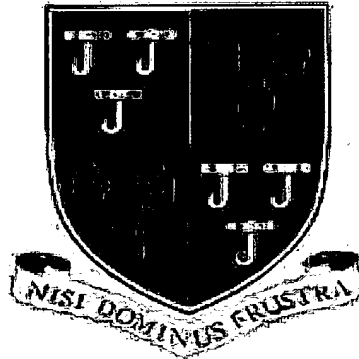


**Kirkbie Kendal School Academy Trust**  
**(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**  
**Year ended 31 August 2016**

Company Registration Number:  
07543834 (England and Wales)



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# **Kirkbie Kendal School Academy Trust**

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# Kirkbie Kendal School Academy Trust

## Reference and Administrative Details

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### Governors who are directors and members

Mrs N Crierie (Chair)  
Mr W R Abram  
Mrs J Buckland  
Mr P Braithwaite

### Governors who are directors

Mr D Armstrong  
Dr N Brown  
Mr M Duff  
Mr D Durnford  
Mr J S Gee (Staff Governor)  
Mrs H Herbert (Staff Governor)  
Mr P Hyman (Headteacher)  
Mr M Leadbeatter (Staff Governor)(Resigned 30 April 2016)  
Mrs J Summerfield  
Mr T Swane

### Company Secretary

Mrs L J Rudelhoff Scott (Appointed 01 September 2016)  
Mrs L Smyth (Resigned 30 August 2016)

### Senior Management Team:

- Headteacher / principal
- Deputy Headteacher
- Deputy Headteacher
- Assistant Headteacher
- Assistant Headteacher
- Business Manager / Governor / Director

Mr P Hyman  
Mr M Harris  
Mrs G McMullen  
Mrs C Barker  
Mr M Bousfield  
Mr J Gee

### Company Name

### Principal and Registered Office

Kirkbie Kendal School Academy Trust  
Lound Road  
Kendal  
Cumbria  
LA9 7EQ

### Company Registration Number

07543834

### Independent Auditor

Saint & Co  
Chartered Accountants  
Old Police Station  
Ambleside  
Cumbria  
LA22 0BT

### Bankers

Barclays Bank PLC  
Highgate  
Kendal  
Cumbria

### Solicitors

Thompson Hayton Winkley  
25 Crescent Road  
Windermere  
Cumbria  
LA23 1BJ

## **Kirkbie Kendal School Academy Trust Reference and Administrative Details (continued)**

**Page 2**

### **Insurances**

Royal and Sun Alliance PLC  
Marsh Ltd  
Education Practice  
Capital House  
1-5 Perrymount Road  
Hayworth Heath  
West Sussex  
RH16 3SY

### **Architects**

Mellor Architects  
125 Highgate  
Kendal  
Cumbria  
LA9 4EN

### **Surveyors**

Bushell Raven Ltd  
Chartered Quantity Surveyors  
Ground Floor  
River Mill  
River Mill Yard  
Staveley Mill Yard  
Cumbria  
LA8 9LR

## GOVERNORS' ANNUAL REPORT

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the company for the year ended 31 August 2016. The annual report serves the purposes of both a trustees report and a directors' report under company law.

### 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 governors act as the trustees for the charitable activities of Kirkbie Kendal School Academy Trust and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Kirkbie Kendal School.

The governors / directors of the academy are made up of volunteers who meet regularly through three committees, finance and property, curriculum, pay and performance. These committees report to the full governing body each term. The management and running of the school is delegated to the headteacher and the senior leadership team.

Details of the governors who served during the year are included in the reference and Administrative details on pages 1 and 2.

No governors received any remuneration in respect of their duties as governors, other than Mr P Hyman who is remunerated in his position as headteacher / principal, Mr J Gee who is remunerated in his position as business manager, Mr M Leadbeatter and Mrs H Herbert who are remunerated as employees of the academy trust.

#### 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.

#### Governors' Indemnities

The governors / directors of the academy trust are covered by indemnity insurance paid for by the trust.

#### Principal Activities

The academy trust commenced its activities on 1st April 2011.

The principle activity of the academy trust is to advance, for public benefit, education in the United Kingdom, 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.

The academies' ethos has traditional values of hard work, care, courtesy and consideration at its heart, coupled with high expectations, a desire to learn and the knowledge that however good we are, we can and we want to improve. With this in mind the academies' aim is to encourage our students to achieve the best they possibly can and to develop into young men and women who are ready to meet the challenges of the 21st century with confidence and who are pleasant and well-rounded and friendly individuals.

#### Method of Recruitment and Appointment or Election of Governors

One governor left during the year. The governors carried out the following procedure:

- Identify if there was a particular specialist need or skill required. (financial, building, curriculum, safeguarding, legal).
- If so suitable candidates would be approached by the clerk to the governors.

#### For parent / staff recruitment

- Inform all parents and /or staff of the vacancy.
- Request nominations are put forward.
- Establish the candidate's suitability.
- Hold a ballot of parents / staff.

## **GOVERNORS' ANNUAL REPORT (continued)**

### **Policies and Procedures Adopted for Induction and Training of Governors**

New governors are assigned a mentor who is an experienced member of the governors, supplied with an induction pack of relevant information, and encouraged to attend the Local Authority governor training courses. They are then attached to the relevant committee that provides the best use of their individual skills and knowledge, which is identified through a skills audit.

### **Organisational Structure**

The management structure consists of three levels, the governors, the school's leadership team and middle managers. The aim of the management structure is to develop responsibility and encourage the involvement of decision making at all levels.

The headteacher is the accounting officer of the academy trust; the day to day management of the school is delegated by the governors to the headteacher and the leadership team, all financial decisions are delegated in line with the scheme of delegation.

The governors are responsible for setting the strategic direction of the school, adopting the school development, general policies and the financial budget. The governors also monitor the school's performance, and appoint senior staff.

### **The current leadership team comprises:**

• Headteacher / principal	Mr P Hyman
• Deputy Headteacher	Mr M Harris
• Deputy Headteacher	Mrs G McMullen
• Assistant Headteacher	Mrs C Barker
• Assistant Headteacher	Mr M Bousfield
• Business Manager / Governor / Director	Mr J Gee

These manage the school at an executive level, implementing the policies laid down by the governors and reporting back to them.

Management of the school is delegated to the headteacher.

The headteacher and leadership team meet twice a week as a group. Individual line management meetings between the leadership team and headteacher happen weekly.

The headteacher will also meet with the representatives of the professional associations and trade union representatives when necessary.

The headteacher and leadership team are responsible for the authorisation of spending within agreed budgets and the appointment of staff. The middle management team includes, heads of curriculum departments, pastoral year heads and administrative and support departments, some spending is devolved to them within set budgets. These managers are responsible for the general day to day operation, organising staff, facilities and students.

### **Arrangements for setting key personnel pay**

The members of the senior leadership team undergo an annual performance management process. Where objectives are set at the start of each academic year and monitored throughout the year. An end of year review is undertaken by the Headteacher and then shared with the Pay and Performance committee.

The Headteacher has a similar process with an independent performance management review. This review is then shared with the governors Headteacher review panel.

Following the successful reviews it is the Governors Pay and Performance committee who recommend any pay progression.

All other staff pay is reviewed using the schools pay and performance policy and determined by the Governing body.

## **GOVERNORS' ANNUAL REPORT (continued)**

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

Kirkbie Kendal School is a member of South Lakes Federation of schools. The federation is made up of eight secondary schools, one special school, one college of further education and a university. The federation is described as a loose federation, and all members work in collaboration with each other.

The Kendal Community Partnership was formed by the primary schools of Kendal, which both Kendal secondary schools are members, and works towards improving collaboration at primary level, developing and supporting the transfer of students to the secondary school environment.

Kirkbie Kendal School Association is the school's parent teacher association, and governors work closely with members with their regular activities.

A School direct partnership developed with the University of Cumbria allows 13 PE PGCE students to be trained at Kirkbie Kendal School, which makes the school a centre of excellence for PE new teachers.

Please see notes 13 and 24 to the financial statements regarding governor related parties and transactions.

### **Objectives and Activities**

#### **Objects and Aims**

The academy trust's object is specifically restricted to the provision to advance for the public benefit education in the United Kingdom, by establishing and managing the school and promoting a broad and balanced curriculum.

The academy trust's principle objective and activity of the academy trust is the education of students from a wide range of abilities between the ages of 11 to 19.

In accordance with the company's articles of association the academy trust has adopted a funding agreement approved by the secretary of state for education. The funding agreement specifies, amongst other things, the basis for admitting students, the catchment area, and that the curriculum should comply with the substance of the national curriculum.

#### **Objectives, Strategies and Activities**

The main objectives during the year ending 31 August 2016 were:

- That all the school's business was conducted to the highest possible standards, integrity, probity and openness.
- To comply with all statutory legislation and curriculum requirements.
- To promote the school's values of Care, Courtesy, Consideration and hard work.
- Every student achieves the best that they possibly can.
- To ensure every student enjoys the same high quality of education.
- Raise the standards of achievement for all students.
- To continue to improve the school's effectiveness by continued self-assessment.
- Provide value for money.
- Maintain and build on the close links with local business.

## **GOVERNORS' ANNUAL REPORT (continued)**

### **Strategies**

The academies' ethos is to continue to develop our students into young men and women who are ready to meet the challenges of the world today with confidence and who are pleasant and well-rounded and friendly individuals.

Activities provided include:

- Training opportunities for all staff.
- Learning opportunities for all students to attain the appropriate academic qualifications.
- Tailored academic pathways to suit student requirements.
- Extensive programmes of sporting activities for all students.
- Lunch time and after school activities and clubs to enrich the school curriculum.
- Activities to all students to enhance and improve their support of others.
- Community programmes and activities to enrich all students' education.

The academy trust aims to establish equal opportunity in all the areas of its activities, to develop and enhance the working environment where everyone's contribution is valued. The academy trust supports the recruitment and retention of both students and staff with disabilities.

### **Public Benefit**

The trustees of Kirkbie Kendal School confirm that they have complied with their duty, following the guidance on public benefit in the Charities Act 2011 in exercising their powers or duties

Our successes are built upon the efforts of highly qualified, hardworking and enthusiastic staff, well-motivated students and very supportive parents and a committed Governing body with a strong connection with the local community.

The school has a very high quality pastoral care system and is a focus for wider community educational activities. We continue to generate better educational programmes for all our students as well as improving our transitional activities for students joining Kirkbie Kendal school.

We value highly all our contact with parents, as a successful education is a partnership between parents, students and school. By working together we meet our aim of ensuring that all students who attend Kirkbie Kendal School will find it challenging, caring and will enjoy their time here and achieve the very best that they can.



## GOVERNORS' ANNUAL REPORT (continued)

### Strategic Report

#### Achievements and performance

Students achieved well across all areas of the School both in lessons and in extra-curricular activities. The hard work of students and staff in years 11 and 13 was rewarded with pleasing examination outcomes detailed below. We are all rightly proud of those examination successes of our students and the amount of academic progress that they have made. Equally important is the celebration of our students being well-rounded, caring, courteous and considerate young people. The high quality of teaching, the care we provide for students and the character of our students has helped to make the school a first choice for parents and students in year 6 and we start the September 2016 year with a full year 7.

#### Examination Results

Year 13 achieved excellent GCE A level and BTec results, there were many A\*s and Distinctions. Most importantly students made outstanding progress from their starting points. As well as students such as Elias Cunningham achieving a well-deserved 5A\* grades for example, we celebrated being in the 'outstanding' category for the progress made by students for whom A to E's were excellent achievements. Of all the grades awarded 52% of grades were A\*-B and 75% percent were awarded at A\*-C. We had a 100% A\*-E pass rate. The average grade per entry was a 'B'.

At GCSE we achieved very good results. For the second consecutive year every student achieved 5 GCSE passes, which is a school record. A good grade in both English and Mathematics was achieved by 66% of students (national average 59%) and 20 students achieved 5 or more A's and A\*s in their GCSE's. Our boys and girls each made the expected progress from their starting points.

#### Staffing News

This year the School said farewell to 8 wonderful colleagues. Together they provided over 75 years of service to students at KKS. We were fortunate to have these people here and we are going to miss them. Two colleagues are retiring. Miss Duffy - an inspirational Physics teacher who taught at KKS for 27 years, she was a pastoral leader and a leader of Science Technology and Maths events including Crest Awards. Mr Donnelly, a brilliant Art and Technology technician, also produced all the sets for our musicals. We wish them both a long and happy retirement.

Mrs Metcalfe led the work of the School office for 11 years and has relocated to the North East, Mrs Myler taught at KKS for 7 years and goes on to a deputy headship at Kirkby Stephen School, Mr Tighe joined us 6 years ago as a newly qualified teacher and leaves to be 2nd i/c Science at Dowdales, Mr Maddock who joined as an NQT 3 years ago moves on to teach Maths in another school, and 3 Progress Mentors; Mr Baker, Miss Mason and Mr Carruthers, leave us to develop their experiences and qualifications. We wish them all the very best and thank them for their many contributions to the School.

We extend a very warm welcome to:

- Mrs Blamire – Office Manager
- Mr Haigh – Art and Technology technician
- Mr Hutchinson to teach English
- Mr Lounds and Mr Noblett to teach Mathematics
- Donna Wilson as a Progress Mentor
- Mr Newcome, Mr Patrick, Mrs Stanton to teach Science

We wish them every success in their careers at Kirkbie Kendal School.

#### Events and Activities

The Creative and Performing Arts flourished. Musically the school production of 'Rock of Ages', performed over 4 days and evenings in the Brewery Theatre, it was fabulous in terms of the high quality of the overall production, and for the individual performances. It was the most musically demanding show we have done and the students all rose to the occasion for arguably the best production to date. Congratulations to directors Sophie Matthews and Jen Donald, Producer Mark Leadbeatter, and all the performers and staff who made this possible. With musical concerts, dancing, art exhibitions and a major drama production of 'Alice' at the Brewery - it was a prolific year for the Creative and Performing Arts team. Please see their separate report for more details.

Students won the Bronze medal in the Royal Society of Chemistry Top of the Bench competition.

We had 38 year 7 and 8 students take on the Junior Maths Challenge, 27 achieved Bronze, Silver or Gold awards – notably Sam Wilsdon and Scott Wilkinson. Congratulations to all who took the challenge.

Six students were awarded the young Fire-Fighter Awards and it was a highlight to see them in action at Kendal Fire Station at their passing out event and parade.

Thirty two gifted and talented Mathematicians attended a special event at Lancaster University.

Fourteen chess players qualified for the British Chess Challenge area finals in Lancaster. Holly Gill progressed to the national finals and finished in the top 16. For a third consecutive year the school junior and senior teams represented Cumbria progressing to the national round before losing to Stoneyhurst College.

## GOVERNORS' ANNUAL REPORT (continued)

In Technology both our Foundation and our Advanced teams won the Rotary Technology Competition for their age group. We reached the national 'Make it' enterprising finals.

Over 200 sports fixtures have been played against schools during the week and on Saturday mornings. Over 400 students have represented the School. Pupils have represented KKS in many different sports from rugby to rounders and cycling to cricket. Both team and individual sporting achievements have maintained our outstanding tradition of success with students winning National, County and regional selection in a wide range of sports. Please see the PE report for more details.

Students consistently demonstrated their considerate and caring attitudes and raised over £3000 for their chosen charities, 'Save the Children Refugee Crisis fund' and 'South Lakes Young Carers'. They organised various stalls, sports events, mufti days and cake sales. They took part in the Keswick to Barrow walk, Sport Relief mile and the Kendal Star Walk for Cancer Care. Our student community service has been rewarded this year with a Princess Diana Champion Volunteer Award presented to Tisha Whitehead. Students contributed to the local community through events like Yarn in the Yard, community tea parties and by giving concerts in Kendal care homes.

Students have also played pivotal roles in helping the School to continuously improve and to run smoothly. I would particularly like to thank the Year Councils, School Councils, the Sports Council and the School's 6th form Senior Students.

The School library continues to be a central hub of the School, 2 teams entered the Cumbria Literacy quiz and we had many visitors, including authors Mike Levell, Ross Welfors and Jonathan Meres, as well as writer, TV presenter and adventurer Helen Skelton. We also had visits from The RAF Swing Wing band, MP Tim Farron, 'Google' and Newcastle Falcons.

Students have benefited from the many clubs, activity days, trips, events and visits that are organised by staff. For example, the World Challenge to Swaziland where they supported the needs of a community by renovating school facilities and teaching English to local children, a visit from the British Cartographic Society, many theatre and musical visits, German study visits to Munich and Rhineland, Year 7 Residential to Kingswood, Art trips to National Galleries of Scotland, Liverpool, Blackwell and Kendal Museum. History and Geography London trip, Year 7 Geog/Maths Days, a whole school EU referendum. Geography field work trips, History visits such as Skipton Castle, Maths - fire station visits and Year 10 Diversity Fair. A Mock Trial Visit and a Trial Competition, plus our ski trip to Austria, the whole school walk and a fantastic Day of Activities at the end of the year. Congratulations to our 32 Year 10 students who achieved the Bronze Duke of Edinburgh Award, and 5 students who have completed their Gold expedition and are working towards their Gold D of E Award.

Thank you parents for your support and thank you to colleagues' for your organisation.

The KKSA was active providing social events and raising additional funds for items to benefit students via car boots and quizzes. They provided ongoing support for the minibus and a covered walkway adjacent to the kitchen. Thank you to the KKSA team, particularly Chair Frances Watkins, Secretary Jo Pritchard and all the committee and supporters. Please continue to support the KKSA in 2017 as they raise money for projects across the School.

Thank you to the School's trustees for all their hard work which enabled them to provide support that also included the covered walkway.

### The Future

We completed our fifth year as a 'High Performing' 'Academy convertor' School and have used the autonomy that it gives us to enhance our partnership work as an integral part of the Kendal Collaborative Partnership (with primary schools), and the South Lakes Federation.

In 2016 - 2017 we will be putting particular emphasis on preparing our students for the new GCSE's and A levels. We will be encouraging resilience and development of the 'can do' attitude which will help enable our young people to be happy and to succeed in the future.

My thanks go to the team of committed Governors, teaching and support staff, who make all of this possible.

## **GOVERNORS' ANNUAL REPORT (continued)**

### **School Buildings**

The Governors continue to improve the School's resources and refurbish and maintain the fabric of the School building.

A number of rooms throughout the School have benefitted from decorating. Other improvements include new carpets to stairways and corridors and classrooms in the Humanities building. New carpets and redecoration to the Music room have been completed along with general repairs to external guttering and rainwater pipes.

The new covered walkway was constructed to allow students undercover access to the dinner queue, new paving was also completed to the area over the summer.

The hall floor has been completely stripped and re-polished.

The in-house catering continues to work well with some revised menus introduced alongside the already existing popular dishes. The cashless catering system and the on-line payment 'ParentMail' service has been extended to allow parents to make payment contributions to the cost of school trips.

We are keen to introduce new items to the weekly menu; a number of 'theme days' have been introduced with Mexican day being the most popular.

### **CITIZENSHIP 2015-2016**

The purpose of citizenship education is to equip the next generation of voters with the knowledge and drive to create positive change in the world around them. They are taught the factual knowledge that will help them to understand the way that the world around them works, and also taught the skills they will need to effect change in the world, whether this be at a local, national or international level. Throughout the schemes we have sought to incorporate the fundamental British values of democracy, the rule of law, individual liberty and mutual respect for and tolerance of those with different faiths and beliefs and for those without faith.

Lifeskills lessons in Year 7 – 10 incorporated a variety of Citizenship based schemes of work. These schemes are varied and range from politics, the judicial system, economic wellbeing, prejudice and discrimination, and careers to name a few.

Voting has been a key theme with all KKS students voting in the school EU referendum. Two students volunteered to front the In / Out campaigns and there followed speeches and a debate. The vote itself resulted in a win for remain and it was pleasing to see the level of engagement and interest the vote generated. Linked to this we ran our first visit to the Houses of Parliament; students from Year 8 had a tour and then took part in an elections and voting workshop. We followed this up with a visit from Tim Farron who spoke about the role of an MP and then answered students' questions on a range of topics. Politics club continues to be popular and gives students the opportunity to discuss political and philosophical issues. A mock trial competition took place at Kendal Magistrates Court with our Year 8 and 9 students competing against other schools. They performed really well and learnt a lot about the UK judicial system.

In the autumn term we organised a collection of essential items for those facing winter in the Calais refugee camps, and students made Christmas shoeboxes for the Boxes of Hope campaign. Students raised money for Children in Need and they took part in the Sport Relief sponsored mile. The Save the Children Emergency Refugee appeal was also a focus for fundraising activities. A lot of charity events brought the School together as a community with a lot of good humour, but it also developed a much deeper understanding as to why we need to think about others.

Our annual Diversity Fair was led by Year 10 students. All of Year 7 visited the fair and the Leadership Team voted for the best stalls. There was an array of themes such as disability, ethnicity, religion and foods. Year 7 and Year 10 both very much enjoyed the event and learned more about the different groups and cultures within the UK.

## GOVERNORS' ANNUAL REPORT (continued)

### CREATIVE AND PERFORMING ARTS (CAPA) 2015-16

All 180 Year 8 and Year 9 students started the new term producing work for the Kendal Comic Arts Festival. In a short 2 week turnaround they produced some amazing images of superheroes which were displayed, to much acclaim, in the Kendal Leisure Centre front windows for the duration of the festival. Nikki Smith, from Kendal Window's On Art, introduced a community art project involving Years 7, 10 and 12 students who will be producing artwork for a proposed exhibition in 2017. Year 12 and 13 students were involved in a project in collaboration with the Brewery Arts Centre to produce Victorian medicine inspired large three dimensional sculptures, to be situated in Dr Manning's Yard in the town centre.

On the 10th of September the Year 10 GCSE dance group did a performance for the Kendal Torchlight Festival, this was a fantastic day giving them an opportunity to perform a celebration of all the Dance and Music from last year at Kirkbie Kendal. On the 30th of September the Year 10 dance group took a trip to see 'A Linha Curva' a production put on by Rambert Ballet. It was fantastic for the group to see as this is a Dance studied on the new GCSE specification. Extremely useful speeches from the director of Rambert Ballet, the rehearsal director, costume director and the dancers themselves were provided which explained and demonstrated the difference between contemporary and ballet techniques and the different roles and careers within the dance industry.

Urama Lupo performed as part of the year 8 Open evening where they did a promenade version of 'Historical Mr and Mrs'. The Knotted Project did a workshop with a group of our students who are involved in the KKS / Brewery co-production of 'Alice' and this was very successful. Our Year 11 GCSE performed at the unique pop-up venue, Roundabout, in October when they presented Arthur Miller's 'A View from the Bridge' - over 60 of our gifted and talented KS3 students were in the audience for this as well as parents and some members of the public - the general consensus was that this was an excellent production. We also had 125 students volunteering to see 'Our Teacher's a Troll' at Roundabout in October.

The annual Prize Giving evening contained a piano solo by Chloe Martin and a xylophone piece performed by Sam Nicholls. This year the annual Gala concert took place at Dallam School where Sam Nicholls performed a superb xylophone solo. The standard of musicianship at these concerts is always very high and Sam performed well. On the 11th November the Year 10 Music class went on a coursework trip to Lancaster where the students visited the Bay Radio Station and Lancaster Grand Theatre. This gave them a real insight into the different job roles in the music and media industry. The Kendal Christmas Lights Switch on took place on a rather wet Sunday 15th November. We had 25 students singing Christmas songs which was followed by Santa's sleigh. On 25th November the RAF 'Swing Wing' came to KKS to host a question and answer session for secondary students from local schools. There was also a primary music concert for our feeder schools and a KS3 performance for our students. The department also organised for musicians to perform some festive music at Kendal Care Home in the run up to Christmas. The build up to the Christmas season was very busy and the Festive Concert was superb!

We had a fantastic day at the Modern Art gallery in Edinburgh with the Year 11 and Sixth Form art students. We started by looking at some early paintings by Picasso from the start of the 20th century then worked our way through the galleries getting closer to the present day. A beautiful sunny day allowed us to have our packed lunches outside in the grounds of the museum surrounded by sculptures and works of art. The students had time to explore the galleries at their own pace, looking at the contemporary art in 'British Art Show 8' and seeing Eduardo Paolozzi's studio, before returning to Kendal with lots of ideas for their own art work.

In March the Knotted Project did a workshop with our KS3 Drama Club students and our Year 11 GCSE group. In April our Year 11 GCSE drama group performed their exam pieces for an audience of family and friends and this was a huge success. Drama Club were busy working on some devised pieces of Drama on the theme of 'Consequences'.

On the 4th March, the Year 10 music class went on an educational visit to 'The Beatles Museum' in Liverpool. Students learnt about the history and musical styles of the band as well as how a band is promoted. This proved to be an enjoyable and worthwhile visit for students.

On the 23rd March the department hosted the 'Battle of the Bands' concert in the School hall. This event had 8 different school bands performing 3 songs of their choice to the audience and panel of judges. There was an audience of around 100 and the feedback from the event was really positive. This is the second year running the department has had this concert and we hope it will become an annual event.

In the run up to the Easter holidays all GCSE and A level Art students were busy preparing for their exams and finishing off any outstanding pieces of art coursework. After the May half term we had gifted and talented workshops for our KS3 students in partnership with the Brewery Arts Centre as part of the 'Yarn in the Yards' festival. In addition to this we had primary enrichment taster days, a Year 10 visit to art galleries in Manchester and our annual exhibition of artwork by our GCSE and A level students as part of the CAPA night.

## GOVERNORS' ANNUAL REPORT (continued)

The summer term was very busy with our annual CAPA evening and the School musical of 'Rock of Ages'. Our CAPA evening showcased artwork from our GCSE and A level students. This was supported by performances in the drama studio from our different groups and a variety of musical soloists and groups in the courtyard. Rock of Ages was performed for 4 nights at the Brewery and was produced to a very high standard. We had over 60 performers taking part as well as a live band. The school looks forward to starting preparations for next year's show of 'Disco Inferno'.

### PHYSICAL EDUCATION AND SCHOOL SPORT REPORT 2015-16

#### Talented Performers

The department continues to support our talented performers by entering District, County and National competitions. Where appropriate we offer advice and guidance, arrange trips and visits and organise for coaching courses to be delivered in school for our staff and students to 'up skill' them. All students continue to have access to Kendal Elite Sports Academy where they can do their sports conditioning with professional support and guidance. This is still well attended and attracts pupils from other schools as well. PE and other staff continue to support our students by offering a wide range of clubs and inter school fixtures in their free time.

#### Judo

Judo remains on our curriculum, working with Kendal Judo Club and Mike Liptrot, the Year 7 and 8 boys and girls each took part in a 4 week course. The students thoroughly enjoyed the new challenge. This is a fantastic opportunity for our pupils to access an Olympic training venue, work on the Olympic mat from London 2012 and be coached by National coaches and Olympians.

#### PGCE PE

The fourth cohort of PGCE students successfully completed their course. Again, most have started teaching positions this year. The student feedback from the course received through the University, informal conversations with Ofsted and the students themselves, evidenced that the KKS aspect of the course was very well received. We are looking forward to producing an even stronger cohort this coming year.

#### Sportsnight

Sportsnight 2016 took place last summer and was an excellent evening for our athletes to demonstrate their abilities and positive attitude towards PE and Sport in school. We would also like to take this opportunity to thank Darren Johns, at Amey, and Mark Elliot, of John Elliot Ltd, for their support which enabled the long jump pit to be upgraded.

#### Rugby Union

Rugby Union remains highly popular at KKS, while some other schools struggle to get boys to play, we have on average 30 boys at practices in Years 7, 8, 9 and 10. We also continue to run senior rugby fixtures for Years 11-13. Notable achievements include Alex Pantechis (Newcastle Falcons Junior Academy and County) gaining a place on Newcastle Falcons AASE programme. Will Montgomery became a Falcon Junior Academy player and eventually an EAP (England Academy). We also have numerous District players. We took over 70 boys to watch the Newcastle Falcons play in the Aviva Premiership.

#### Football

The school runs teams in Years 7-10 and also a 1st XI team. We are able to play both senior rugby and football fixtures on a Wednesday afternoon due to the numbers participating. The School played 30 matches in the season, winning 21. Cup matches continue to be played mid-week whilst block fixtures are played on Saturday mornings. The School won the U18 County Cup this season, making us the most successful U18 school in Cumbria in the last 14 years.

#### Tennis

Billy Blaydes, Tom Casey, Alfie Richardson and James Seaton reached the Team County Final, losing out to a good Sedbergh side. All the boys played well and Billy Blaydes was undefeated throughout.

#### Hockey

Girls: Teams for all age groups are run and entered into the tournaments. We have a large number of KS3 pupils attending the practices. We encourage the girls to join the local clubs of Ambleside and Kendal and the coaches of these speak very highly of their commitment and ability. The following girls all won 'End of Season Awards' from their clubs: Maddy Townson, Holly Strickland, Megan Carradus and Jess Fox. We have a number of girls who are attending the Junior Development Centres. County girls Lucy Dixon and Nicola Capstick. Katie Coleman was selected for the Regional Performance Centre at Durham

Boys: Boys hockey grows in strength and depth. The School now has many representatives across the age ranges attending the County Development Centres, which are stepping stones for selection to full County squad. The County organiser has praised the School coach for his pro-activity, and Jacob Ross, Fraser Donaldson, Josh Weeks and Liam Lofthouse continue to play at County level this season. In addition, both Alex Watkins and Jake Fisher played not only outside of school for Kendal and Windermere respectively, but are also playing for the North West U16 squad, with Jake on the cusp of the North XI. Hockey is proving very popular with the new Year 7 boys and the coach is searching for U12 opposition for the first time ever. In November 2016, the U16 Boys' team became County Champions.

Kendal Men's Hockey Club continues to benefit from the uptake in boys' hockey at Kirkbie Kendal and it is not uncommon for a regular 2nd XI squad of 15 to feature up to 11 players who are still at, or who have passed through, the School, and for both 1st and 2nd team squads (around 30 players) to have 18 players who are Kirkbie Kendal past or present.

## GOVERNORS' ANNUAL REPORT (continued)

### Netball

Netball teams and practices are run for all age groups and entered into tournaments. We have a large number committed to attending the practices and playing fixtures. Our U15 netball team in particular did well in the South Lakes tournament and of that team Chloe Birtles plays for the county team and is now training in the NE squad.

### Cricket

Another busy year which included our standard cricket fixtures and intra-school matches and a number of coaching sessions from Netherfield Cricket Club working with our pupils. Our U13 and U14 teams again entered the Lancashire Schools Cricket Cup. Oli and Toby Tyson continued to represent the County.

### Athletics

The School has enhanced its reputation as a top athletics school this season and both the boys junior and inters teams reached the North West finals in the Track and Field Cup. A number of athletes performed well at the District Championships and qualified for the County Finals in Carlisle. Jack Brench and Louis Ready both competed at County standard.

### Cross Country

As with athletics, the School has a good reputation in cross country running. Our pupils are entered into local, County, Regional and National events. Chris Richards and Imogen Burrow have represented England in mountain running.

### Badminton and Table Tennis

Badminton club ran for the entire year. We were going to stop it in the summer term but the numbers just kept coming. We ran a round robin competition after Christmas with the top 2 playing just after the May half term. The winner and runner up of the tournament were presented with a trophy and runner up medal. We now also have 4 table tennis tables set up each week and this is proving very popular too!

### Primary Liaison

We maintain our links and ongoing support with local primary schools in PE and sport. We offer in-school help in lessons and advice and guidance about PE and sport. We also continue to host various sports events including Sportshall Athletics, Tag Rugby, Netball and Hockey. Three primary netball taster sessions were organised, helped by our Year 12 and 13 sports students. Over 300 primary school students attended overall. We again hosted our major event, the Year 4 Olympic Day. This final event was very well received and well attended by all schools in the KCP. Again, over 250 Year 6 pupils will be attending with coaches here from Newcastle Falcons, Kendal RUFC and the RFU, as well as KKS school staff.

### International Honours

We are proud to have the international shirts and vests of some of our current and former pupils. Mr Barker arranged to have these properly framed and displayed in school to celebrate their sporting success and to inspire students. They are still awaiting name badges. Nicola Capstick is now ranked 6th in her age band for Backstroke in swimming.

### **GIFTED AND TALENTED 2015-16**

Challenging our most able students is the job of every subject teacher in every class room and this is the focus of our work. To complement this, enrichment events are run to add to the curriculum. Included below is information about some of these activities.

We came third in the Top of the Bench science competition which was held up in Penrith. This took the form of a quiz show style competition where reaction time was as important as scientific knowledge. This was the first time we had entered the competition which was organised by the Royal Society of Chemistry.

We entered a team in the BAE run, Top of the Form competition, to defend the trophy that we currently hold. It is a Science, Technology and Maths based competition using a quiz show format. Our team played well but came unstuck against some quality opposition. Losing the trophy was made easier by handing it over to one of our former students who is now enjoying an engineering apprenticeship working with BAE and who was involved in running the competition.

Our more able KS3 students have taken part in 3 conferences at Heversham. In one, our own Mr Brennand presented on the subject of 'The Law is an Ass', before the groups took part in a number of mock trials led by a barrister who had come over from Newcastle. Some of our students were noted for their ability to destroy the prosecution's case – we look forward to watching the development of these analytical minds over the next few years.

The Extended Project Qualification presentations have taken place for our current Year 13. Presentations are the final part of the qualification and are based on the 5000 word dissertation that they have produced. Presentations included 'Are Humans Innately Selfish?', 'Was the Reign of Elizabeth 1st Really a Golden Age for Britain?' and 'Should Self Inflicted Illness be Treated on the NHS?'. The current Year 12 have travelled down to the University of Lancaster to take advantage of their academic library to research their topic areas.

The Rotary club of Kendal came in to school on the 28th April to present prizes to the School and Technology department who had entered teams in the Rotary run Technology competition. The competition was based around building a bridge, using the materials given, whilst working under time pressure. I am pleased to report that we won 2 of the 3 prize categories.

Thirty of our most able mathematicians worked with Lancaster University on a series of 3 workshops looking at various mathematical challenges. These challenges included an introduction to complex numbers, game theory and the maths of architecture.

## GOVERNORS' ANNUAL REPORT (continued)

### LEARNING SUPPORT 2015-16

Kirkbie Kendal School seeks at all times to maximise the potential of all students, whatever their needs and abilities, so that all benefit from effective learning opportunities within the School and the wider community.

We are an inclusive school which endeavours to provide opportunities to enable all students to achieve their potential personally, socially, emotionally and academically in all areas of the curriculum.

Identification of Additional Need: Children are identified as having SEN when their progress has slowed or stopped and the usual interventions, resources etc. put in place do not enable improvement.

At Kirkbie Kendal School we record SEN in the following way:

**SEN Monitor** - students who are identified as having an additional need whose needs are met through 'quality first teaching' in the classroom by the class teacher. This includes differentiation, seating arrangements, accessible resources etc.

**SEN Support** - students as above, but may also be supported long term by a Teaching Assistant, Educational Psychologist, Special Advisory Teacher or other professional. These students are likely to have a student support plan as their needs are defined as being additional or different from that generally made to others of the same age in Kirkbie Kendal School.

**Educational Health Care Plan – EHCP** - students as above but have a long term additional need and receive specialised advice and support. These students will have a Student Support Plan and their progress will be monitored through the usual school procedures and Annual Reviews.

SEN resources were directed towards supporting pupils with SEN statements / EHCP's in class and offering interventions to pupils throughout the School identified as needing extra support by subject Heads of Department and Heads of Year.

- **Reading Club:** Aimed at pupils with standardised reading scores of below 85 in Year 7. This intervention involves Year 7 being supported by a Year 12 mentor for 2 tutor times a week.
- **Year 7, 8 and 9 Indirect Dyslexia Learning (IDL):** Pupils were identified from the previous year's Reading Club and English Department as pupils who could benefit from more intervention and support with Reading. The sessions took place over 2 registrations a week and involved the use of IDL software. Lessons comprise: spellings, prose and comprehension, with a common story running through.
- **Social Use of Language:** For pupils in Year 7 who may have difficulty in social situations, a 1 hour session is delivered during the week.
- **Reading 1:1:** delivered by an experienced TA aimed at pupils in Year 7 and 8 with reading difficulties, generally with reading ages less than 8 years old. Pupils usually receive 1 hour input during the week.
- **Reading Group Year 8:** An intervention aimed at pupils who benefit from extra Reading input, replacing MFL. The lessons develop skills in word recognition, spelling presentation and comprehension.
- **Learning Through Experience:** An intervention for pupils who would benefit from a more practical approach to learning, developing life skills, social skills and literacy skills. The John Muir Award was introduced this year.
- **Passport Maths:** An intervention for Year 7 pupils. A software based intervention designed to 'fill in the gaps' from primary.
- **Entry level maths:** delivered to a group of Year 10 pupils.
- **Laptops:** pupils have access to a bank of laptops to support those with handwriting difficulties. Laptops can be used in external exams if they are a pupil's 'normal way of working.' Claro Read software has been made available to those students with specific difficulties in reading and writing.

The Department and Teaching Assistants have spent a considerable amount of time supporting students in public exams, providing readers, and scribes.

The Head of Learning Support continues to assess for JCQ Exam Access arrangements for GCSE exams.

Primary Transition takes place throughout the School year. This includes visits to Year 5 and 6 Annual Reviews by the Head of Learning Support. Pupils with Statements are invited to visit the School during the School day individually or as part of a group. Some pupils are invited to a lunch at the School. The final transition activity is a morning in school for identified groups of pupils, where team building activities and activities designed to reduce anxieties about the move to Kirkbie Kendal take place. To aid in the transition process Teaching Assistants also visit local primary schools to meet the pupils and their Teaching Assistants.

The Department has continued to work closely with a range of professionals including Inspira, Educational Psychologists, Specialist Advisory Teachers and other SENCOs from within the South Lakes Federation.

**GOVERNORS' ANNUAL REPORT (continued)****STAFF PROFESSIONAL DEVELOPMENT REPORT 2015-16**Appraisal

Appraisal targets for all staff have been set that are linked to teaching and learning. The aim of the appraisal system is to support whole school improvement and improve the learning for all.

Whole School INSET

The plan of the sessions is included below:

Date	Focus
Sept	Marking feedback and acting on feedback.
Oct	SLF Inset with focus on GCSE new specification changes.
Nov	Appraisal meetings and review of progress.
Feb	Curriculum changes and Life beyond levels.
March	Moderation day and curriculum development.
May	Assessment changes.
June	Review of school priorities and reporting changes.

Our 2 main focuses have been the curriculum changes at GCSE and A level, ensuring that plans are in place, resources are developed and assessment is rigorous and moderated and KS3 assessment and Life Beyond Levels. All this work continues into the next academic year.

NQTs and PGCE Students PE PGCE

We continue to work closely with the University of Cumbria and School Direct establishments to support the training of teachers. The Mathematics, Science and English departments worked closely to improve the teaching of their PGCE students who all achieved QTS (Qualified Teacher Status). We continue to support NQT (Newly Qualified Teachers) in their professional development at KKS.

School Direct

KKS continues to run a successful PE PGCE School Direct qualification. We had 6 students all of whom look forward to completing their NQT year in various schools around the country. We enjoy working with such enthusiastic and eager professionals and continue to improve our provision each year.

SLF

The South Lakes Federation of Schools (SLF) is a collaboration of 10 schools, in and around the South Lakes area, Kendal College and the University of Cumbria, all of which work closely together to provide the best possible education experiences for our students. All our staff were involved in the SLF Inset day back in October and continue to meet with other departments and professionals across the SLF schools. Our priorities have been on Curriculum Changes, Life Beyond Levels and Moderation. We look forward to continuing to work within the SLF schools.

**IMMEDIATE DESTINATIONS OF FORMER STUDENTS 2015-16**

There were 128 students aged 17 or over at the start of the school year. Details of progression are:

64 students in Year 13 at the start of the school year progress as follows:

Higher Education	76%
Higher Education Deferred Entry	12%
Employment and training	12%

64 Students continued into Year 13 from Year 12

There were 129 students in Year 11 at the start of the school year.

Details of progression are:

6th Form	46%
College, employment and training	53%
To be confirmed	1%



**GOVERNORS' ANNUAL REPORT (continued)****EXAMINATION STATISTICS 2015-16**GCSE

The number of students was 129

% 5+ A\*-C in both English & Maths = 66%

Progress 8 score = -0.06

A Level

The number of students was 64

% of grades at A\* - E = 100%

% of grades at A\* - B = 52%

% of grades at A\* - C = 75%

The average grade for vocational courses = Distinction\*

The average grade for 'A' level entry = C+

Student performance at post -16 was in the top 25% nationally and graded outstanding for student progress.

**ATTENDANCE STATISTICS 2015-16**

The School sessions are 8.45 – 13.10 and 14.05 – 15.25 Monday to Friday in the term time for this academic year.

The school week contains lesson time (excluding Registration, Assemblies, Form time, Breaks) of 25 hours.

Percentage of half days missed through:

Authorised absence	4.8%
Unauthorised absence	0.4%
Total absence	5.2% (National 5%)

The School Attendance Policy is available on the website and outlines how the School achieves maximum possible attendance through appropriate actions, such as first day contact when an unexpected absence occurs.

**GCSE RESULTS 2016**

Subject	Entries	A*-C %	A*-G %	National 2016 A*-C
Art & Design	27	59	96	69
Biology	62	79	100	88
Business Studies	54	57	100	65
Chemistry	62	79	100	91
Computing	16	38	88	64
Dance	5	80	100	Not available
Design & Technology	78	68	100	56
Drama	13	85	100	67
English Language	129	57	99	63
English Literature	129	71	100	71
French	19	79	100	78
Geography	61	72	100	67
German	11	91	100	83
History	49	53	98	65
ICT	67	33	100	70
Mathematics	129	79	98	67
iMedia	43	21	100	Not available
Music	17	82	100	Not available
Sport (National Diploma)	7	100	100	Not available
PE	28	57	100	67
Physics	62	76	100	90
Religious Studies - Full GCSE	21	57	100	70
Science & Additional Science	67	24	100	62
Spanish	12	67	100	85

**GOVERNORS' ANNUAL REPORT (continued)****Summary of GCSE Results**

Number of students aged 15 on roll - 129

Students (percentage)	Achieving good pass in English & Maths	Achieving 5+ A* - G	Entered 1+ GCSEs	Achieving 1+ A*-G
Boys	60	100	100	100
Girls	76	100	100	100
All Students	66	100	100	100

**SUMMER 2016 GCE 'A' LEVEL SUMMARY**

The number of students in the cohort was 64

The School was in the top State Schools list

Subject	Entries	A*/A	B	C	D	E
Art	5	2	0	2	1	0
Biology	16	2	4	3	7	0
Business Studies	6	1	2	2	1	0
Chemistry	13	7	3	1	2	0
English Language	12	2	4	2	4	0
English Literature	2	0	1	1	0	0
German	4	1	1	1	1	0
General Studies	18	4	5	5	4	0
Geography	21	1	4	7	5	4
Health & Social Care	6	6	0	0	0	0
History	4	1	1	1	1	0
Law	6	0	1	3	2	0
Mathematics	17	8	2	2	4	1
Media	7	0	4	1	2	0
Music	5	4	0	1	0	0
PE	5	0	1	2	1	1
Physics	5	3	1	1	0	0
Product Design	7	2	3	2	0	0
Psychology	8	3	2	1	1	1
RE/Philosophy	5	3	1	1	0	0
Science	8	0	1	4	3	0
Sociology	19	3	4	4	6	1
Spanish	3	1	1	1	0	0

**GOVERNORS' ANNUAL REPORT (continued)****Key Financial Performance Indicators**

The governors will continue to monitor the academy's performance through regular reviews and monthly, quarterly and annual reports. To assist with this monitoring a number of key performance indicators will be identified, these indicators may be reviewed and revised so as to ensure that relevant information is provided.

Further performance review will be undertaken with benchmarking with other South Lakes Federation schools.

	2016	2015	2014
%Teaching & educational Support staff costs to Incoming resources.	64.85	56.96	66.22
Ratio of FTE staff to students.	8.40	8.61	9.08
Teaching staff FTE ratio to students	10.64	10.91	15.27

**Going Concern**

After making appropriate enquiries, the governing body has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future

Retention of students to the 6<sup>th</sup> form is excellent, and student choice for the new intake for year 7 in September 2016 is oversubscribed with the introduction of an extra class, means that the school continues to prosper.

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 trust is funded by the general academy grant which is paid directly by the Education Funding Agency. Grants are also received from Cumbria County Council relating to students special educational needs.

Income is also raised from community associations and local business for the hire of the school premises and sports facilities.

Total funds received at 31st August 2016	£5,088,584
Total funds expended at 31st August 2016	£5,660,613

Details of incoming resources and resources expended are shown in the notes to the accounts.

The value of the tangible fixed assets was £10,868,844, these assets were used exclusively for providing education and the associated support services to the students.

At 31st August 2016 the academy trust held fund balances of:

Restricted funds	£180,493
Unrestricted funds	£214,538
Restricted fixed asset funds	£10,868,844
Pension deficit	(£2,114,000)
Cash balances held	£707,032

The level of funding agreed by the education funding agency for next year allows for a deficit budget, the shortfall will be met from the academy trust reserves. With the higher than usual intake into year 7 the student numbers have necessitated an increase in teaching staff. Due to the nature of the Academy Grant funding these extra students are not funded until September 2017.

## **GOVERNORS' ANNUAL REPORT (continued)**

### **Reserves Policy**

The governors will continue to review, monitor and agree the levels of reserves the academy trust holds in line with government guidelines. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and nature of reserves. It is the Governing Body's general policy to continue to build reserves which can be used for future educational purposes.

The Academy had total funds at 31 August 2016 of £9,149,874 which included £180,493 restricted funds not available for general purposes of the Academy Trust, £214,537 of free reserves defined as unrestricted funds available for general purposes and £10,868,844 which can only be realised by the disposal of tangible fixed assets. The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was a surplus of £395,030.

In addition, the deficit on the restricted pension fund of £2,114,000 arises from an actuarial deficit on the local government pension scheme which will be dealt with as advised by the actuary. This pension liability will have an impact on the level of these reserves.

The Governors have designated certain funds which include the following:

Cinderovens sports facility fund has been designated for the maintenance and future replacement of the all-weather pitch, in 2023.

Building projects fund has been designated for future building projects at the governor's discretion.

Budgeted expenditure for 2016/17 is £5,196,351.

### **Investment Policy**

The available funds for the academy trust dictate the investment policy. Cash balances are held within main stream banks and building societies with a strong ethical and environmental profile.

### **Agency Arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 25.

### **Principal Risks and Uncertainties**

The academy's main funding comes from the EFA and this funding is based on students. Measures are in place to market the school to ensure that student numbers are maintained. The intake to year 7 in September 2016 has been excellent with the need for an extra class group to accommodate the numbers. Staffing is a major cost to the academy and the curriculum is closely monitored to ensure that staffing resources are maximised. Student numbers have been consistent and future primary numbers indicate that this will continue to be the case. The Finance and Property Committee continue to monitor both student numbers and staffing levels on a regular basis.

### **Financial and Risk Management Objectives and Policies**

The academy's exposure to credit, cash flow and liquidity risks are minimised by the very nature of the trust activities. Grant funding is received at the beginning of each month, which ensures a positive cash flow throughout the financial year. Income from other sources, are not a large part of the trusts income and therefore do not form a significant credit risk. Bank balances are positive and the academy holds cash reserves.

It is the Governors objective to maintain suitable cash reserves whilst expending the grant funding received in that year on the education of the students. The level of reserves is discussed annually.

## GOVERNORS' ANNUAL REPORT (continued)

### Plans for Future Periods

The academy trust will continue to improve the levels of performance of all its students so that they can achieve the best they possibly can.

The academy trust will continue to market the school to maintain its share of available student intake, by developing and working collaboratively with the South lakes Federation and the Kendal Community Partnership.

Work to encourage our more able students to follow the extended programme qualification and the elite pathways programme to maintain recruitment to the sixth form.

The schools development and action plans set out targets for student achievement, teaching standards and utilisation of resources.

Kirkbie Kendal School Academy Trust makes contributions to the teachers' pension and Cumbria local government pension schemes both of which continue to undergo considerable changes.

The academy will monitor all these changes and the changes to government legislation and follow the schemes administrator's advice on contributions.

### Auditor

Insofar as the governors are aware:


- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The governors 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.

Saint and Co have been appointed as auditors and they are willing to continue in office and a resolution to appoint them will be proposed at the next meeting.

The governors report, incorporating a strategic report was approved by order of the members of the governing body on ~~14<sup>th</sup> December 2016~~ and signed on its behalf by:



Mrs Nicola Crieve  
Chair of Governors and Academy Trustee



Mr Phil Hyman  
Headteacher & Accounting Officer

## GOVERNANCE STATEMENT

### Scope of Responsibility

The governors acknowledge the overall responsibility for ensuring that the academy trust has an effective and appropriate system of control, financial and otherwise. A number of systems, especially in the areas relating to teaching, health and safety, school trips and financial control have been implemented. Vetting of new staff is carried out along with systems to identify and supervise visitors to the school.

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 governors have delegated the day-to-day responsibility to the headteacher, as accounting officer and the schools business manager 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 Kirkbie Kendal School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the governing body through the Finance and Property Committee any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities.

The governing body has formally met six times, the pay & performance committee three times, the curriculum committee five times and the finance and property committee four times.

Attendance during the year at meetings was as follows:

	Full board		P&PM		Curriculum		F&P		Total
	possible	attended	possible	attended	possible	attended	possible	attended	
Mrs N Crierie (Chair)	5	5	4	2	5	5	4	3	15
Mr W R Abram (chair F&P)	5	5	4	2	-	-	4	4	11
Mrs J Buckland (chair Curr)	5	4	-	-	5	5	-	-	9
Mr P Braithwaite (chair p&pm)	5	2	4	3	-	-	-	-	5
Mr D Armstrong	5	5	-	-	5	5	-	-	10
Dr N Brown	5	4	-	-	5	5	-	-	9
Mr M Duff	5	5	3	-	5	2	4	4	9
Mr D Durnford	5	3	-	-	-	-	4	4	7
Mr J S Gee	5	5	4	3	1	1	4	4	13
Mrs H Herbert	5	5	-	-	5	5	-	-	10
Mr P Hyman	5	5	4	3	5	5	4	4	18
Mr M Leadbeater	3	2	-	-	3	1	-	-	3
Mrs J Summerfield	5	5	4	3	-	-	-	-	8
Mr T Swane	5	4	-	-	-	-	4	2	6
Mrs L Smyth (clerk)	5	4	3	3	5	4	4	2	13

## GOVERNANCE STATEMENT (continued)

The Finance and property committee is a sub-committee of the main board of governors. Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources. The committee will assist with the proper planning and monitoring of financial matters and makes appropriate comments and regular recommendations on such matters to the governing body.

Attendance at the meetings in the year is shown above.

The Curriculum committee is a sub-committee of the main board of governors. Its main purpose is to be responsible for advising the main board of governors on details relating to the design, delivery and performance of the curriculum. It also reviews the exam results and discusses the individual subject performance and monitors the progress with individual action plans. The committee will identify areas for improvement and report regularly to the main board of governors.

Attendance at the meetings in the year is shown above.

The pay and performance committee is a sub-committee of the main board of governors. Its main purpose is to be responsible for advising the main board of governors relating to staff employed by the academy trust. The committee monitors staff performance and identify areas of improvement reporting regularly to the main board of governors.

Attendance at the meetings in the year is shown above.

The Governors continue to review their own performance, this on-going review forms the Governing body's action plan which is updated in September each year.

### Review of Value for Money

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

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

Value for money is about achieving the best educational outcomes through the, efficient and effective use of all the resources available to the school.

Resources are directed where they are most needed and most effective to meeting our educational requirements.

### Targeted improvement

- Resources including staffing are targeted in key subject areas, such as English and Maths, with performance closely evaluated.
- Monitoring and supporting the performance of all staff and ensuring that the relevant action is taken to address any weakness.

### Focus on individual students

- Monitoring the needs of individual and particular students and ensuring that the support they receive is relevant to them.
- Identifying particular student groups i.e. pupil premium, gifted and talented, SEND and providing tailored and relevant support.

### Collaboration

- We work closely with other schools and in particular, the South Lakes Federation of school (secondary) and the Kendal Community Partnership of schools (primary).

### Quantifying improvements

- Students are closely tracked throughout the year groups and across key stages.

Our governance arrangements include regular monitoring by the full governing body and the finance and property committee at half termly meetings. Relevant financial management reports are provided for each meeting. These committees are also informed by termly reports completed by the schools accountants, who carry out checks on financial processes and tendering procedures in place.

**GOVERNANCE STATEMENT (continued)**

Value for money is achieved in purchasing through.

- Fitness for purpose.
  - Consideration of different suppliers both online and through catalogues to find best value.
- Benchmarking.
  - Working and sharing with the other South Lakes Federation of schools, and other local schools, joint procurement and sharing best practice.
  - Comparing costs and prices through the South Lakes Federation Business Manager's group.
- Options appraisal.
  - Consideration of whether the purchase is really necessary, or if there is a more cost efficient alternative available.
  - Tendering for major contracts and services and building works, alternative costs are obtained in accordance with the financial procedures and scheme of delegation.
- Economies of scale.
  - Looking at alternative joint and group procurement to obtain group discounts.
  - Sharing information and joint use of staff with local schools.

We recognise the need to closely monitor costs, monthly, quarterly financial reports are prepared and shared with the school's leadership team. The staffing structure and time table are carefully structured to ensure maximum use of available staff whilst meeting our operational needs.

**The Purpose of the System of Internal Control**

The system of internal control are 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 on-going process designed to identify and prioritise the risks to the achievement of the Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Kirkbie Kendal School Academy Trust throughout the year to 31<sup>st</sup> August 2016 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The governors review 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 governors are of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governors, revised in accordance with audit and other recommendations.

**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, detailed within the finance management and procedures handbook, 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 governors;
- regular reviews by the finance and property committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of governors has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However, the governors have appointed Saint & Co, the external auditor, to perform additional checks.



## GOVERNANCE STATEMENT (continued)

The external auditors have been appointed to carry out the monitoring of the financial matters and performing a range of checks on the academy trust's financial systems. Each term a representative will carry out monitoring processes of the school's systems and provide a report along with recommendations to the governors of the school. Any recommendations will be discussed and implemented as required with a further review at the next terms report. In particular the checks carried out in the current year include:

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

We confirm the external auditor has delivered their schedule of works as planned.

### Review of Effectiveness

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

- The work of the external auditor;
- The financial management and governance self-assessment process;
- Monthly and quarterly financial reports.
- Weekly meetings with the school's business manager
- Termly meetings with the school's finance manager.
- The financial management manual.
- The work of budget holders and members of the senior leadership team.


The governors will review any recommendations made by the school's auditors and implement them as required.

The accounting officer and business manager will be advised of any implications resulting from the review of the internal control systems by the finance and property committee and a plan for improvement.

Approved by order of the members of the governing body on 14<sup>th</sup> December 2016 and signed on its behalf by:



Mrs Nicola Criege  
Chair of Governors and Academy Trustee



Mr Phil Hyman  
Headteacher & Accounting Officer

## **STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

I have delegated the day to day organisation, management and monitoring of the financial processes and procedures to the School's Business Manager. All financial transactions are carried out in accordance with the School's Financial Policies.

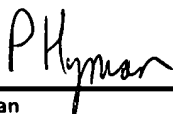
The School's Business Manager and I meet regularly every week. Monthly we discuss the school's payroll, and financial accounts. I am regularly kept up to date and informed on the financial position of the school.

Checks undertaken:

- Each month's payroll data is scrutinised, individual staff names, pay amounts and 'bacs' payments are reconciled.
- Monthly accounts breakdowns are checked for comparison with budgeted amounts to actual costs. Variations are questioned and discussed.
- All staff appointments are authorised by me.
- Staff progression through the pay scales is only authorised after completion of successful performance management reviews.
- Major contracts follow the schools scheme of delegation and authorised accordingly.
- Refurbishment contracts are awarded only after receiving a minimum of three tenders and approval from the Finance and Property Committee.

I confirm that I and the academy trust board of governors 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 governors and EFA.



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**Mr Phil Hyman**  
**Headteacher & Accounting Officer**

## STATEMENT OF GOVERNORS' RESPONSIBILITIES

The governors (who act as trustees of Kirkbie Kendal School Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare financial statements for each financial year. Under company law the governors 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 governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015-2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 governors 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 governors 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 governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the governing body on 14<sup>th</sup> December 2016 and signed on its behalf by:



Mrs Nicola Crieje

Chair of Governors and Academy Trustee

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS OF  
KIRKBBIE KENDAL SCHOOL ACADEMY TRUST**

We have audited the financial statements of Kirkbie Kendal School Academy Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities (including income and expenditure account), the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's governors as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITOR**

As explained more fully in the Governors' Responsibilities Statement, the governors (who are also the directors of Kirkbie Kendal School Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2015 to 2016.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Governors Annual Report (which includes the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS OF  
KIRKIE KENDAL SCHOOL ACADEMY TRUST (continued)**

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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



**Mr Ian Thompson (Senior Statutory Auditor)**

For and on behalf of  
Saint & Co  
Chartered Accountants & Statutory Auditors  
The Old Police Station, Church Street, Ambleside, Cumbria, LA22 0BT

Date: 15/12/16

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY  
TO KIRKBBIE KENDAL SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING  
AGENCY**

In accordance with the terms of our engagement letter dated 2 September 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Kirkbie Kendal School Academy Trust during the period 01 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to the Kirkbie Kendal School Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Kirkbie Kendal School Academy Trust and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Kirkbie Kendal School Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF KIRKBBIE KENDAL SCHOOL ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Kirkbie Kendal School Academy Trust's funding agreement with the Secretary of State for Education dated 31 March 2011 and the Academies Financial Handbook, extant from 1 September 2015, 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 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 01 September 2015 to 31 August 2016 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 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY  
TO KIRKBIE KENDAL SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING  
AGENCY (continued)**

The work undertaken to draw our conclusion includes:

- the Financial Management & Governance Evaluation (FMGE) was obtained;
- having a general awareness of regularity and propriety whilst conducting the statutory audit function;
- reviewing if extra-contractual payments for staff have been made in accordance with the Handbook;
- reviewing if borrowing agreements, including leases to ensure they have been made in accordance with the Handbook;
- reviewing the minutes of the meeting of the main committees during the year;
- reviewing expenditure to check that it was not ultra vires to the charitable objectives;
- obtaining trustee / governor's declaration of interests.

**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 period 01 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Mr Ian Thompson (Reporting Accountant)**

For and on behalf of  
Saint & Co

Chartered Accountants & Statutory Auditors

The Old Police Station, Church Street, Ambleside, Cumbria, LA22 0BT

Date: 15/12/16

**Statement of Financial Activities  
for the year ended 31 August 2016  
(including Income and Expenditure Account)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £	Total 2015 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	8,623	19,587	28,210	805,551
Charitable activities:						
Funding for the academy trust's educational operations	4	202,176	4,819,767	-	5,021,943	5,123,718
Other trading activities	5	36,380	-	-	36,380	40,583
Investments	6	2,051	-	-	2,051	1,662
Other income	7	-	-	-	-	(111,225)
<b>Total</b>		<b>240,607</b>	<b>4,828,390</b>	<b>19,587</b>	<b>5,088,584</b>	<b>5,860,289</b>
<b>Expenditure on:</b>						
Raising funds	8,9	(22,546)	-	-	(22,546)	(22,953)
Charitable activities:						
Academy trust educational operations	8,10	(166,018)	(4,939,484)	(532,565)	(5,638,067)	(5,974,026)
Other		-	-	-	-	-
<b>Total</b>		<b>(188,564)</b>	<b>(4,939,484)</b>	<b>(532,565)</b>	<b>(5,660,613)</b>	<b>(5,996,979)</b>
<b>Net income / (expenditure)</b>		<b>52,043</b>	<b>(111,094)</b>	<b>(512,978)</b>	<b>(572,029)</b>	<b>(136,690)</b>
<b>Transfers between funds</b>	11	(36,285)	(64,629)	100,914	-	-
<b>Other recognised gains / (losses):</b>						
Actuarial (losses) / gains on defined benefit pension schemes	23	-	(907,000)	-	(907,000)	(49,000)
<b>Net movement in funds</b>		<b>15,758</b>	<b>(1,082,723)</b>	<b>(412,064)</b>	<b>(1,479,029)</b>	<b>(185,690)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		198,780	(850,785)	11,280,908	10,628,903	10,814,593
<b>Total funds carried forward</b>		<b>214,538</b>	<b>(1,933,508)</b>	<b>10,868,844</b>	<b>9,149,874</b>	<b>10,628,903</b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.



# Balance Sheet as at 31 August 2016

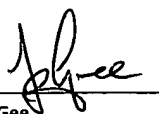
Company Number 07543834

	Notes	2016 £	2016 £	2015 £	2015 £
<b>Fixed assets</b>					
Tangible assets	15		10,868,843		11,280,908
<b>Current assets</b>					
Stock	16	6,558		3,705	
Debtors	17	103,774		99,855	
Cash at bank and in hand		<u>707,032</u>		<u>915,843</u>	
		817,364		1,019,403	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	18	<u>(422,333)</u>		<u>(532,407)</u>	
<b>Net current assets</b>			<u>395,031</u>		<u>486,996</u>
<b>Total assets less current liabilities</b>			11,263,874		11,767,904
<b>Net assets excluding pension liability</b>			<u>11,263,874</u>		<u>11,767,904</u>
Defined benefit pension scheme liability	23	<u>(2,114,000)</u>		<u>(1,139,000)</u>	
<b>Total assets</b>			<u>9,149,874</u>		<u>10,628,904</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	19	10,868,844		11,280,908	
Restricted income fund	19	180,492		288,215	
Pension reserve	19	<u>(2,114,000)</u>		<u>(1,139,000)</u>	
<b>Total restricted funds</b>			8,935,336		10,430,123
<b>Unrestricted income funds</b>	19		<u>214,538</u>		<u>198,781</u>
<b>Total funds</b>			<u>9,149,874</u>		<u>10,628,904</u>

The financial statements were approved by the board of trustees and authorised for issue on 14<sup>th</sup> December 2016 and are signed on behalf of the board by:



Mrs Nicola Crierie  
Chair of Governors



Mr John Gee  
Governor

## Statement of Cash Flows for the year ended 31 August 2016

	2016 £	2015 £
<b>Cash flows from operating activities</b>		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(572,029)	(136,690)
Adjusted for:		
Depreciation charges	512,978	501,791
Loss on disposal of tangible fixed assets	-	111,225
Capital grants from DfE and other capital income	(19,587)	(787,958)
Interest receivable	(2,051)	(1,662)
Defined benefit pension scheme cost less contributions payable	22,000	20,000
Defined benefit pension scheme finance cost	42,000	37,000
Defined benefit pension scheme administration expenses	4,000	4,000
(Increase)/decrease in stocks	(2,853)	(42)
(Increase)/decrease in debtors	(3,919)	164,347
Increase/(decrease) in creditors	(110,074)	(45,175)
<b>Net cash provided by / (used in) Operating Activities</b>	<b>(129,535)</b>	<b>(133,164)</b>
<b>Cash Flows from Investing Activities</b>	<b>2016 £</b>	<b>2015 £</b>
Dividends, interest and rents from investments	2,051	1,662
Purchase of tangible fixed assets	(100,913)	(424,023)
Capital grants from DfE/EFA	19,587	787,958
<b>Net cash provided by / (used in) investing activities</b>	<b>(79,275)</b>	<b>365,597</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>(208,810)</b>	<b>232,433</b>
<b>Cash and cash equivalents at 1 September 2015</b>	<b>915,842</b>	<b>683,409</b>
<b>Cash and cash equivalents at the 31 August 2016</b>	<b>707,032</b>	<b>915,842</b>
<b>Analysis cash and cash equivalents</b>	<b>At 31 August 2016 £</b>	<b>At 31 August 2015 £</b>
Cash in hand and at bank	707,032	915,842
<b>Total cash and cash equivalents</b>	<b>707,032</b>	<b>915,842</b>

## **Notes to the Financial Statements for the period ended 31 August 2016**

### **1 Statement of Accounting Policies**

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

#### **General Information**

The academy trust is a private company limited by guarantee, registered in England and Wales and is an exempt charity. The address of the registered office is Kirkbie Kendal School Academy Trust, Lound Road, Kendal, Cumbria LA9 7EQ, United Kingdom.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Basis of Preparation / Statement of Compliance**

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102)), the Academies Accounts Direction 2014 to 2015 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Kirkbie Kendal School Academy Trust meets the definition of a public benefit entity under FRS 102.

#### **First time adoption of FRS 102**

These financial statements are the first financial statements of Kirkbie Kendal School Academy Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Kirkbie Kendal School Academy Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. The trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Reconciliations to previous UK GAAP for the comparative figures are included in note 26.

#### **Going Concern**

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**Notes to the Financial Statements for the year ended 31 August 2016 (continued)****Income**

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

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 meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

- **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

- **Other Income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

**Deferred Income**

Grants and other funding received for the academy's educational activities for a period spanning the year end are deferred pro-rata to the relevant periods in order to match the funding to the period in which the costs of charitable activities are incurred.

**Notes to the Financial Statements for the year ended 31 August 2016 (continued)****Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on Raising Funds**

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable Activities**

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT

**Tangible Fixed Assets**

Single assets costing less than £1,000 or similar groups of assets purchased or ordered together of less than £1,000 are written off in the year of purchase.

All single assets or groups of assets ordered or purchased at the same time above £1,000 are to be capitalised.

Tangible fixed assets transferred on conversion to Academy status have been included in the accounts at valuation.

Land and buildings are classed as long leasehold if there is over 50 years unexpired lease term at the balance sheet date.

Tangible fixed assets since the Academy was established are included in the accounts at cost.

Depreciation is provided on all tangible fixed assets so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

- Long leasehold property - straight line over the estimated economic life (10 to 50 years)
- Furniture, equipment and computers - straight line over 5 years
- Plant and machinery - straight line over 15 years

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.

The depreciation charge for additions in the year is time apportioned based on the month of purchase.

The total depreciation charge is allocated to teaching costs and administration and support costs pro-rata to the number of employees.

**Stock**

Catering stock and stationery stock are valued at the lower of cost or net realisable value.

**Notes to the Financial Statements for the year ended 31 August 2016 (continued)****Liabilities**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**Provisions**

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**Leased Assets**

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

**Agency Arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust uses up to 10% of the allocation towards its own administration costs and this is recognised in the statement of financial activities.

The funds received and paid and any balances held are disclosed in the agency arrangements note. The unused funds at the period end are included as a liability in the balance sheet in other creditors.

**Taxation**

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**Pensions Benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 28, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit 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 the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

**Notes to the Financial Statements for the year ended 31 August 2016 (continued)**

**Fund Accounting**

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

Restricted fixed asset funds reflect the fixed assets and capital grants for the purchase of fixed assets to be used for charitable purposes.

Restricted general funds comprise grants, including the General Annual Grant (GAG), and other funding for educational purposes and any voluntary income to be used for specific purposes.

The Local Government Pension Scheme deficit is recognised against restricted general funds in order to match it against the GAG, in accordance with EFA guidance.

**Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

*Critical accounting estimates, assumptions and judgements*

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The annual depreciation charge is sensitive to the estimated useful economic lives of property. The useful economic lives of property, plant and equipment is initially based on the professional valuers report using their judgement and experience. The useful economic lives are assessed annually and changed when necessary to reflect current thinking on their remaining lives.

## Notes to the Financial Statements for the year ended 31 August 2016 (continued)

**2 General Annual Grant (GAG)**

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2016 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 trust has not exceeded these limits during the year ended 31 August 2016.

**3 Donations and capital grants**

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Capital grants	-	19,587	19,587	787,958
Miscellaneous donations	-	8,623	8,623	17,593
	<u>-</u>	<u>28,210</u>	<u>28,210</u>	<u>805,551</u>

The income from donations and capital grants was £28,210 (2015: £805,551) of which £8,623 was restricted (2015: £17,593) and £19,587 restricted fixed assets (2015: £787,958).

**4 Funding for the Academy Trust's Educational Operations**

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
<b>DfE / EFA grants</b>				
General Annual Grant (GAG)	-	4,284,718	4,284,718	4,359,532
Pupil Premium	-	118,446	118,446	114,062
Other DfE/EFA grants	-	35,653	35,653	41,207
	<u>-</u>	<u>4,438,817</u>	<u>4,438,817</u>	<u>4,514,801</u>
<b>Other Government grants</b>				
Local authority grants	-	95,627	95,627	109,044
Other Government grants	-	30,124	30,124	27,100
	<u>-</u>	<u>125,751</u>	<u>125,751</u>	<u>136,144</u>
<b>Trip income</b>	-	164,570	164,570	166,150
<b>Catering income</b>	196,095	-	196,095	186,630
<b>Other income</b>	4,300	90,629	94,929	90,552
<b>School fund</b>	1,781	-	1,781	29,441
	<u>202,176</u>	<u>4,819,767</u>	<u>5,021,943</u>	<u>5,123,718</u>

The income from funding for the Academy Trust's educational operations was £5,021,943 (2015: £5,123,718) of which £202,176 was unrestricted (2015: 221,600) and £4,819,767 restricted (2015: £4,902,118).



## Notes to the Financial Statements for the year ended 31 August 2016 (continued)

## 5 Other Trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Hire of facilities	10,296	-	10,296	12,523
Hire of pitches	26,084	-	26,084	28,060
	<u>36,380</u>	<u>-</u>	<u>36,380</u>	<u>40,583</u>

The income from other trading activities was £36,380 (2015: £40,583) of which all £36,380 was unrestricted (2015: £40,583).

## 6 Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Bank and Building Society interest	2,051	-	2,051	1,662
	<u>2,051</u>	<u>-</u>	<u>2,051</u>	<u>1,662</u>

The income from investments was £2,051 (2015: £1,662) of which all £2,051 was unrestricted (2015: £1,662).

## 7 Other income

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Gains / Losses on disposal of tangible fixed assets for charity's own use	-	-	-	(111,225)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(111,225)</u>

The income from other income was £nil (2015: £111,225) of which £nil (2015: £111,225) was restricted fixed assets.

## Notes to the Financial Statements for the year ended 31 August 2016 (continued)

## 8 Expenditure

	Staff Costs	Non Pay Expenditure		Total	Total
		Premises	Other	2016	2015
	£	£	£	£	£
Expenditure on raising funds	16,432	5,847	267	22,546	184,189
Academy's educational operations:					
Direct costs	3,397,263	22,736	515,780	3,935,779	4,175,187
Trips and productions	2,516	-	162,055	164,571	166,151
Catering	60,508	9,875	93,926	164,309	161,236
Allocated support costs	620,501	271,078	646,137	1,537,716	1,471,452
	<b>4,097,220</b>	<b>309,536</b>	<b>1,418,165</b>	<b>5,824,921</b>	<b>6,158,215</b>

Net income/(expenditure) for the period includes:

	2016	2015
	£000	£000
Operating lease rentals	10,677	12,017
Depreciation	512,978	501,792
(Gain)/loss on disposal of fixed assets	-	111,225
Fees payable to auditor for:		
- audit of the financial statements	4,250	4,100
- assurance services	2,705	2,665
- accountancy	3,355	3,115

## Notes to the Financial Statements for the year ended 31 August 2016 (continued)

## 9 Costs of other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
<b>Sports lettings</b>				
Support staff costs	13,016	-	13,016	12,989
Maintenance of premises and equipment	5,847	-	5,847	5,995
	<b>18,863</b>	-	<b>18,863</b>	18,984
<b>Other lettings</b>				
Support staff costs	3,416	-	3,416	3,433
Catering	267	-	267	536
	<b>3,683</b>	-	<b>3,683</b>	3,969
	<b>22,546</b>	-	<b>22,546</b>	22,953

Costs of other trading activities was £22,546 (2015: £22,953) of which all £22,546 was unrestricted (2015: £22,953).

## Notes to the Financial Statements for the year ended 31 August 2016 (continued)

## 10 Charitable Activities

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
	£	£	£	£
<b>Direct costs – educational operations</b>				
Teaching and educational support staff costs		3,397,263	3,397,263	3,425,432
Depreciation		218,288	218,288	397,459
Books, apparatus and stationery		97,112	97,112	91,076
Examination fees		80,330	80,330	90,707
Staff development		20,366	20,366	21,264
Educational consultancy		12,219	12,219	10,586
Alternative curriculum		33,278	33,278	46,997
Hire of leisure centre		22,736	22,736	22,466
other direct costs		54,186	54,186	69,200
	-	3,935,778	3,935,778	4,175,187
<b>Trips and productions – educational operations</b>				
Transport and accommodation costs		80,669	80,669	47,266
Admission costs		16,175	16,175	18,264
Trip supply costs		2,516	2,516	2,721
Other costs		61,681	61,681	93,666
Costumes and props		940	940	1,418
Lighting and sound		1,885	1,885	2,294
Marketing and advertising		705	705	522
	-	164,571	164,571	166,151
<b>Catering – educational operations</b>				
Support staff costs	60,508		60,508	56,312
Maintenance of premises and equipment	9,874		9,874	7,970
Catering	93,926		93,926	96,954
	164,308	-	164,308	161,236
<b>Support costs – educational operations</b>				
Support staff costs		559,993	559,993	529,274
Rates and water		59,986	59,986	50,680
Heat and light		67,313	67,313	67,705
Maintenance of premises and equipment		95,993	95,993	440,060
Insurance		30,972	30,972	30,104
Cleaning		6,939	6,939	8,024
Other professional fees		-	-	11,275
Telephone		14,997	14,997	16,708
Computer costs		22,545	22,545	28,442
Depreciation		294,689	294,689	104,333
Staff development		150	150	389
Security		10,491	10,491	10,358
Transport		18,843	18,843	20,522
Advertising		10,187	10,187	10,623
Admin photocopying and stationery		14,133	14,133	9,850
Mini bus rental		3,780	3,780	3,780
Min bus expenses		1,278	1,278	1,210
School fund	1,710		1,710	1,712
Catering		22,018	22,018	11,795
Other support costs		73,754	73,754	57,068
Governance costs - accountancy fees		6,060	6,060	5,780
Governance costs - audit fees		4,250	4,250	4,100
Legal and professional fees		7,329	7,329	6,660
Local Government Pension Scheme deficit taken on		46,000	46,000	41,000
	1,710	1,371,700	1,373,410	1,471,452
<b>Total direct and support costs</b>	<b>166,018</b>	<b>5,472,049</b>	<b>5,638,067</b>	<b>5,974,026</b>

Costs of charitable activities was £5,638,7068 (2015: £5,974,026) of which £166,019 was unrestricted (2015: £162,999), £4,959,070 was restricted (2015: £4,917,939) and £512,978 was restricted fixed assets (2015: £893,088).

**Kirkbie Kendal School Academy Trust**  
**Notes to the Financial Statements for the year ended 31 August 2016**  
**(continued)**

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**11 Fund transfers**

	Total 2016 £	Total 2015 £
<b>Unrestricted funds</b>		
Music tuition fees transferred to the restricted GAG fund to cover costs incurred in providing this service	(4,300)	(5,529)
Transfer to the restricted GAG fund from the unrestricted catering fund to contribute towards the overhead costs	(31,985)	(23,689)
	<u>(36,285)</u>	<u>(29,218)</u>
<b>Restricted general funds</b>		
Transfer to the restricted fixed asset fund for assets purchased by the restricted GAG fund	(100,914)	(17,253)
Transfer to the restricted fixed asset fund for a contribution towards the equipment by the KKSA restricted donation	-	(5,022)
Music tuition fees transferred to the restricted GAG fund to cover costs incurred in providing this service	4,300	5,529
Transfer to the restricted GAG fund from the unrestricted catering fund to contribute towards the overhead costs	31,985	23,689
	<u>(64,629)</u>	<u>6,943</u>
<b>Support costs – educational operations</b>		
Transfer to the restricted fixed asset fund for assets purchased by the restricted GAG fund	100,914	17,253
Transfer to the restricted fixed asset fund for a contribution towards the equipment by the KKSA restricted donation	-	5,022
	<u>100,914</u>	<u>22,275</u>

**Kirkbie Kendal School Academy Trust**  
**Notes to the Financial Statements for the year ended 31 August 2016**  
**(continued)**

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**12 Staff**

**a. Staff costs**

Staff costs during the period were:

	Total 2016 £	Total 2015 £
Wages and salaries	3,215,162	3,272,115
Social security costs	232,826	206,278
Other pension costs	556,874	497,434
	<b>4,004,862</b>	<b>3,975,827</b>
Supply staff costs	31,851	41,834
Staff restructuring costs	-	12,500
	<b>4,036,713</b>	<b>4,030,161</b>
Staff restructuring costs comprise:		
Redundancy payments	-	-
Severance payments	-	12,500
Other restructuring costs	-	-
	<b>-</b>	<b>12,500</b>

**b. Non statutory/non contractual staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2015: £12,500). Individually, the payments were: £nil, (2015: £12,500).

**c. Staff numbers**

The average number of persons employed by the academy during the period was as follows:

	2016 No.	2015 No.
Teachers	60	66
Administration and support	75	75
Management	6	6
	<b>141</b>	<b>147</b>

**d. Higher paid staff**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2016 No.	2015 No.
£60,000 - £69,999	3	0
£90,000 - £99,999	1	1

**e. Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £449,775 (2015: £427,042).

**Notes to the Financial Statements for the year ended 31 August 2016 (continued)****13 Related Party Transactions - Trustees' Remuneration and Expenses**

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows:

P Hyman (principal and trustee):

Remuneration £95,000 - £99,999 (2015: £90,000 - £94,999)

Employer's pension contributions paid £15,000 - £19,999 (2015: £10,000 - £14,999)

J Gee (staff trustee):

Remuneration £60,000 - £64,999 (2015: £55,000 - £59,999)

Employer's pension contributions paid £5,000 - £9,999 (2015: £5,000 - £9,999)

M Leadbeatter (staff trustee):

Remuneration £40,000 - £44,999 (2015: £40,000 - £44,999)

Employer's pension contributions paid £5,000 - £9,999 (2015: £5,000 - £9,999)

H Herbert (staff trustee):

Remuneration £25,000 - £29,999 (2015: £35,000 - £39,999)

Employer's pension contributions paid £0 - £4,999 (2015: £5,000 - £9,999)

During the period ended 31 August 2016, travel and subsistence expenses totalling £nil were reimbursed or paid directly to 0 governors (2015: £nil to 0 governors).

**14 Trustees' and Officers' Insurance**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the period ended 31 August 2016 was £900 (2015: £821). The cost of this insurance is included in the total insurance cost.

## Notes to the Financial Statements for the year ended 31 August 2016 (continued)

## 15 Tangible Fixed Assets

	Leasehold Land and Buildings	Plant & Machinery	Furniture, Equipment and Computers	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2015	10,575,347	2,533,837	243,208	13,352,392
Additions	14,925	-	85,988	100,913
Disposals	-	-	-	-
At 31 August 2016	<u>10,590,272</u>	<u>2,533,837</u>	<u>329,196</u>	<u>13,453,305</u>
<b>Depreciation</b>				
At 1 September 2015	1,255,781	700,951	114,752	2,071,484
Charged in year	294,264	167,915	50,799	512,978
Disposals	-	-	-	-
At 31 August 2016	<u>1,550,045</u>	<u>868,866</u>	<u>165,551</u>	<u>2,584,462</u>
<b>Net book values</b>				
At 31 August 2015	9,319,566	1,832,886	128,456	11,280,908
At 31 August 2016	<u>9,040,227</u>	<u>1,664,971</u>	<u>163,645</u>	<u>10,868,843</u>

The leasehold buildings and the plant and machinery integral to the buildings include valuations of £10,110,891 and £2,525,097 respectively which were valued as at 1 April 2011 by Gary A Bushell, FRICS, AMAE of Bushell Raven Limited who is independent of the charitable company. The valuation is based on the estimated 'rebuild costs'.

The governors have departed from the applicable accounting standard FRS 102 section 17 Property, Plant and Equipment, which values specialised properties at Existing Use Value using a Depreciated Replacement Cost approach, as they believe that the 'rebuild cost' was a more accurate reflection of the value of the property at conversion.

In accordance with Gary A Bushell's instructions the land has been valued at £1. This valuation reflects the fact that the land is tied specifically to educational use. No account has been taken of any potential development value.



## Notes to the Financial Statements for the year ended 31 August 2016 (continued)

## 16 Stock

	2016	2015
	£	£
Catering	4,338	2,185
Stationery	2,220	1,520
	<u>6,558</u>	<u>3,705</u>

## 17 Debtors

	2016	2015
	£	£
Trade debtors	1,695	3,008
VAT recoverable	25,981	27,907
Other debtors	8,440	5,311
Prepayments and accrued income	67,658	63,629
	<u>103,774</u>	<u>99,855</u>

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## Notes to the Financial Statements for the year ended 31 August 2016

(continued)

### 18 Creditors: Amounts Falling due within one year

	2016	2015
	£	£
Trade creditors	77,786	36,417
Other taxation and social security	74,362	67,072
EFA creditor	-	5,030
Other creditors	116,637	103,505
Deferred income	83,527	168,887
Accruals	70,021	151,496
	<b>422,333</b>	<b>532,407</b>

Deferred income	2016	2015
	£	£
Deferred income at 1 September 2015	168,887	190,533
Released from previous years	(168,887)	(190,533)
Resources deferred in the year	83,527	168,887
Deferred Income at 31 August 2016	<b>83,527</b>	<b>168,887</b>

Deferred income comprises:	2016	2015
	£	£
Local authority funded statements grant (section 215) for the period September 2014 to March 2015	-	64,398
EFA Rates funding for the period September 2014 to March 2015	13,742	13,632
Deposits in advance for Trips in the following academic year	29,050	27,386
Cumbria County Council income for the leisure centre for future academic years	40,635	63,371
Prize money for the 2015/16 academic year	100	100
	<b>83,527</b>	<b>168,887</b>

## Notes to the Financial Statements for the year ended 31 August 2016 (continued)

## 19 Funds

	Balance at 1 September 2015	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2016
	£000	£000	£000	£000	£000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	281,883	4,284,718	(4,322,928)	(64,629)	179,043
Pupil Premium	-	118,446	(118,446)	-	-
Other EFA grants	4,883	35,653	(40,536)	-	-
Other government grants	-	125,751	(125,751)	-	-
Other Educational Institutions	-	66,700	(66,700)	-	-
Trips and productions	-	164,570	(164,570)	-	-
Other educational income	-	28,772	(28,772)	-	-
Other restricted general funds	1,449	3,780	(3,780)	-	1,449
Pension reserve	(1,139,000)	-	(68,000)	(907,000)	(2,114,000)
	<b>(850,785)</b>	<b>4,828,390</b>	<b>(4,939,484)</b>	<b>(971,629)</b>	<b>(1,933,508)</b>
<b>Restricted fixed asset funds</b>					
EFA formula capital	-	19,587	(19,587)	-	-
DfE/EFA capital grants	-	-	-	-	-
Fixed assets used for charitable purposes	11,280,908	-	(512,977)	100,914	10,868,844
	<b>11,280,908</b>	<b>19,587</b>	<b>(532,564)</b>	<b>100,914</b>	<b>10,868,844</b>
<b>Total restricted funds</b>	<b>10,430,123</b>	<b>4,847,977</b>	<b>(5,472,048)</b>	<b>(870,715)</b>	<b>8,935,337</b>
<b>Unrestricted funds</b>					
Cinderovens sports facility	74,382	26,084	(18,863)	-	81,602
School fund	39,843	1,781	(1,708)	-	39,916
Building projects	42,000	-	-	-	42,000
Catering fund	(4,734)	196,095	(164,309)	(31,985)	(4,932)
Other designated funds	40,875	14,596	(3,683)	(4,300)	47,488
General funds	6,413	2,051	-	-	8,464
<b>Total unrestricted funds</b>	<b>198,780</b>	<b>240,606</b>	<b>(188,563)</b>	<b>(36,285)</b>	<b>214,538</b>
<b>Total funds</b>	<b>10,628,904</b>	<b>5,088,583</b>	<b>(5,660,612)</b>	<b>(907,000)</b>	<b>9,149,875</b>

Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2016. Note 2 discloses whether the limit was exceeded.

Details of transfers are shown in Note 11.

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

**General Annual Grant (GAG) fund:** this represents the core funding for the educational activities of the school that has been provided to the academy via the Education Funding Agency (EFA).

**Pupil premium fund:** this represents funding paid by the DfE to support disadvantaged students in their teaching and learning, with the aim of improving their attainment and closing the gap with more advantaged students

**Defined benefit pension scheme deficit fund:** this represents the deficit on the Local Government Pension Scheme (LGPS) at the year end.

**Local authority funded statements:** this represents funding from the Local Authority to pay for Learning Support Assistants who support the "statemented" special needs students.

**Other restricted general funds:** this includes voluntary income and educational income to be expended on specific projects, activities and materials for the benefit of the pupils..

**Cinderovens sports facility:** this fund has been designated for the maintenance and future replacement of the all-weather pitch.

**Building projects:** this fund has been designated for future building projects at the governor's discretion.

**Catering fund:** this fund was in deficit at the year end. This is due the catering fund purchasing an electronic till system. This will be recouped from income in future periods.

## Notes to the Financial Statements for the year ended 31 August 2016 (continued)

## 20 Analysis of Net Assets between Funds

Fund balances at 31 August 2016 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	10,868,844	10,868,844
Current assets	214,538	602,826	-	817,364
Current liabilities	-	(422,333)	-	(422,333)
Non-current liabilities	-	-	-	-
Pension scheme liability	-	(2,114,000)	-	(2,114,000)
<b>Total net assets</b>	<b>214,538</b>	<b>(1,933,508)</b>	<b>10,868,844</b>	<b>9,149,874</b>

## 21 Commitments under operating leases

## Operating Leases

At 31 August 2016 the total of the Academy's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Amounts due within one year	5,706	10,677
Amounts due between one and five years	10,633	16,339
Amounts due after five years	-	-
	<b>16,339</b>	<b>27,016</b>

Included within the above operating leases disclosure is the annual cost of £3,780 (2015: £3,780) for the minibus. The academy will receive donations equal to this amount during the relevant year.

## Land and property leases

The leasehold land and buildings are subject to lease with The Trustees of Kirkbie Kendal School. The lease term expires on 07 December 2103. Although a peppercorn rent may be demanded, no such rent has been demanded to date.

## 22 Members' Liability

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

# Kirkbie Kendal School Academy Trust

## Notes to the Financial Statements for the period ended 31 August 2016

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#### 23 Pension and Similar Obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Your Pension Service (YPS) for Cumbria County Council. Both are multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions payable to the schemes at 31 August and included in creditors were as follows:

	2016	2015
	£	£
Teachers' Pension Scheme	47,752	45,647
Local Government Pension Scheme	18,331	16,676
Additional Voluntary Contributions	371	558
	<b>66,454</b>	<b>62,882</b>

The total pension costs to the academy during the year ended 31 August and included in staff costs were as follows:

	2016	2015
	£	£
Teachers' Pension Scheme	366,524	323,844
Local Government Pension Scheme	123,759	116,548
Local Government Pension Scheme deficit recovery	44,592	37,042
LGPS current service cost/contributions adjustment	22,000	20,000
	<b>556,874</b>	<b>497,434</b>

In addition the academy incurred net interest costs and administration costs included in support costs as follows

LGPS net interest costs	42,000	37,000
Administration costs	4,000	4,000
	<b>46,000</b>	<b>41,000</b>

#### 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.

# **Kirkbie Kendal School Academy Trust**

## **Notes to the Financial Statements for the period ended 31 August 2016**

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#### **Valuation of the Teachers' Pension Scheme**

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

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

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

The pension costs paid to TPS in the period amounted to £366,524 (2015: £323,844)

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

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

# Kirkbie Kendal School Academy Trust

## Notes to the Financial Statements for the year ended 31 August 2016

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### 23 Pension and Similar Obligations (continued)

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds.

The total contribution made for the year ended 31 August were as follows:

	2016	2015
	£	£
Employer's contributions	169,000	154,000
Employees' contributions	51,000	49,000
Total contributions	<u>220,000</u>	<u>203,000</u>

Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

The agreed contribution rates for future years are 16.6 per cent for employers and a contribution rate ranging between 5.5 and 12.5 per cent 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.

At the balance sheet date the scheme is in deficit. The Academy has previously entered into an agreement effective from 1 April 2014 to make additional contributions in addition to normal funding levels. It is anticipated that the payments will be made over 19 years from 1 April 2014, including £49,200 in the year ended 31 March 2017, £60,500 in 2017-18, £61,800 in 2018-19 and £63,200 in 2019-20.

#### Principal Actuarial Assumptions

	At 31 August 2016	At 31 August 2015
Rate of increase in salaries	3.40%	3.80%
Rate of increase for pensions in payment/inflation	2.00%	2.30%
Discount rate for scheme liabilities	2.20%	4.00%
Inflation assumption (CPI)	1.90%	2.30%

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**Notes to the Financial Statements for the year ended 31 August 2016**  
**(continued)**

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

	At 31 August 2016	At 31 August 2015
<i>Retiring today</i>		
Males	23.1	23.0
Females	25.7	25.6
<i>Retiring in 20 years</i>		
Males	25.9	25.8
Females	28.9	28.8

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	760,000	559,000
Government bonds	295,000	195,000
Other bonds	110,000	77,000
Property	158,000	118,000
Cash/liquidity	45,000	30,000
Other	139,000	85,000
<b>Total market value of assets</b>	<b>1,507,000</b>	<b>1,064,000</b>

The actual return on scheme assets was £235,000 (2015: £41,000).

None of the fair values of the assets shown above include any of the academy's own financial instruments or any property occupied by, or other assets used by, the academy.

The expected rate of return is the assumed return the assets of the fund will achieve over the entire life of the related obligation based on market expectations at the beginning of the period. This assumption is used to determine the expected return on assets for the pension expense.

**Amounts recognised in the statement of financial activities**

	2016 £000	2015 £000
Current service cost (net of employee contributions)	(191,000)	(174,000)
Net interest cost	(42,000)	(37,000)
Administration expenses	(4,000)	(4,000)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	-
<b>Total operating charge</b>	<b>(237,000)</b>	<b>(215,000)</b>



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## Notes to the Financial Statements for the year ended 31 August 2016

(continued)

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

	2016 £'000	2015 £'000
<b>At 1 September</b>	<b>2,203,000</b>	<b>1,858,000</b>
Current service cost	191,000	174,000
Interest cost	89,000	74,000
Employee contributions	51,000	49,000
Actuarial (gain)/loss	1,096,000	53,000
Benefits paid	(9,000)	(5,000)
<b>At 31 August</b>	<b>3,621,000</b>	<b>2,203,000</b>

Changes in the fair value of academy's share of scheme assets:

	2016 £'000	2015 £'000
<b>At 1 September</b>	<b>1,064,000</b>	<b>829,000</b>
Interest income	47,000	37,000
Actuarial gain/(loss)	189,000	4,000
Administration expenses	(4,000)	(4,000)
Employer contributions	169,000	154,000
Employee contributions	51,000	49,000
Benefits paid	(9,000)	(5,000)
<b>At 31 August</b>	<b>1,507,000</b>	<b>1,064,000</b>

Note from actuarial report: The value of the assets is being reassessed formally as part of the 2016 actuarial valuation, the results of which will be incorporated into the 31 August 2017 accounting figures. The effect could be a significant change in the reported asset value in next years figures.

**Notes to the Financial Statements for the year ended 31 August 2016  
(continued)****24 Related Party Transactions**

Owing to the nature of the academy trust 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 the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

The trust received a donation totalling £1,890 (2015: £1,890) during the year as a contribution towards the costs of the minibus from Fat Media, a company in which Mr D Durnford (a governor of the trust) is the CEO. There were no balances outstanding at the end of the current or previous year

In entering into these transactions the trust has complied with the requirements of the EFA's Academies Financial Handbook

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 13.

**25 Agency arrangements**

The academy acts as an intermediary for the following agency arrangement but has no responsibility for it. The receipts and payments during the period have been excluded from the Statement of Financial Activities. An amount is included in other creditors relating to undistributed funds that are repayable as shown below.

**16-19 Bursary Fund**

The academy trust distributes 16-19 bursary funds to students as an agent for EFA.

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Monies brought forward	<b>36,810</b>	29,454
Income during the year	<b>9,454</b>	11,892
Expenditure during the year	<b>(1,059)</b>	(4,536)
Balance carried forward	<b>45,205</b>	36,810

## Notes to the Financial Statements for the year ended 31 August 2016 (continued)

**26 Explanation of transition to FRS 102**

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below:

Reconciliation of total funds	Notes	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP		10,814,593	10,628,904
Employee benefits accrual		-	-
Total funds reported under FRS 102		<u>10,814,593</u>	<u>10,628,904</u>

Reconciliation of net income/(expenditure)	Notes	31 August 2015 £
Net income/(expenditure) previously reported under UK GAAP		(124,690)
Change in recognition of LGPS interest cost	A	(12,000)
Employee benefits accrual		-
Net movement in funds reported under FRS 102		<u>(136,690)</u>

**A – Change in recognition of LGPS interest cost**

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the credit/debit to income/expense by £12,000 and increase the credit/debit in other recognised gains and losses in the SoFA by an equivalent amount.

	Under FRS 102	As Previously Reported	Change
Current service cost	(174,000)	(170,000)	(4,000)
Administration expenses	(4,000)	-	(4,000)
Net interest cost	(37,000)	(33,000)	(4,000)
<b>Change in pension cost</b>	<u>(215,000)</u>	<u>(203,000)</u>	<u>(12,000)</u>
Actuarial gain/(loss)	(49,000)	(61,000)	12,000
<b>Change in actuarial gain (loss)</b>	<u>(49,000)</u>	<u>(61,000)</u>	<u>12,000</u>