contributions	30,000	30,000
Benefits paid	<u>(4,000)</u>	<u>(4,000)</u>
At 31 August	<u>865,000</u>	<u>704,000</u>

The estimated value of employer contributions for next period is £107,000 (2014 - £107,000).

Gartree High School

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

23 Pension and similar obligations (continued)

History of experience adjustments

Amounts for the current and previous 2 periods are as follows:

	2015	2014	2013
	£	£	£
Present value of scheme liabilities	(2,043,000)	(1,781,000)	(1,352,000)
Fair value of scheme assets	<u>865,000</u>	<u>704,000</u>	<u>565,000</u>
Deficit in the scheme	<u>(1,178,000)</u>	<u>(1,077,000)</u>	<u>(787,000)</u>
	2015	2014	2013
	£	£	£
Experience adjustments arising on scheme assets	(11,000)	(19,000)	46,000
Experience adjustments arising on scheme liabilities	<u>2,000</u>	<u>54,000</u>	<u>(236,000)</u>

Comparative figures have not been restated as permitted by FRS 17.

24 Related party transactions

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

There were no related party transactions in the year.