
Carlton le Willows Academy
(A company limited by guarantee)

Carlton le Willows Academy
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Period ended 31 August 2015

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COMPANIES HOUSE

Company Registration Number:
07539214 (England and Wales)

Carlton le Willows Academy
(A company limited by guarantee)

Contents	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 16
Governance Statement	17 - 20
Statement on regularity, Propriety and Compliance	21
Statement of Trustees' Responsibilities	22
Independent Auditor's Report on the Financial Statements	23 - 24
Independent Auditor's Report on Regularity	25 - 26
Statement of Financial Activities incorporating Income & Expenditure Account	27 - 28
Balance Sheet	29
Cash Flow Statement	30
Notes to the Financial Statements, incorporating:	31 - 53
Statement of Accounting Policies	
Other Notes to the Financial Statements	

Carlton le Willows Academy
(A company limited by guarantee)

Carlton le Willows Academy Trust
Reference and Administrative Details

Members

Mr G R Martin
Mr J Rudd
Dr D Vowles

Trustees

Mrs P Blandamer
Mrs P Brown
Mr W Brown
Mr V Choudhary (Appointed 20/10/2014)
Mr D Fanshawe (Resigned 19/10/2014)
Mr J Garibaldi
Mr P Karat
Mr A Macdonald
Mr G R Martin (Chair)
Mr N Oldham (Resigned 29/01/2015)
Mr K Place
Mr N Reddington (Appointed 02/02/2015)
Mrs K Ridgard (Appointed 20/10/2014)
Mr M Robinson (Appointed 20/10/2014)
Mr F Rodrigues
Mr J Rudd
Mr W Smith
Mr J Thomas
Mr P Todd
Dr D Vowles
Mr J C Weaver (Head teacher and Accounting officer)

Company Secretary

Mrs C Packham

Senior Management Team:

Head Teacher	Mr J C Weaver
Deputy Head	Mr G Johnson
Deputy Head	Mrs J Simpson
Deputy Head	Mr C Turner
Assistant Head	Ms E Stansfield
Assistant Head	Mr R Fender
Bursar	Mrs C Packham (Resigned 31/08/2015)
Director of Student Services	Mr D Taylor

Registered Office

Carlton le Willows Academy
Wood Lane
Gedling
Nottingham NG4 4AA

Company Registration Number

07539214 (England and Wales)

Carlton le Willows Academy
(A company limited by guarantee)

Independent Auditor

Duncan & Toplis Ltd
4 Henley Way
Lincoln
Lincolnshire
LN6 3QR

Bankers

Lloyds Bank Plc
Old Market Square Branch
Nottingham
PO Box 1000
BX1 1LT

Solicitors

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

Carlton le Willows Academy
(A company limited by guarantee)

TRUSTEES' REPORT

The trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

The trust operates as an academy for pupils aged 11 to 18 serving a catchment area on the eastern side of Nottingham. It has a pupil capacity of 1421 and had a roll of 1415 on the school census for summer 2015.

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 trustees of Carlton le Willows Academy Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Carlton le Willows Academy. Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees, Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to a maximum value of £5,000,000

Principal Activities

The characteristics of the academy set down in section 1(6) of the academies act 2010, are that:

- a. The school has a curriculum satisfying the requirements of section 78 of EA 2002 (balanced and broadly based curriculum);
- b. The school provides secondary education, its curriculum for the secondary education has an emphasis on technology (mathematics, science and design technology);
- c. The school provides education for pupils of different abilities;
- d. The school provides education for pupils who are wholly or mainly drawn from the area in which the school is situated.

Other conditions and requirements in respect of the academy are that:

- a. The school will be at the heart of its community, promoting community cohesion and sharing facilities with other schools and the wider community;
- b. There will be assessments of pupils' performance as they apply to maintained schools and the opportunity to study for external qualifications. The academy may not offer courses which lead to external qualifications, as defined in section 96 of the learning and skills act 2000, unless the secretary of state gives specific approval for such courses.
- c. The admissions policy and arrangements for the school will be in accordance with admissions law, and the DfE codes of practice, as they apply to maintained schools;

Carlton le Willows Academy
(A company limited by guarantee)

- d. Teachers' levels of pay and conditions of service for all employees will be the responsibility of the academy trust save that when entering into a contract of employment with any person the academy trust shall be bound by and act in accordance with such guidance as the secretary of state may publish in relation to the maximum salary that may be paid to employees of academies;
- e. There will be an emphasis on the needs of the individual pupils including pupils with special education needs (SEN), both those with and without statements of SEN;
- f. There will be no charge in respect of admission to the school and the school will only charge pupils where the law allows maintained schools to charge;
- g. The academy trust shall as soon as reasonably practicable establish an appropriate mechanism for the receipt and management of donations and shall use reasonable endeavours to procure donations through that mechanism for the purpose of the objects specified in the articles.

Method of Recruitment and Appointment or Election of Trustees

The number of trustees shall be not less than three but, (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

Subject to articles 48-49 and 64, the academy trust shall have the following trustees:

- a. Up to 8 community trustees, appointed under article 50.
- b. A minimum of 2 and up to 7 parent trustees appointed under articles 53-58.
- c. Up to 3 staff trustees, including up to 1 support staff, subject to articles 50A.
- d. The head teacher;
- e. Any additional trustees, if appointed under article 62, 62A or 68A and
- f. Any further trustees, if appointed under article 63 or article 68A

Except in relation to additional and further trustees, and unless otherwise notified by the trustee to the academy trust, each trustee must be a member or must have agreed in writing, following an invitation by the other trustees, to become a member and must become one without delay.

The academy trust may also have any co-opted trustee appointed under article 59.

The first trustees are those persons named in the statement delivered pursuant to sections 9 and 12 of the companies act 2006. The trustees of the predecessor school (Carlton le Willows School and Technology College) at 31 March 2011 were the initial trustees and their terms of office shall expire as and when they would have expired had they remained as members of the trust of the predecessor school. Elected parent trustees and elected staff trustees of the predecessor school were deemed to have been elected for the purposes of the articles.

Future trustees shall be appointed or elected, as the case may be, under the articles of association.

The total number of trustees who are employees of the academy trust (including the head teacher) must not exceed one third of the total number of trustees.

Subject to article 57, the parent trustee(s) are elected by parents of registered pupils at the academy. A parent trustee must be a parent of a pupil at the academy at the time when he is elected.

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

Carlton le Willows Academy
(A company limited by guarantee)

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

Where a vacancy for a parent trustee is required to be filled by election, the trust has taken such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the academy is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

The number of parent trustees required is made up by parent trustees appointed by the trust if the number of parents standing for election is less than the number of vacancies.

In appointing a parent trustee the trust shall appoint a person who is the parent of a registered pupil at the academy, or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

The staff trustees shall be elected by staff members at the academy. A staff trustee must be a staff member at the time when he is elected. If a staff trustee ceases to be a staff member then he shall be deemed to have resigned and shall cease to be a trustee.

The trustees shall make all necessary arrangements for, and determine all other matters relating to, an election of the staff trustees, including any question of whether a person is a staff member. Any election of staff trustees which is contested shall be held by secret ballot.

Co-opted trustees: The trustees may appoint up to 3 co-opted trustees. A 'co-opted trustee' means a person who is appointed to be a trustee by being co-opted by trustees who have not themselves been so appointed. The trustees may not co-opt an employee of the academy trust as a co-opted trustee if the number of trustees who are employed by the academy trust (including the head teacher) would thereby exceed one third of the total number of trustees.

Appointment of additional trustees: The secretary of state may give a warning notice to the trustees where he is satisfied:-

- i. That the standards of performance of pupils at the academy are unacceptably low, or
- ii. That there has been a serious breakdown in the way the academy is managed or governed, or
- iii. That the safety of pupils or staff of the academy is threatened (whether by a breakdown of discipline or otherwise).

For the purposes of article 60 a 'warning notice' is a notice in writing by the secretary of state to the academy trust delivered to the office setting out:-

- a. The matters referred to in article 60;
- b. The action which he requires the trustees to take in order to remedy those matters; and
- c. The period within which that action is to be taken by the trustees ('the compliance period').

The secretary of state may appoint such additional trustees as he thinks fit if the secretary of state has:

- a. Given the trustees a warning notice in accordance with article 60; and
- b. The trustees have failed to comply, or secure compliance, with the notice to the secretary of state's satisfaction within the compliance period.

Carlton le Willows Academy
(A company limited by guarantee)

The secretary of state may also appoint such additional trustees where following an inspection by the chief inspector in accordance with the education act 2005 (an "inspection") the academy trust receives an Ofsted grading (being a grade referred to in The Framework for School Inspection or any modification or replacement of that document for the time being in force) which amounts to a drop, either from one inspection to the next inspection or between any two inspections carried out within a 5 year period, of two Ofsted grades. For the purposes of the foregoing the grade received by Carlton le Willows School and Technology College shall be regarded as the grade received by the academy.

The secretary of state may also appoint such further trustees as he thinks fit if a special measures termination event (as defined in the funding agreement) occurs in respect of the academy.

Within 5 days of the secretary of state appointing any additional or further trustees in accordance with articles 62, 62A or 63, any trustees appointed under article 50 and holding office immediately preceding the appointment of such trustees under article 50 shall remain suspended until the secretary of state removes one or more of the additional or further trustees.

The term of office for any trustee is 4 years, save that this time limit shall not apply to the head teacher. subject to remaining eligible to be a particular type of trustee, any trustee may be re-appointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees.

The training and induction provided for new trustees will depend on their existing experience. Where necessary, induction will provide training on charity and educational legal and financial matters. All new trustees are given a tour of the academy and the chance to meet with staff and students.

All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees. As there are normally few new trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational Structure

Annual review: The trust must review the delegation of functions annually. Each trust will remain accountable for any decision taken, including those relating to functions delegated to a committee or individual.

Quoracy: decisions may only be made if a meeting is quorate. The quorum for full trust meetings is one half (rounded up to a whole number) of the trustees in post. The minimum quorum for a committee is three trustees but the full trust may set this at a higher level if it wishes.

Reporting back to the full trust: All decisions are taken on behalf of the full trust. The trust should receive reports/minutes from any individual or committee to whom a decision has been delegated and consider whether any further action is necessary.

Delegation of functions of the trust: The trust can delegate any of its statutory functions to a committee, a trustee or to a head teacher, subject to prescribed restrictions.

Functions that can be delegate to a committee but cannot be delegate to an individual include those that relate to:

- The alteration, discontinuation or change of category of maintained schools
- The approval of the first formal budget plan of the financial year
- School discipline policies
- The admission and exclusion of pupils (except in an emergency when the chair has the power to exercise these functions).

Carlton le Willows Academy
(A company limited by guarantee)

The trust cannot delegate any functions in relation to:

- The constitution of the trust (unless otherwise provided by the constitution regulations)
- The appointment or removal of the chair and vice-chair
- The appointment of the clerk
- The suspension of trustees
- The delegation of functions
- The establishment of committees.

The decision planner will help the trust to decide the most effective way of conducting their business.

The trust reviews the following annually:

- Establishment, terms of reference, constitution and membership of committees
- Delegation of functions to committees and individuals.

Constitutional Decisions

Function statement	Delegated to -
1. Changes to the instrument of government, including terms of office	members
2. To appoint or remove community, partnership, any appointed parent, any sponsor trustees and associate members	members
3. To determine voting rights for associate members on committees	members
4. To suspend any trustee	trust
5. To elect or remove the chair	trust
6. To elect or remove the vice-chair	trust
7. To appoint link or designated trustees, for example performance management, child protection and complaints	trust
8. To decide on additional attendance at full trustees' meetings	trust
9. To decide the arrangements for full trust meetings (legal minimum three per year)	trust
10. To regulate the procedures of meetings	trust
11. Establishment and membership of committees and their remits, including selection panels for head teacher and deputy head teacher recruitment	trust
12. To appoint or remove a clerk to each committee. The clerk to a committee (but not the trust) can be a trustee, but not the head teacher.	trust
13. To establish the trustees' register of pecuniary and business interests and oversee its maintenance	trust
14. To establish the financial limits of delegated authority to enter into commitments and to authorise payments.	F&GP

Carlton le Willows Academy
(A company limited by guarantee)

15. To approve a written description of financial systems and procedures in line with the Academies Financial Handbook (the Handbook)	F&GP
16. To recruit a new head teacher	trust
17. To recruit a new deputy head teacher	trust
18. Ratification of the appointment of a head teacher and deputy head teacher	trust
19. To determine the arrangements for the appointment of all other staff	trust
20. To appoint and dismiss the clerk to trustees	trust
21. To participate in the school self-review process including the review of the trust effectiveness	strategic development
22. Setting the individual school range (ISR)	trust
23. Decision to federate/collaborate or form joint committees with other schools	trust
24. To consider requests from other school to federate/collaborate	strategic development
25. To leave a federation	trust
26. To consider the alteration, discontinuation or change of category of maintained schools	trust
27. To consider whether or not to exercise delegation of functions to individuals or committees	trust
28. To decide to offer additional activities under extended schools provision or to cease provision	trust
29. To institute a health & safety policy and arrangement for implementation	F & G P

Connected Organisations including Related Part Relationships

Owing to the nature of the academy's operations and the composition of the trust 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 trust 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

Objectives and Activities

Objects and Aims

The academy trust's object is specifically restricted to the following to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carry on, managing and developing a school offering a broad and balanced curriculum.

Carlton le Willows Academy
(A company limited by guarantee)

Objectives, Strategies and Activities

The following approved improvement priorities have been acted upon

Priority 1: Raise achievement at key stage 4 and 5, so that students make good and better progress. (Achievement)

With a focus on:

- Pupils making expected and better than expected progress in KS4 English
- Further improve Y12 results on 2014 (positive value added score on ALIS, even if not significantly so)
- Reduce the gap by, at least, 10% between Pupil Premium and Non-Pupil Premium pupils
- Pupils in year 7 who are entitled to 'catch-up' funding make expected progress for their age

Priority 2: To increase the proportion of good and outstanding teaching (Quality of teaching)

With a focus on:

- Ensuring teachers always provide demanding lesson activities that challenge students of all abilities to make as much progress as possible.
- Ensuring all students receive detailed and accurate feedback from teachers following regular marking and assessment of their work.
- Ensuring, where appropriate, all lessons include opportunities for students to develop their literacy and numeracy skills.

Priority 3: To improve attendance and reduce persistent absence and exclusions, with a strong focus on vulnerable groups. (Behaviour and safety of students)

Priority 4: To strengthen the ability and capacity of subject leaders to drive improvement within their subject areas. (Leadership and management, Quality of teaching, Achievement)

With a focus on:

- Making further improvements in the overall quality of teaching within the school
- Refocused assessments of the quality of teaching embedded across all faculties
- Improving rates of progress at KS4 for Art, photography, textiles and food and at KS5 in English language
- Where subject reviews / QA have taken place, there will be evidence of subject leaders taking effective action to address areas for improvement

Priority 5: To review our curriculum for all key stages in the light of external changes and our own needs (2015-18) (Leadership and Management)

Priority 6: Develop the academy's capacity to work in collaboration within a loose partnership of academies through the 'Partnership Exchange Development Programme' (Leadership and Management)

With a focus on:

- Develop a strategy for recognition, retention and recruitment of high potential staff.
- Develop a system for assessing without National Curriculum levels across Key Stages 3 & 4
- Further develop outstanding practice in teaching
- Train all leaders to be 'Ofsted Ready'
- Ensure all staff are deployed as effectively as possible
- Identify opportunities for external support of other schools in 2014-15

Priority 7: To develop a whole school framework for character education (Leadership and Management)

Carlton le Willows Academy
(A company limited by guarantee)

Public Benefit

The trustees confirm that they have complied with the duty in section 4 of the charities act 2006 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

The academy trust's object is specifically restricted to the following to advance for the public benefit education in the region of Gedling and the surrounding area, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

To provide facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the

Strategic Report

Achievements and Performance

Public examination results 2015

YEAR 13	Target	Achieved (Taken from tables checking exercise)
A level Cohort and Result		
Total points score	743	729
Average score per entry	219.7	214.5
% 3+ A Levels	68%	73%
% 2+ A Levels	95%	96%
Academic Cohort and Result		
Total points score	743	729
Average score per entry	219.7	214.5
% 3+ equiv. to A Level	68%	73%
% 2+ equiv. to A Level	95%	96%
Vocational Cohort and Results (25 students)		
Total points score	854.9	835.1
Average score per entry	249	249.3

Carlton le Willows Academy
(A company limited by guarantee)

% 2+ Voc. Qual	28%	20%
% 1+ Voc. Qual	100%	100%
YEAR 11	FFT A (50)/RAISEonline	Achieved (Taken from spreadsheet, not checking exercise)
5+EM	66%	73%
5+A*C	90%	77%
5+A*G	98%	97%
Ave Total Points	511.1	415
Ave Capped Points (incEn&Ma)	360.1	332
5+EM B/G Difference	63% / 78%	65% / 83%
English A*C	76%	79%
Maths A*C	78%	89%
% 2 Sciences A*C (inc BTECs)	n/a	64%
% EBacc (Achieve A*C)	n/a	29%
English 3LoP	77%	82%
English 4LoP	34%	30%
Maths 3LoP	73%	81%
Maths 4LoP	36%	50%

Carlton le Willows Academy
(A company limited by guarantee)

Key Performance Indicators

- Examination results: The table above displays the 2015 examination results achieved by the academy. The students performed exceptionally well and achieved results far beyond expectations specifically in two critical areas;
5% above target for 3+ A Levels in year 13
7% above target for 5 A* - C GCSEs including English and Mathematics. This placed the academy first in the Gedling Borough and third in the locality behind two schools that are situated in very affluent catchment areas.
- Overall pupil attendance has increased this year to 95% which is above the national average. Attendance for students in receipt of pupil premium funding has increased by a 2.26%.
- Staff attendance was 95.8% which is above the academy target of 95%.
- The academy successfully retained the Customer Service Excellence award again and is still the only school in the East Midlands to hold this prestigious accolade.
- The academy once again achieved an operating surplus this year and was able to invest £431,000 into capital projects.
- The academy has carefully managed its reserves this year and is carrying forward in excess of £1,350,000 which is just below the maximum permitted amount. The academy is putting in place several strategies to ensure the reserves are utilised to maximum effect and maintained as necessary for future years.

Going Concern

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

Financial Review

The academy is in a very strong position financially. Overall reserves are in excess of £1,350,000 and the academy has projected a balanced budget for the next five years.

The academy's main source of funding was the General Annual Grant from the Education Funding Agency. This was supplemented by funding from Nottinghamshire County Council to support pupils with special educational needs, Pupil Premium funding from the Education Funding Agency and funds generated by the academy through sales of textbooks and music tuition fees as an example.

The funding has been utilised by the academy to achieve the targets set out in the academy's improvement plan. Resources expended this year have assisted the academy in achieving exceptional examination results.

Reserves Policy

The academy's free reserves are its funds after excluding restricted funds. 'Reserves' are therefore the resources the academy has or can make available to spend for any or all of the academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'free reserves' represent income to the academy which is to be spent at the trustees' discretion in furtherance of any of the academy's objectives but which is not yet spent, committed or designated.

Carlton le Willows Academy
(A company limited by guarantee)

The trustees review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams. The trustees have determined that the appropriate level of free reserves should be equivalent to one months' expenditure, which is approximately £580,028. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves is £472,199.

The level of restricted funds at the period end, excluding the restricted fixed asset fund and the pension reserve, amounted to £988,346.

Funds in deficit

The academy's non-teaching staff are entitled to membership of the Local Government Pension Scheme (LGPS). The academy's share of the scheme's assets is currently assessed to be less than its liabilities in the scheme and consequently the academy's balance sheet shows a net liability of £1,198,000. However, the deficit does not mean that an immediate liability for this amount crystallises. The contribution rate to reduce the liability is calculated by an independent actuary.

Investment Policy

The academy holds no investments other than its capital balance. The trustees have requested that amounts above the level of working capital be held in a high interest account. Currently £500,000 is placed in a treasury deposit with Lloyds for a fixed period of three months.

Principal Risks and Uncertainties

The trustees have assessed the major risks to which the academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the academy and its finances. The trustees have implemented a number of systems to assess risks that the academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance.

They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover. The academy has an effective system of internal financial controls.

The academy has a risk register in place which has been adopted by the trustees and is updated as necessary.

Outlined below is a description of the principal risk factors that may affect the academy. However, not all factors are within the academy's control and other factors besides those listed below may also adversely affect the academy.

Carlton le Willows Academy
(A company limited by guarantee)

1. Government funding

The academy has considerable reliance on continued government funding through the Education Funding Agency (EFA) and the Local Authority.

This risk has and will be mitigated in a number of ways:

- Funding is derived through a number of direct and indirect contractual arrangements;
- Considerable focus and investment is placed on maintaining and managing key relationships with the various funding bodies;
- Ensuring the academy is focused on those priority sectors which will continue to benefit from public funding;
- Contingency planning embedded into the academy budget process.

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.

The academy takes professional advice on this position and makes appropriate contributions on the basis of that advice to ensure the deficit does not become unmanageable.

3. Pupil strategy

The academy seeks to maintain its popularity with current and prospective pupils by:

- ensuring the academy delivers high quality education and training;
- maintaining outstanding success rates and good inspection outcomes; and
- investing in the teaching staff and resources.

With ongoing commitment to quality, the academy now provides market-leading learning environments with state of the art technology and specialist resources.

This places the academy in an excellent position to attract new pupils.

Plans for Future Periods

The following approved improvement priorities will be acted upon during the coming year (2015-16).

Priority 1: To reduce subject and group variation so that all students make consistently good and better progress in all subjects in all key stages (Outcomes). This is a standing priority each year to ensure the best outcomes for all students at the academy. There will be a focus on:

- Further increasing the proportion of pupils making better than expected progress in KS4 English.
- Ensuring high rates of progress at KS4 in DT and PE.
- Improving consistency of Year 13 results (positive value-added score on ALIS, even if not significantly so).
- Further reducing the gap between Pupil Premium and Non-Pupil Premium pupils.

Carlton le Willows Academy
(A company limited by guarantee)

Priority 2: To empower students to develop strong character and leadership qualities (Personal development, behaviour and welfare; Leadership and management). Before the national emphasis on character skills the academy identified them as a key area for development in order to improve the life chances of our students. There will be a focus on:

- Implementing the whole school character education framework.
- Integrating character development into traditions, systems and the ethos.
- Integrating character development within the curriculum, across the curriculum and through enrichment opportunities.

Priority 3: To secure consistently high standard of teaching, learning and assessment teaching using the CLW learning cycle as a framework (Teaching, learning and assessment). The academy recognises that teaching, learning and assessment are key to securing high levels of pupil progress; implementation of a common framework will ensure greater consistency and even higher standards. There will be a focus on:

- Embedding challenge and curiosity into all lessons.
- Developing students' literacy skills across the curriculum.
- Developing KS4 and 5 CLW learning cycles in preparation for use in 2016.
- Implementing an academy wide summative assessment calendar to inform data collection points and drive targeted intervention.

Priority 4: To further strengthen student support systems and processes (Personal development, behaviour and welfare). All students, but most significantly the vulnerable, need support systems in place to enable them to access and benefit from the high standards of education in the academy; we must constantly seek to identify new strategies and put in place new or improved systems to give this support. There will be a focus on:

- Further improving attendance and reducing persistent absence, with a strong focus on vulnerable groups.
- Improve and develop the use of available behaviour data to understand and target individuals' or particular vulnerable groups' behaviour.
- Develop an internal alternative provision centre to provide flexible support and intervention to vulnerable groups.
- Improve the understanding and delivery of support required for students within 'Troubled Families'.

Priority 5: To further strengthen the ability and capacity of middle leaders/managers to drive improvement (Leadership and management; Teaching, learning and assessment; Outcomes). Managers at all levels are required to lead improvements at the academy; changes in personnel and national expectations require that all continue to develop their knowledge and skills. There will be a focus on:

- Assessing the quality of teaching across all subjects.
- Taking effective action to address areas for improvement identified by QA.
- Challenging all to deliver high quality learning experiences for all students.
- Securing targeted intervention and support for students identified as academic or pastoral concerns.

Carlton le Willows Academy
(A company limited by guarantee)

Priority 6: To provide a challenging curriculum to meet our students' needs and aspirations to succeed at and beyond school (Leadership and Management). Ongoing changes to qualifications and national expectations require the academy to constantly review and improve its curriculum content and model in order to best serve the students. There will be a focus on:

- Reviewing and developing the curriculum ensuring it meets external expectations and requirements alongside internal demands, in order to allow students to achieve their best.
- Developing the delivery model for Key Stage 4 options in the light of position of legacy GCSEs within the performance tables.
- Developing an assessment scheme that fully supports aspirational flight paths for students at KS3/4.

Funds Held as Custodian Trustee on Behalf of Others

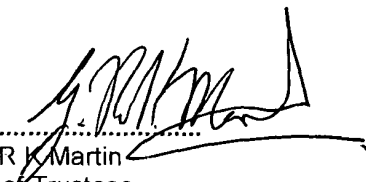
The academy does not hold such funds.

Auditor

Insofar as the trustees are aware:

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

Trustees' Report, incorporating a strategic report, approved by order of the Board of Trustees on 10 December 2015 and signed on its behalf by:


.....
Mr G R J Martin
Chair of Trustees

Carlton le Willows Academy
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Carlton le Willows Academy Trust 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 trustees have delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Carlton le Willows Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. The trustees have formally met three times during the year. Attendance during the year at meetings of the trustees were as follows:

Trustee	Meetings attended	Out of a possible
Mrs P Blandamer	1	3
Mrs P Brown	2	3
Mr W Brown	3	3
Mr V Choudhary (Appointed 20/10/2014)	0	2
Mrs D Fanshawe (Resigned 19/10/2014)	0	1
Mr J Garibaldi	1	3
Mr P Karat	2	3
Mr A Macdonald	3	3
Mr G Martin (Chair)	3	3
Mr N Oldham (Resigned 29/01/2015)	2	2
Mr K Place	2	3
Mr N Reddington (Appointed 02/02/2015)	1	1
Mrs K Ridgard (Appointed 20/10/2014)	2	2
Mr M Robinson (Appointed 20/10/2014)	1	3
Mr F Rodrigues	2	3
Mr J E Rudd	3	3
Mr W Smith	3	3
Mr J Thomas	2	3
Mr P Todd	2	3
Dr D Vowles	2	3
Mr J Weaver (Head teacher)	3	3

Carlton le Willows Academy
(A company limited by guarantee)

The Finance and General Purposes committee is a sub-committee of the main Board of Trustees. Its purpose is to be responsible for;

- Constitutional decisions
- Policy development, planning and public accountability
- Financial matters

Trustee	Meetings attended	Out of a possible
Mrs P Blandamer (Chair)	3	4
Mr J Garibaldi	4	4
Mr P Karat	4	4
Mr G R Martin	2	4
Mr K Place	1	4
Mr M Robinson	2	4
Mr J Rudd	3	4
Dr D Vowles	3	4
Mr J C Weaver	3	4

The Audit committee is a sub-committee of the main Board of Trustees. Its purpose is to be responsible for;

- Monitoring the integrity of the academy's financial systems, records and accounts
- Review key financial decisions and matters of judgement in the annual accounts
- Review and make recommendations on the systems of internal control used by the academy
- Monitor the work of the independent financial consultant and external auditors
- Review the academy's risk management systems

Trustee	Meetings attended	Out of a possible
Mr W Brown	3	3
Mr A Macdonald	3	3
Mr K Place	0	3
Mr J Rudd (Chair)	3	3
Mr C Weaver	3	3

Review of Value for Money

As accounting officer the Head Teacher 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.

Carlton le Willows Academy
(A company limited by guarantee)

The accounting officer for the academy trust has delivered improved value for money during the year by:

- Staffing costs were scrutinised during the year through a route and branch review. Any identified inefficiencies have been dealt with which has created a much more cost effective staffing structure.
- All software and licence costs have been reviewed during the year. Over the next 12 months the academy will be rolling out a series of changes that will create a network infrastructure that is much better value for money.
- The academy's cleaning contract was reviewed through a rigorous tender process and a new cleaning contractor was appointed. The improved value for money achieved by this action has been instantly noticed by a wide variety of stakeholders.

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'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 in Carlton le Willows Academy Trust for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The 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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 01 September 2014 to 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.

The Risk and Control Framework

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

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

Carlton le Willows Academy
(A company limited by guarantee)

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Victoria Lievesley as a financial consultant to carry out the role of internal auditor.

The financial consultant's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- testing of income systems

On a quarterly basis, the financial consultant reports to the Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The financial consultant has carried out the schedule of works as planned and no issues have arisen from that work.

Review of Effectiveness

As accounting officer the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:


- the work of the financial consultant;
- the work of the external auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit 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 10 December 2015 and signed on its behalf by:



Mr G R K Martin
Chair of Trustees



Mr J C Weaver
Accounting Officer

Carlton le Willows Academy
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Carlton le Willows Academy Trust I have considered my responsibility to notify the academy trust 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 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 the EFA.



Mr J C Weaver
Accounting Officer
Date: 10 December 2015

Carlton le Willows Academy
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who act as trustees for charitable activities of Carlton le Willows Academy and are also 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 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 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 then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 web site. 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 trustees on 10 December 2015 and signed on its behalf by:



Mr G R K Martin
Chair of Trustees

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF CARLTON LE WILLOWS ACADEMY

We have audited the financial statements of Carlton Le Willows Academy for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy 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 Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF CARLTON LE WILLOWS
ACADEMY**

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.



Nicholas Cudmore FCA (Senior Statutory Auditor)

for and on behalf of

Duncan & Toplis Limited

Chartered Accountants and Statutory Auditors

15 Chequergate

Louth

Lincolnshire

LN11 0LJ

Date:

11th December 2015

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO CARLTON
LE WILLOWS ACADEMY AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 4 December 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Carlton Le Willows Academy during the year 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 Carlton Le Willows Academy and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Carlton Le Willows Academy and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Carlton Le Willows Academy and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF CARLTON LE WILLOWS ACADEMY'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Carlton Le Willows Academy's funding agreement with the Secretary of State for Education dated 28 March 2011, and the Academies Financial Handbook extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 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 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 EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

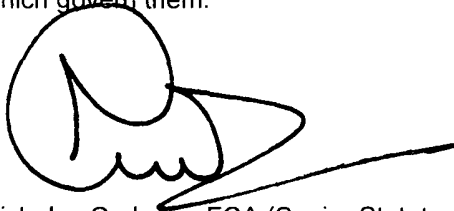
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO CARLTON
LE WILLOWS ACADEMY AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

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



Nicholas Cudmore FCA (Senior Statutory Auditor)

Duncan & Topliss Limited

Chartered Accountants and Statutory Auditors

15 Chequergate
Louth
Lincolnshire
LN11 0LJ

Date:

11th December 2015

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating Income and Expenditure account and Statement of Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	3	16,571	1,320	-	17,891	35,852
Activities for generating funds	4	49,076	-	-	49,076	64,481
Investment income	5	1,982	-	-	1,982	3,197
Funding for the Academy's educational operations		-	7,229,584	372,462	7,602,046	7,254,000
TOTAL INCOMING RESOURCES		67,629	7,230,904	372,462	7,670,995	7,357,530
RESOURCES EXPENDED						
Funding for the Academy's educational operations		18,458	6,964,362	521,132	7,503,952	6,774,364
Governance costs	8	-	57,516	-	57,516	27,562
TOTAL RESOURCES EXPENDED	11	18,458	7,021,878	521,132	7,561,468	6,801,926
NET INCOMING RESOURCES BEFORE TRANSFERS		49,171	209,026	(148,670)	109,527	555,604

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	21	(7,485)	(394,630)	402,115	-	-
NET INCOME FOR THE YEAR		41,686	(185,604)	253,445	109,527	555,604
Actuarial gains and losses on defined benefit pension schemes		-	(5,000)	-	(5,000)	(154,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		41,686	(190,604)	253,445	104,527	401,604
<i>Total funds at 1 September 2014</i>		<i>430,512</i>	<i>(104,963)</i>	<i>11,156,150</i>	<i>11,481,699</i>	<i>11,080,095</i>
TOTAL FUNDS AT 31 AUGUST 2015		472,198	(295,567)	11,409,595	11,586,226	11,481,699

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 31 to 53 form part of these financial statements.

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 07539214

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	2014 £
FIXED ASSETS				
Tangible assets	18		11,323,681	11,156,149
CURRENT ASSETS				
Debtors	19	538,547		435,530
Cash at bank and in hand		1,882,748		1,553,518
		<u>2,421,295</u>		<u>1,989,048</u>
CREDITORS: amounts falling due within one year	20	(960,750)		(550,498)
NET CURRENT ASSETS			<u>1,460,545</u>	<u>1,438,550</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>12,784,226</u>	<u>12,594,699</u>
Defined benefit pension scheme liability	28	(1,198,000)		(1,113,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>11,586,226</u></u>	<u><u>11,481,699</u></u>
FUNDS OF THE ACADEMY				
Restricted funds:				
Restricted funds	21	902,433		1,008,037
Restricted fixed asset funds	21	11,409,595		11,156,150
Restricted funds excluding pension liability		<u>12,312,028</u>		<u>12,164,187</u>
Pension reserve		<u>(1,198,000)</u>		<u>(1,113,000)</u>
Total restricted funds			<u>11,114,028</u>	<u>11,051,187</u>
Unrestricted funds	21		<u>472,198</u>	<u>430,512</u>
TOTAL FUNDS			<u><u>11,586,226</u></u>	<u><u>11,481,699</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 10 December 2015 and are signed on their behalf by:

.....
G R K Martin
Chair of Trustees

The notes on pages 31 to 53 form part of these financial statements.

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	23	729,364	794,561
Returns on investments and servicing of finance	24	1,982	3,197
Capital expenditure and financial investment	24	(402,116)	(502,534)
INCREASE IN CASH IN THE YEAR		<u><u>329,230</u></u>	<u><u>295,224</u></u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015**

	2015 £	2014 £
Increase in cash in the year	<u>329,230</u>	<u>295,224</u>
MOVEMENT IN NET FUNDS IN THE YEAR	<u>329,230</u>	<u>295,224</u>
Net funds at 1 September 2014	<u>1,553,518</u>	<u>1,258,294</u>
NET FUNDS AT 31 AUGUST 2015	<u><u>1,882,748</u></u>	<u><u>1,553,518</u></u>

The notes on pages 31 to 53 form part of these financial statements.

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

1.3 Incoming resources

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

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.

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

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

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

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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

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

Charitable activities are costs incurred in the Academy's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

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 are 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.

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.

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	Straight line over 50 years or 10 years as appropriate to the asset
Motor vehicles	-	Straight line over 4 years
Fixtures and fittings	-	Straight line over 8 years
Teaching equipment	-	Straight line over 8 years
Computer equipment	-	Straight line over 3 years

1.7 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.8 Taxation

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

1.9 Pensions

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the Academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 28, 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.

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the 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 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.

1.10 Re-aligning of comparatives

Following revisions to the EFA Accounts Direction, certain expenses in 2014/15 have been classified on a different basis to 2013/14. Where such differences arise, comparatives have been re aligned to accord with 2014/15 classifications.

2. 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.

Due to the relaxations from the EFA regarding the GAG carry forward limits, the Trustees of the Academy do not believe this balance will be repayable.

3. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	16,571	1,320	17,891	35,852

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

4. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Lettings income	2,815	-	2,815	5,079
Catering income	3,495	-	3,495	15,673
Other income	42,766	-	42,766	43,729
	<u>49,076</u>	<u>-</u>	<u>49,076</u>	<u>64,481</u>

5. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank account interest	1,982	-	1,982	3,197
	<u>1,982</u>	<u>-</u>	<u>1,982</u>	<u>3,197</u>

6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Funding for the Academy's educational operations	-	7,602,046	7,602,046	7,254,000
	<u>-</u>	<u>7,602,046</u>	<u>7,602,046</u>	<u>7,254,000</u>

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants				
General Annual Grant (GAG)	-	6,768,999	6,768,999	6,902,414
Pupil Premium	-	204,976	204,976	173,028
Other DfE/EFA Revenue grants	-	14,500	14,500	16,625
Devolved Formula Capital grant	-	28,806	28,806	26,714
Capital Maintenance grant	-	343,656	343,656	-
	-	7,360,937	7,360,937	7,118,781
Other government grants				
Other government revenue grants	-	83,425	83,425	6,958
Other Local Authority revenue grants	-	157,684	157,684	99,884
SEN 1-1 Funding	-	-	-	28,377
	-	241,109	241,109	135,219
	-	7,602,046	7,602,046	7,254,000

7. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Funding for the Academy's educational operations	18,458	7,485,494	7,503,952	6,774,364

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2015 £	Depreciation 2015 £	Other costs 2015 £	Total 2015 £	Total 2014 £
Funding for the Academy's educational operations	5,459,964	521,132	1,522,856	7,503,952	6,774,364

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

8. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	-	6,000	6,000	6,000
Auditors' non audit costs	-	3,038	3,038	4,450
Legal and professional fees	-	37,555	37,555	6,428
Personnel fees	-	10,923	10,923	10,684
	-	57,516	57,516	27,562

9. DIRECT COSTS

	Educational operations £	Total 2015 £	Total 2014 £
Educational supplies	244,279	244,279	129,850
Technology costs	137,690	137,690	100,593
Examination fees	122,316	122,316	132,296
Staff Development	25,412	25,412	19,563
Other costs	96,090	96,090	103,497
Operating leases - other	13,303	13,303	8,776
Wages and salaries	3,690,293	3,690,293	3,454,576
National insurance	280,989	280,989	270,939
Pension cost	522,811	522,811	497,090
Depreciation	521,132	521,132	356,853
	5,654,315	5,654,315	5,074,033

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

10. SUPPORT COSTS

	Educational operations £	Total 2015 £	Total 2014 £
Other finance income less expenses	18,000	18,000	30,000
Technology costs	5,892	5,892	6,358
Pupil recruitment and support	15,911	15,911	10,301
Maintenance of premises and equipment	247,965	247,965	184,747
Cleaning	167,402	167,402	152,013
Rent and rates	60,393	60,393	38,277
Energy costs	123,689	123,689	118,933
Insurance	95,302	95,302	94,193
Transport	13,092	13,092	14,669
Telephone, postage and stationery	58,235	58,235	44,753
Catering	28,107	28,107	37,076
Other costs	49,778	49,778	37,341
Wages and salaries	787,111	787,111	758,308
National insurance	42,667	42,667	41,417
Pension cost	136,093	136,093	131,945
	<u>1,849,637</u>	<u>1,849,637</u>	<u>1,700,331</u>

11. RESOURCES EXPENDED

	Staff costs 2015 £	Non Pay Premises 2015 £	Expenditure Other costs 2015 £	Total 2015 £	Total 2014 £
Funding for the Academy's educational operations	4,494,093	521,132	639,090	5,654,315	5,332,142
Support costs - Funding for the Academy's educational operations	965,871	694,751	189,015	1,849,637	1,442,222
Charitable activities	<u>5,459,964</u>	<u>1,215,883</u>	<u>828,105</u>	<u>7,503,952</u>	<u>6,774,364</u>
Governance	<u>-</u>	<u>-</u>	<u>57,516</u>	<u>57,516</u>	<u>27,562</u>
	<u>5,459,964</u>	<u>1,215,883</u>	<u>885,621</u>	<u>7,561,468</u>	<u>6,801,926</u>

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

12. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2015 £	Support costs 2015 £	Total 2015 £	Total 2014 £
Funding for the Academy's educational operations	5,654,315	1,849,637	7,503,952	6,774,364

13. NET INCOMING RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the Academy	521,132	356,853
Auditors' remuneration	6,000	6,000
Operating lease rentals:		
- plant and machinery	13,303	8,876
Auditors' remuneration - non audit fees	3,038	4,450

14. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	4,345,825	4,150,600
Social security costs	323,656	312,356
Other pension costs (Note 28)	658,904	629,035
	5,328,385	5,091,991
Supply teacher costs	131,579	61,090
	5,459,964	5,153,081

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

14. STAFF (continued)

b. Staff numbers

The average number of persons employed by the Academy during the year expressed as full time equivalents was as follows:

	2015 No.	2014 No.
Management	1	1
Teachers	90	86
Administration and support staff	63	57
	<u>154</u>	<u>144</u>

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	3	1
In the band £110,001 - £120,000	0	1
In the band £120,001 - £130,000	1	0
	<u>4</u>	<u>2</u>

The above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for the members of staff amounted to £41,540 (2014: £26,450).

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

15. TRUSTEES' REMUNERATION AND EXPENSES

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The value of Trustees' remuneration fell within the following bands:

	2015 £'000	2014 £'000
JC Weaver, Head Teacher		
Remuneration	120-125	115-120
Employer's Pension	15-20	15-20
W Brown, Staff Governor and Trustee		
Remuneration	15-20	15-20
Employer's Pension	-	-
A Macdonald, Staff Governor and Trustee		
Remuneration	40-45	40-45
Employer's Pension	5-10	5-10
N Oldham, Staff Governor and Trustee		
Remuneration	15-20	35-40
Employer's Pension	0-5	5-10
N Reddington, Staff Governor and Trustee		
Remuneration	25-30	-
Employer's Pension	0-5	-

During the year, no Trustees received any benefits in kind (2014 - £NIL).

During the year, no Trustees (2014 - 1) received any reimbursement of expenses (2014 - £42).

16. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,620 (2014 - £1,760). The cost of this insurance is included in the total insurance cost.

17. OTHER FINANCE INCOME (EXPENSE)

	2015 £	2014 £
Expected return on pension scheme assets	83,000	74,000
Interest on pension scheme liabilities	(101,000)	(104,000)
	<u>(18,000)</u>	<u>(30,000)</u>

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

18. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Teaching equipment £
Cost				
At 1 September 2014	11,298,041	26,230	310,205	125,294
Additions	536,644	-	51,684	-
At 31 August 2015	11,834,685	26,230	361,889	125,294
Depreciation				
At 1 September 2014	582,962	3,279	81,451	53,512
Charge for the year	330,301	9,836	44,966	15,662
At 31 August 2015	913,263	13,115	126,417	69,174
Net book value				
At 31 August 2015	10,921,422	13,115	235,472	56,120
At 31 August 2014	10,715,079	22,951	228,754	71,782
			Computer equipment £	Total £
Cost				
At 1 September 2014			308,714	12,068,484
Additions			100,336	688,664
At 31 August 2015			409,050	12,757,148
Depreciation				
At 1 September 2014			191,131	912,335
Charge for the year			120,367	521,132
At 31 August 2015			311,498	1,433,467
Net book value				
At 31 August 2015			97,552	11,323,681
At 31 August 2014			117,583	11,156,149

All of the tangible fixed assets are used for educational purposes.

Included in freehold property is land of £1,486,455 (2014 - £1,486,455) which is not depreciated.

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

19. DEBTORS

	2015 £	2014 £
Trade debtors	3,831	5,317
Other debtors - grants receivable	105,509	59,090
VAT recoverable	252,447	191,137
Prepayments and accrued income	176,760	179,986
	<u>538,547</u>	<u>435,530</u>

**20. CREDITORS:
Amounts falling due within one year**

	2015 £	2014 £
Trade creditors	694,028	319,631
Other taxation and social security	92,615	91,368
Other creditors	87,065	82,224
Accruals and deferred income	87,042	57,275
	<u>960,750</u>	<u>550,498</u>

Deferred income as at 31 August 2015 pertains to government grant funding received during the year, but relating partly or wholly in advance for the year ending 31 August 2016.

Deferred income

	£
Deferred income at 1 September 2014	49,543
Resources deferred during the year	53,965
Amounts released from previous years	<u>(49,543)</u>
Deferred income at 31 August 2015	<u>53,965</u>

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

21. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
Other income not for capital purposes	430,512	67,629	(18,458)	(7,485)	-	472,198
Restricted funds						
General Annual Grant (GAG)	996,383	6,768,999	(6,625,389)	(394,630)	-	745,363
Other DfE/EFA Grants	11,654	219,476	(217,463)	-	-	13,667
Other Government Grants	-	242,429	(99,026)	-	-	143,403
Pension reserve	(1,113,000)	-	(80,000)	-	(5,000)	(1,198,000)
	(104,963)	7,230,904	(7,021,878)	(394,630)	(5,000)	(295,567)
Restricted fixed asset funds						
DfE/EFA capital grants	430,418	372,462	(76,369)	-	-	726,511
Capital expenditure from GAG	831,353	-	(147,507)	394,630	-	1,078,476
Capital expenditure from other income	9,894,379	-	(297,256)	7,485	-	9,604,608
	11,156,150	372,462	(521,132)	402,115	-	11,409,595
Total restricted funds	11,051,187	7,603,366	(7,543,010)	7,485	(5,000)	11,114,028
Total of funds	11,481,699	7,670,995	(7,561,468)	-	(5,000)	11,586,226

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy.

Other DfE / EFA Grants comprise of various grants awarded for specific projects, in particular to boost standards of attainment. Grants include Pupil Premium funding which is intended to support education from pupils from a disadvantaged background.

Local Government Grants includes funding provided for pupils with Statements of Special Educational Needs and is used by the academy to assist with the pupils education.

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

21. STATEMENT OF FUNDS (continued)

Devolved capital funding is that provided to academies to use as it sees fit in areas such as improvements to buildings or facilities, or the repair or refurbishment of such.

Other capital grants are provided to the academy based on specific bids for individual projects.

Other income comprises various other receipts including school meals. The income is classed as restricted or unrestricted based on the nature of the income.

The pension reserve arises from the actuarial measurement of the Academy's share of the Local Government Pension Scheme deficit. This deficit is recorded as a provision. The actuarial cost of employing staff during the year is initially reflected in the normal running costs of the school in the restricted pension fund. The amount included in resources expended represents the pension cost for the year charged to income and expenditure that arises from actuarial calculations of service cost rather than employer contributions paid, and amounts to £80,000. Actuarial gains and losses that arise from changes in assumptions by the actuary or wider influences are shown in the restricted pension fund, the movement this year being a net £5,000 actuarial increase in the net pension fund deficit.

Restricted fixed asset funds represent monies received in respect of and spent on fixed assets. This includes assets inherited on conversion. The total of resources expended within this fund include the depreciation charge for the year. The transfers figure is the amount of other funds used to acquire fixed assets.

Under the funding agreement with the Secretary of State, the Academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 2015. Note 2 discloses whether the limit was exceeded.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	430,512	67,629	(18,458)	(7,485)	-	472,198
Restricted funds	(104,963)	7,230,904	(7,021,878)	(394,630)	(5,000)	(295,567)
Restricted fixed asset funds	11,156,150	372,462	(521,132)	402,115	-	11,409,595
	<u>11,481,699</u>	<u>7,670,995</u>	<u>(7,561,468)</u>	<u>-</u>	<u>(5,000)</u>	<u>11,586,226</u>

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	11,323,681	11,323,681	11,156,149
Current assets	472,198	1,863,183	85,914	2,421,295	1,989,048
Creditors due within one year	-	(960,750)	-	(960,750)	(550,498)
Provisions for liabilities and charges	-	(1,198,000)	-	(1,198,000)	(1,113,000)
	<u>472,198</u>	<u>(295,567)</u>	<u>11,409,595</u>	<u>11,586,226</u>	<u>11,481,699</u>

23. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	109,527	555,604
Returns on investments and servicing of finance	(1,982)	(3,197)
Depreciation of tangible fixed assets	521,132	356,853
Capital grants from DfE	(286,548)	(26,714)
Increase in debtors	(103,017)	(120,967)
Increase/(decrease) in creditors	410,252	(59,018)
FRS 17 adjustments	80,000	92,000
Net cash inflow from operations	<u>729,364</u>	<u>794,561</u>

24. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	<u>1,982</u>	<u>3,197</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(688,664)	(529,248)
Capital grants from DfE	<u>286,548</u>	<u>26,714</u>
Net cash outflow capital expenditure	<u>(402,116)</u>	<u>(502,534)</u>

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

25. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	1,553,518	329,230	-	1,882,748
Net funds	1,553,518	329,230	-	1,882,748

26. CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government grant was received, the Academy is required to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of state sums determined by reference to:

(a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and

(b) the extent to which the expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

27. CAPITAL COMMITMENTS

At 31 August 2015 the Academy had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	112,000	-

28. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Nottinghamshire County 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 related to the period ended 31 March 2004 and of the LGPS 31 March 2010.

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

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

28. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme

Introduction

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

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

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

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

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

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

Teachers' Pension Scheme Changes

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

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

In addition, the proposed final agreement includes a Government commitment that those within 10 years

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

28. PENSION COMMITMENTS (continued)

of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

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

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the Academy has taken advantage of the exemption in FRS 17 and has accounted for its 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 assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £174,000, of which employer's contributions totalled £130,000 and employees' contributions totalled £44,000. The agreed contribution rates for future years are 18.3% for employers and 5.5% to 12.5% for employees.

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

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

28. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	5.80	1,057,000	6.50	1,004,000
Bonds	5.80	143,000	6.60	176,000
Property	5.80	187,000	5.50	157,000
Cash	5.80	52,000	2.90	58,000
Other	5.80	49,000	-	-
Total market value of assets		1,488,000		1,395,000
Present value of scheme liabilities		(2,686,000)		(2,508,000)
Deficit in the scheme		(1,198,000)		(1,113,000)

The amounts recognised in the Balance Sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(2,686,000)	(2,508,000)
Fair value of scheme assets	1,488,000	1,395,000
Net liability	(1,198,000)	(1,113,000)

The amounts recognised in the Statement of Financial Activities are as follows:

	2015 £	2014 £
Current service cost	(192,000)	(191,000)
Interest on obligation	(101,000)	(104,000)
Expected return on scheme assets	83,000	74,000
Total	(210,000)	(221,000)
Actual return on scheme assets	26,000	137,000

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

28. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening defined benefit obligation	2,508,000	2,103,000
Current service cost	192,000	191,000
Interest cost	101,000	104,000
Contributions by employees	44,000	43,000
Actuarial (Gains)/losses	(52,000)	73,000
Benefits paid	(107,000)	(6,000)
	<u>2,686,000</u>	<u>2,508,000</u>
Closing defined benefit obligation	<u>2,686,000</u>	<u>2,508,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	1,395,000	1,236,000
Expected return on assets	83,000	74,000
Actuarial gains and (losses)	(57,000)	(81,000)
Contributions by employer	130,000	129,000
Contributions by employees	44,000	43,000
Benefits paid	(107,000)	(6,000)
	<u>1,488,000</u>	<u>1,395,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £396,000 (2014 - £391,000).

The Academy expects to contribute £144,000 to its Defined benefit pension scheme in 2016.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2015	2014
Equities	71.00 %	72.00 %
Bonds	10.00 %	13.00 %
Property	13.00 %	11.00 %
Cash	3.00 %	4.00 %
Inflation-linked pooled fund	3.00 %	- %
Infrastructure	- %	- %

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2015	2014
Discount rate for scheme liabilities	3.90 %	3.90 %
Rate of increase in salaries	4.30 %	4.40 %
Rate of increase for pensions in payment / inflation	2.50 %	2.60 %
Inflation assumption (CPI)	2.50 %	2.60 %

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

28. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	22.1	22.0
Females	25.2	25.1
Retiring in 20 years		
Males	24.2	24.1
Females	27.6	27.4

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

Defined benefit pension schemes

	2015 £	2014 £	2013 £
Defined benefit obligation	(2,686,000)	(2,508,000)	(2,103,000)
Scheme assets	1,488,000	1,395,000	1,236,000
Deficit	(1,198,000)	(1,113,000)	(867,000)
Experience adjustments on scheme liabilities	52,000	(73,000)	(110,000)
Experience adjustments on scheme assets	(57,000)	(81,000)	92,000

Sensitivity Analysis

	Present Value of total obligations £000	Projected service cost £000
0.1% increase to discount rate	2,637	208
0.1% decrease to discount rate	2,736	216
1 year increase in age mortality rate assumptions	2,761	217
1 year decrease in age mortality rate assumptions	2,613	207

CARLTON LE WILLOWS ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

29. OPERATING LEASE COMMITMENTS

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

	Land and buildings			Other
	2015	2014	2015	2014
	£	£	£	£
Expiry date:				
Within 1 year	-	-	4,125	4,125
Between 2 and 5 years	-	-	8,501	5,768

30. 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, transactions may take place with organisations in which a Trustees has 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.

During the year, various Trustee's of the Academy were also Trustee's of Carlton Le Willows Academy School Fund, registered charity number 1096436. During the year, the School Fund received income of £136,623 (2014 - £161,987) in relation to its objects of providing or assiting the provision of educational, recreational and other charitable facilities in augmentation of such facilities financed by the Local Education Authority. School Fund expenditure in the year amounted to £213,656 (2014 - £115,037).

At 31 August 2015 the balance held by the School Fund was £21,652. (2014 - £98,685).

31. CONTROLLING PARTY

The Trustees have ultimate control of the Academy. There is no single controlling party.