

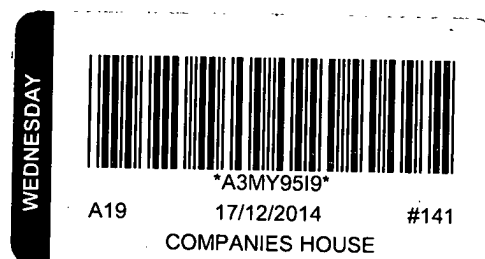
**Kirkbie Kendal School Academy Trust**  
(A Company Limited by Guarantee)

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**Annual Report and Financial Statements**

**Year Ended 31 August 2014**

Company Registration Number: 07543834 (England & Wales)



# **KIRKBIIE KENDAL SCHOOL ACADEMY TRUST**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2014**

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# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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The trustees who are also directors for the purpose of company law, have pleasure in presenting their report and financial statements of the charity for the year ended 31<sup>st</sup> August 2014.

Governors who are directors and members	Mrs N Crierie (Chair) Mr W R Abram Mr S Ratcliffe (Retired 31 August 2014) Mr M Warwick (Retired 31 December 2013)
Governors who are directors	Mr D Andrews (Retired 31 August 2014) Mr D Armstrong (Appointed 16 September 2013) Mr P Braithwaite Dr N Brown Mrs J Buckland Mr D Durnford Mr J S Gee (Staff Governor) Mr P Hyman (Principal) Mr M Leadbeatter (Staff Governor) Mr A Letheren (Appointed 04 December 2013) Mr A Monk (Retired 31 August 2014) Mr T Swane Mr S Wright (Staff Governor) (Retired 31 August 2014)
Company Secretary and clerk to the Governors	Mrs L Smyth
<b>Senior Management Team:</b> <ul style="list-style-type: none"><li>• Headteacher / principal</li><li>• Deputy Headteacher</li><li>• Deputy Headteacher</li><li>• Assistant Headteacher</li><li>• Assistant Headteacher</li><li>• Business Manager / Governor / Director</li></ul>	Mr P Hyman Mr M Harris Mrs G McMullen Mr C Barker Mr M Bousfield Mr J Gee
<b>Principle and Registered Office</b>	Kirkbie Kendal School Lound Road Kendal Cumbria LA9 7EQ
<b>Company Registration Number</b>	07543834 (England & Wales)
<b>Registered Charity Name</b>	Kirkbie Kendal School Academy Trust
<b>Independent Auditor</b>	Saint & Co Chartered Accountants Old Police Station Ambleside Cumbria LA22 0BT
<b>Bankers</b>	Barclays Bank PLC Highgate Kendal Cumbria

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS (*continued*)

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<b>Solicitors</b>	Thompson Hayton Winkley 25 Crescent Road Windermere Cumbria LA23 1BJ
<b>Insurances</b>	Royal and Sun Alliance PLC Marsh Ltd Education Practice Capital House 1-5 Perrymount Road Hayworth Heath West Sussex RH16 3SY
<b>Architects</b>	Mellor Architects 125 Highgate Kendal Cumbria LA9 4EN
<b>Surveyors</b>	Bushell Raven Ltd Chartered Quantity Surveyors Ground Floor River Mill River Mill Yard Staveley Mill Yard Cumbria LA8 9LR

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT

YEAR ENDED 31 AUGUST 2014

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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 2014.

### 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 throughout the year except as noted are included below.

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 Mr S Wright 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 1<sup>st</sup> 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 21<sup>st</sup> century with confidence and who are pleasant and well-rounded and friendly individuals.

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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

One staff 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.

### 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                  | Mr 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.

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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### **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 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.

There are no governor related parties to report.

### **Objectives and Activities**

#### **Objects**

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<sup>st</sup> August 2014 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.

#### **Strategies**

The academy's 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.

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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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 academy trust aims and objectives have been set with due regard to the Charity Commissions guidance on public benefit.



# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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### Strategic Report

#### Achievements and performance

The School was inspected by Ofsted in September 2014. I am pleased to report that the school received outstanding judgements for our Sixth Form, for students' behaviour and their attitude to learning, for student safety, and for students' spiritual, moral, social and cultural education. All areas were at least good and the school ethos of care, courtesy and consideration came through strongly to the inspectors. They commented very positively on our students' involvement in the school. The inspection team endorsed our own self-evaluation of strengths and areas to develop further. We will endeavour, as always, to improve in everything we do because we are committed to the principle of continuous improvement for the benefit of the students.

At 'A' Level our Sixth Form achieved excellent results with 50% of all grades being awarded A\*-B and 83% percent (of all grades were awarded at A\*-C. There was not a single fail and so we had 100% A\*-E success rate.

At GCSE every student achieved GCSE passes and the 5 A\*-G pass rate rise was 98%. Sixteen students achieved all A's and A\*s in their GCSEs. All 21 students who combined their GCSEs with a course at Kendal College successfully completed their course.

The School library continues to be a central hub of the school and we had many visitors – including the children's laureate Malorie Blackman (who was interviewed by two KKS students) and authors Joseph Delaney and Alan Gibbons.

In the national Maths challenge intermediate we had 5 Bronze and 4 Silver certificate winners and in the senior event 4 Bronze, 7 Silver and a Gold award achieved by Connor McGurk.

The British Ecological Society centenary competition saw Alice Fish, Alex Watkins and Angus Kennedy Highly commended. In Geography, James Siodlak, Lily Tidman and Sophie Hansen came first in the Worldwide Quiz.

For their project with Croppers on paper cup recycling, Will Holmes, Connor McGurk, Matthew Robinson and Dan Barrow all received prestigious Gold Crest Awards. Josh Robb and John Duff have been awarded prestigious Arkwright Engineering Scholarships identifying them as some of the country's future leaders in engineering and design. Michael Letheren and John Duff received the Physics Ogden Fellowship award for being the top Year 12 Physics students in the North West.

Both our intermediate and our senior teams won the Rotary Technology Competition for their age group and in the Rotary 'Youth Speaks' event our two year 12 teams received commendations.

The School successfully achieved 'School Direct' status that enables us to teach and train the next generation of PE teachers. I am pleased to say that with the UoC we have recruited 14 trainees who will enhance the delivery of PE for our students and those in the South Lakes Federation of Schools.

#### Staffing News

Four very special teachers have retired this year. Together they have provided 117 years of service to students at KKS.

We have been blessed to have these teachers here and students that they have taught have been very fortunate. We are going to miss them. Thank you to: Mr Todner who taught Science at KKS for 24 years, his assemblies are nearly as legendary as his Chemistry teaching; Mr Nicholl who taught Science at KKS for 31 years inspiring hundreds of students to study Biology; Mr Dawson, who joined KKS in 1983 as a fantastic Head of English and a celebrated Media Studies teacher and Mrs Whalley, who as well as an excellent Head of Year has stimulated and enthused students at KKS in English since 1983. We wish them all a long and happy retirement.

# KIRKBY KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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Our thanks also go to Mr Hamilton, Mr Wright, Mrs Kilshaw, Mr Peacock, Mrs Douglas and Miss Knowles who started new posts or new courses and we wish them all the very best and thank them for their many contributions to the school.

We extend a very warm welcome to:

Mr Graham Baker – Learning Support Progress Mentor

Ms Emily Barr – Progress Mentor

Mr Tony Bell – English

Mrs Josie Bousfield – Progress Mentor

Mr Mark Carruthers – Progress Mentor

Mr Nigel Clarke – School Direct Partner Programme Leader

Ms Julia Greene – MFL Maternity leave

Mr Barney Hill – Science (Physics)

Ms Helen Ronan – Science (Chemistry)

Mr Michael Savage – History Maternity leave

Mrs Karen Simkins – English

Mr Alex Wilson – Learning Support Progress Mentor

and we wish them every success in their careers at Kirkby Kendal School.

### Extra-curricular

In Sport there have been excellent achievements with over 220 fixtures having been played against schools from Carlisle to Lancaster during the week and on Saturday mornings. Over 300 students have represented the school. There are many fine performances, for example, the Year 9 football team reached the last 16 of the National Cup. There is more detail in the separate report for PE and Sport. Attendance at practices and matches throughout the school year has been excellent.

The Creative and Performing Arts (CAPA) are flourishing. The school production of "FAME" performed over 4 days and evenings in the Brewery Theatre was fabulous both in terms of the high quality of the overall production, and for the individual performances. Congratulations to the directors and all the performers and staff who made this possible.

The third Evening of Music, Drama, Dance and Art that exhibits the work of our GCSE and A level students was the largest and best yet. We also enjoyed a Christmas Festive Concert and a spring celebration, both with high standards of performance and over 100 students taking part.

Across the school there were super individual and group successes and further details of art, dance, music and drama are in the separate report for CAPA.

Our Young Enterprise team called CLIK (Clever Little Ideas Kendal) produced and marketed innovative hydro-polymer gel beads (water marbles) and 1940s vintage brooches.

Chess: Laura Feasey, Holly Gill, Cameron Hill and Connor McGurk all qualified for the British Chess Challenge area finals in Lancaster. Holly and Connor progressed to the North West Giga finals of the British Challenge chess competition in Manchester. The school team were undefeated in both fixtures last year.

We have many students devoting time to helping others, for example, the Year 9 'giving nation' students who made and sold items to benefit the local community. Thank you to the Charity Team for organising many fund raising events. They have most effectively raised money for our nominated school charities, 'The North West Air Ambulance' and 'The Teenage Cancer Trust', and have raised over £4000 through various events such as a Christmas Fayre, the school's sponsored walk, cake sales, the great staff bake off and many more. Our student community service has been rewarded this year with a Princess Diana Champion Volunteer Awards presented to Liam Tate.

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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

Students have benefited greatly from the many clubs, activity days, trips, events and visits that are organised by staff – I will mention some:

Year 7 Residential to Kingswood, Art trips to Rome and Liverpool, German study visit to Munich, Year 9 History and Geography London trip, Business and Enterprise Days, Philosophy and ethics conference, Year 7 Geography and Maths Days, Geography field work in Morecambe, Quarry Bank Mill History visit, Mathematical fire station, a Diversity Fair, many theatre visits, a Mock Trial Visit and competition, and events in writing and poetry, our annual Ski trip to Austria and a fantastic day of activities at the end of the year.

Mrs Nicholl, Mr Seddon and a group of 10 students fund-raised for months to raise £16,000 for a 4 week World Challenge Expedition in Malaysia. They had an amazing time trekking through the jungle, volunteering in an elephant sanctuary and diving in the South China Sea.

Congratulations to our 45 Year 10 students who achieved the Bronze Duke of Edinburgh Award and 8 students who have completed their Gold expedition and are working towards their Gold DofE award.

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

The KKSA has been active in providing social events and raising additional funds for items to benefit students via car boots (now in all weathers) and quizzes. With the support of a local business they have reached their target a year early and students are benefitting from the brand new minibus. Thank you to the KKSA team, particularly Diane Letheren as Chair and all supporters.

Thank you to the School's Trustees, for all their hard work, which has enabled them to provide support that last year, included extra drama and sports facilities for students. They work 'behind the scenes' for students and staff and I would particularly like to recognise the Chair John Oldroyd for his help to the school.

### The Future

The School continues to thrive. We have secured £800,000 to restore and extend the Pavilion into a Creative and Performing Arts Centre. We are an integral part of the South Lakes Federation of Schools, the Kendal Collaborative Partnership (with primary schools), and the University of Cumbria.

We will be putting particular emphasis on preparing for the wide ranging changes to future assessment and the curriculum, for example, the new specifications in Mathematics and English, and then in all other subjects.

My thanks go to the team of committed Governors, teaching and support staff, parents and students. I wish you all a very successful year.

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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### **Citizenship 2013-14**

The purpose of citizenship education is to equip the next generation of voters with the knowledge and drive to create 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.

Citizenship in school is run throughout Life Skills lessons in Years 7 – 10 where we teach topics about democracy, politics, financial capability and the laws that govern the UK. We want Citizenship to be as active as possible e.g. through voting, speeches and raising money.

KKS students and staff voted for the school charities resulting in the North West Air Ambulance and Teenage Cancer Trust being the two school charities we will support until July 2016. There have been a lot of fundraising activities such as a sponsored run, cake and games stalls as well as mufti days to help raise funds. Over the year, we have raised nearly £3,500.

Year 10 also run their own charity events and raised money for Water Aid, Cancer Research, WWF and others. They raised nearly £500 running a series of events during their fundraising week in which nearly all of Year 10 took part.

Year 10 also ran our annual diversity fair where students taught Year 7 about an area of diversity. Each group created their own stall with activities for Year 7 to take part.

The mock trial competition took place again at Kendal Magistrates courts with our Year 8 and 9 students taking roles as barristers and witnesses. They performed really well and learnt a lot about the UK judicial system.

The Rising Sun Trust visited to speak to Year 9 about drugs awareness. It was a very moving and rewarding day and students learnt about the impact drugs can have on family, society and an individual.

Led by our Sixth Form students, the shoe box appeal saw a huge amount of boxes being shipped off to Romania.

We will continue our work next year to encourage increasing numbers of students to become active citizens.

# KIRKBY KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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### PERFORMING ARTS REPORT 2013-14

#### **Drama**

2013-14 was an exciting year for the Drama Department with successes in curricular and extra-curricular activities. KS3 Drama Club continued to thrive with Sixth Form students taking directing roles, whilst KS4 and KS5 met some additional challenges. We delivered A2 Drama and Theatre Studies with 100% A\*-D passes and GCSE Drama with 100% A\*- F.

Several performances took place over the course of the year, including scripted and devised pieces from Year 11 and Year 13: 'Is the Truth Knowable?'; 'Our Day Out'; 'Not Bobby' and 'Intruders'. In the autumn term Year 10 Drama Club gave a promenade performance of Cinderella for Year 6 Open Evening and in the summer term KS3 and KS4 Drama Clubs performed 'Reality Versus Fairy-tale' and 'The Institute of Silly Crimes'. In December we had a whole school production of 'Bill's New Frock', which was very well received.

We had several successful theatre trips and an inspirational workshop day with The Knotted Project, a local theatre company run by a former KKS student. This proved very popular with over 100 students taking part.

#### **Music**

The music department enjoyed another successful academic year and this is evidenced in our curricular results and our extra-curricular programme.

Our annual Prizegiving ceremony featured Steph Wilson performing a piano solo and Lauren McTeggart and Lily Tidman performing a flute duet.

The autumn term was a busy time with the build up to the festive season. The School's Saxophone Group and Steph Wilson performed in the annual Gala concert which included performers from different local schools. The standard of the musicianship at these concerts is always very high and our students performed well.

In the run up to Christmas, the school has its annual Carol Service held in the Parish church. As part of the service, the school's vocal group 'Colla Voce' performed 'Our House' from the musical Matilda. Steph Wilson also performed a piano solo by Einaudi. The Christmas Tree Festival in the Parish church proved to be another successful performance opportunity for our students with our flute group performing a number of Christmas carols.

Our Year 12 students prepared and presented the festive concert that included solo and ensemble items from different year groups. The feedback on the concert was very positive and the concert had over 100 students performing. Highlights of the concert included the school orchestra, choir and a number of different soloists. Tickets for the concert were sold out and profits made were donated to the school charities and World Challenge.

In the final week of term we organised music for the festive lunch, with the flute group performing a collection of Christmas carols as the school enjoyed their dinner. After the success of the Festive Concert, a number of performers also performed during the end of year assemblies.

We are lucky to have a talented and experienced team of twelve instrumental and vocal teachers at Kirkby Kendal School and their support and commitment to our curricular and extra-curricular programme is central to our success. The department worked with a number of the peripatetic staff to host three mini 'orchestral' concerts during the year. Year five students from local primary schools were also invited and performed as part of the concert. The events proved to be popular and will continue to be developed in the next academic year and support the transition work of the school.

The department organised trips to the Beatles museum in Liverpool, 'More Music' recording studios and the Bay radio station. These trips are integral to the development of coursework at GCSE and A level but also provide great opportunities for our students to develop in confidence and friendship groups which are really important in the Performing Arts.

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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In the summer term, the department worked closely with the Art, Drama and Dance department to host the 'Creative and Performing Arts Evening' which involved displays of art work as well as performances. The evening proved to be very popular and included a range of different musical performances, highlights included Funky Futures and various bands as well as soloists.

The school also took part in the annual 'Children's Society' concert, hosted at QKS. This is a charity concert which includes performances from different local schools. Rebecca Pinder played the guitar and sang while the Year 12 music students performed an ensemble piece. All musicians performed to a very high standard.

The department continues to offer extra provision for its 'gifted and talented' students, with around 30 Year 8 students taking part in an afternoon workshop. The workshop was run by 'Blue Jam' music school, which involved students learning and performing samba drumming. This was a loud and enjoyable event.

Our summer term was concluded with a whole school musical of 'Fame'. The preparation for this production begins in the autumn term and the high quality performances were a result of the hard work, talent and commitment of the students over a long sustained period of time. The 50+ students were committed to lunch time and after school sessions for two terms. The cast also went to watch a performance of Fame at the Lowry in Manchester. It is the second year that the school has used the Brewery Arts Centre as a venue and included four evening performances and two matinees. We are very proud of our achievements and this concluding event of the year supported our view that the department continues to move from strength to strength.

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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### PHYSICAL EDUCATION AND SCHOOL SPORT REPORT 2013-14

#### **Gifted and Talented**

The department continues to support our talented performers by entering District, County and National competitions. We also offer advice and guidance where appropriate and trips and visits are arranged when appropriate (eg Careers in Sport trip to UCLAN in November 2013). We also arrange for coaching courses to be delivered in school for our staff and students to up skill them. All students also 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.

#### **Judo**

We have continued to offer judo on our curriculum. Working with Kendal Judo Club and Mike Liptrot, the Year 7 boys and girls (for the first time) each did a 6 week course of judo as a trial. The pupils 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 second 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 and informal conversations with Ofsted and the students themselves suggested that the KKS aspect of the course was very well received. We are looking forward to an even stronger cohort this coming year.

#### **Rugby Union**

This continues to be highly popular. 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. The U14 and U15 teams enjoyed a weekend tour to Watford where they played against Watford Boys' Grammar School before heading to Wembley to be part of a world record crowd to watch Saracens beat Harlequins in the Aviva Premiership. Notable achievements include Alex Pantechis (Newcastle Falcons Junior Academy, County and Excel U15 player), Ben Dixon (County U15) and Lewis Kincart (U14 Excel player). We also have numerous District players.

#### **Football**

The school is continuing to run 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 37 matches in the season, winning 22. The Year 10 team reached the 32 in England, whilst the Year 7 team remained unbeaten. Matches have been played from Merseyside up to Northumberland.

#### **Hockey**

We continue to run teams for all age groups and enter all the tournaments. We have a large number of KS3 pupils attending the practices. We continue to 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.

We have a number of girls who are attending the Junior Development Centres. County girls Lucy Dixon and Nicola Capstick.

Boys: We entered teams in U18 and U16 tournaments; a number of players are progressing through age-appropriate County Development Squads, with Jake Fisher being selected as the County U14 coach's Most Improved Player. Numbers are healthy into this season.

#### **Netball**

We continue to run teams and offer practices for all age groups and enter all the tournaments. We have a large number committed to attending the practices and playing fixtures.

Netball Coaching Day – June 2014 Run by two Level 2 coaches, one of whom is still playing Super league. This was well attended by all year groups from Years 7 to 11. Fifty girls worked extremely hard all day.

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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### **Cricket**

Highlight of another busy year (which included the usual cricket fixtures and intra-school matches and coaches from NCC working with our pupils) was the U14 team winning the County Cup, the first time in the school's recent history. They also won a Lancashire Schools Invitational Competition. County players Oli and Toby Tyson excelled.

### **Athletics**

The school continued to enhance 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.

### **Cross Country**

As with athletics, the school has a good reputation in cross country running. The junior boys' team reached the North West finals in the Cross Country Cup in Liverpool for the top 12 schools in the region. Good performances at the District Championships saw a number of athletes perform in the County Finals in January. Chris Richards has represented England in mountain running and Imogen Burrow continues to excel in fell running and cross country.

### **Badminton**

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 two playing just after the May half term. The winner and runner up of the tournament were presented with a trophy and runner up medal.

### **Primary Liaison**

We continue to support our 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 Sports hall 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. This year we again hosted our major event the Year 4 Commonwealth Day (formerly Olympic Day but this year was the Commonwealth Games). This final event is always very well received and well attended by all schools in the KCP.

### **Sports Council**

Our School Sports Council continues to support the PE department with sports events and primary liaison work. They again helped to run Girls' Football in school.



# KIRKBBIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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### GIFTED AND TALENTED 2013-14

Extending our most able students is at the heart of what we do at Kirkbie Kendal School. The majority of this work takes place in the classroom. Alongside this we run many enrichment activities for our most able learners, some of which are highlighted below.

The Maths department have extended the curriculum offer for some of our most able students and are offering Statistics GCSE after school to a group of students. These students, most of who were in Year 10 in 2013/14, will sit their GCSE exam in June 2015. We look forward to excellent results. This extension will also benefit these students in their A level Maths exams.

The Maths department has had great success entering students for the Junior, Intermediate and Senior Maths Challenge which is run by the United Kingdom Mathematics Trust. Students enjoy the challenge that these problems present. Past papers are available online for the various levels. To get a taste of the level of questions you may wish to take a look at <http://www.ukmt.org.uk/individual-competitions/intermediate-challenge/>

The Royal Institution of Mathematics invited some of our students to attend a series of master classes, designed to stimulate and encourage young people in the art and practice of mathematics, and widen students' mathematical knowledge and interest. The six classes took place on Saturday mornings at Lancaster University and consisted of talks, interspersed with interactive activities, delivered by both academics within the university and guest speakers from the world of mathematics. The subjects explored during the master classes were engaging and thought-provoking, ranging from 'Geometry in the Fourth Dimension' to 'How Big is the Universe?'

Our Key Stage 3 gifted and talented students have been working with students from other schools at a series of conferences in Heversham. These conferences have been well received and have included contributions from speakers with a wide range of backgrounds including medicine, design and science. Topics have included "A World without Fossil Fuels", "Design and Creativity" and "What Does it Mean to be Human?".

Some of our Year 11 Elite Pathways students completed Open University Short Courses over the summer break. These are in a diverse group of subjects ranging from 'Galaxies, Stars and Planets' to 'The Science Behind the Medals' which focuses on Olympic success. The work is completed online and in student's own time and is an excellent introduction to some of the skills needed for the Extended Project Qualification which we ran in school for the first time last year.

The Extended Project Qualification is available to some of our Year 12 Gifted and Talented students alongside their General Studies qualification. The outcome of the project is a 5000 word dissertation on a research subject of their choice. Once again the subjects are wide ranging. Some examples include the 'The Influence of the Art Deco Movement on the New Woman', 'Was the Continued Development of Nuclear Weapons Post 1945 a Justifiable Scientific Program?' and 'The Ethics Behind Stem Cell Research'. Students have to research these subject areas on their own. Sources have to be found in research papers on the internet, through books from libraries and from Lancaster University library which we visited in the Autumn term. These in depth studies are an excellent introduction to some of the skills required by the top universities and give students an area of expertise to talk about in UCAS applications and at interview. The students have finished their work and are now in the process of presenting this to their peers before submitting to the exam board.

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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### LEARNING SUPPORT 2013-14

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

Employment of two Learning Mentors has enabled interventions to be developed and delivered by experienced Teaching Assistants.

The following interventions have been delivered:

- 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 two registrations a week.
- Year 8 Reading Club: Pupils were identified from the previous year's Reading Club as pupils who could benefit from more intervention and support with Reading. This session took place over two registrations a week.
- Year 9 Reading Club: for the first time a Year 9 Reading Club was introduced over one registration a week. The pupils were not enthusiastic about this and an alternative IDL programme has been introduced for the coming year.
- Handwriting Support: For pupils in Year 7 with handwriting difficulties, delivered during afternoon registration.
- Social Use of Language: For pupils in Year 7 who may have difficulty in social situations, one hour session delivered during the week.
- Reading 1:1: delivered by an experienced TA aimed at pupils in Year 7 with reading difficulties, generally with reading ages less than 8 years old. Pupils usually receive one hour input during the week.
- Reading Group: Aimed at pupils with reading ages above 8 years old who could benefit from support with spelling and reading comprehension. This intervention ran in blocks of ten lessons.
- Literacy Plus: Aimed at pupils who would benefit from extra input to ensure they reach or exceed their targets in English, in Year 7. Two lessons a week.
- Target Level 4: A Year 8 intervention aimed at helping pupils reach level 4 in English, 1 lesson a week.
- Laptops; pupils have access to 8 laptops to support those with handwriting difficulties. Laptops can be used in external exams if they are a pupil's 'normal way of working.' This resource has been successful to date and in July 2014 83 pupils were regularly using the lap tops.
- Maths: A group in both Years 7 and 8 were also delivered by the department for those less able in maths.

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.

In November the department worked with Brathay developing an Emotional Intelligence course for pupils in Year 9. This involved sessions during and after school led by a Brathay member of staff and concluded with a weekend personal development residential.

To encourage sporting activities outside of school and encourage social interaction the Department offers a Boccia Club. This year the team won the Cumbria School Games.

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# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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Students have played at Kendal Squash Club to develop a new sporting skill and provide a link into a unit on healthy eating.

As part of the COPE Award the pupils on the course spent two days at Coniston Water Park working on personal development, endurance and communication skills.

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 school 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.

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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### STAFF PROFESSIONAL DEVELOPMENT REPORT 2013-14

#### Appraisal

All our staff have appraisal targets set that are closely aligned to the schools improvements targets. This is to ensure a consistent and coherent whole school approach to teaching and learning.

#### Whole School INSET

Last year, sessions focussed mainly on differentiation and active learning. This is to help ensure that all students are making progress. The plan of the sessions is included below:

Date	Focus
Sept	Differentiation, active learning and numeracy
Oct	Risk Assessments and all staff attended SLF Inset day
Nov	Return to differentiation and active learning
Dec	Literacy and Safeguarding
Feb	Homework
April	Differentiation
May	Growth mindset
June	Review of whole school and departmental priorities

#### Leadership Pathways

Mr D Causey and Mrs A Wrigley are embarking on a Middle Leaders Pathways Course and Mrs S Timms began a Senior Leaders Pathways Course in September 2014.

#### NQTs and PGCE Students PE PGCE

Mr J Maddock successfully completed his NQT year. Congratulations to him.

We have had PGCE students from the University of Cumbria in to join the Science department and School Direct Trainees joined the English and Maths departments. All students successfully completed their placements with us.

#### School Direct

All 13 PE PGCE students completed their course with us last year achieving Qualified Teacher Status. We look forward to running the course next year in conjunction with the University of Cumbria. We have been allocated another 13 places next year.

#### SLEs

Senior Leaders in Education are specialist teachers in their subject area who work alongside other schools to provide expert advice and guidance. Congratulations to Mrs N Myler (Mathematics) and Ms J Walker (English), who now join the team of Specialist Leaders in Education.

#### SLF

The South Lakes Federation of Schools (SLF) is a collaboration of 10 schools, Kendal College and the University of Cumbria in and around the south lakes area who work closely together to provide the best possible education experiences for our students. The staff were involved in the SLF training day in October where various workshops were put on in areas such as teaching and learning and literacy.

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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### IMMEDIATE DESTINATIONS OF FORMER STUDENTS 2013-14

There were 187 students aged 17 or over at the start of the school year. Details of progression are:

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

Higher Education	77%
Higher Education Deferred Entry	13%
Employment and training	10%

80 Students continued into Year 13 from Year 12

There were 165 students in Year 11 at the start of the school year.

Details of progression are:

6 <sup>th</sup> Form	60%
College, employment and training	38%

### EXAMINATION STATISTICS 13-14

#### GCSE

% 5+ A\*-C including English & Maths = 61%

Average Point Score (top 8) = 328

Average Grade (GCSE only) = C

% pupils achieve 5+ A\*-A = 17%

% 3 Levels Progress – English = 73%

% 3 Levels Progress – Maths = 72%

#### A Level

Average point score per academic entry 205

Average point score per student 808

Student performance at post-16 was marked in top 25% nationally for value-added.

### ATTENDANCE STATISTICS 13-14

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 4.04%

Unauthorised absence 0.28%

Total absence 4.32% (National 5.1%)

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.

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

### RESULTS 2014

These tables show the percentage of students at the end of Key Stage 3 achieving each level in 2014. Figures may not total 100 per cent because of rounding.

Teacher Assessment									
Percentage at each level									
	1	2	3	4	5	6	7	8	Pupils absent
English	0	0	0	3	38	43	14	2	0
Maths	0	1	0	4	20	30	30	14	0
Science	0	0	0	1	38	34	28	0	0
Modern Foreign Languages	0	0	0	6	34	50	10	0	0
Design and Technology	0	0	1	12	58	23	6	0	0
Geography	0	0	0	0	24	42	33	0	0
History	0	0	0	5	36	44	16	0	0
ICT+	0	0	0	0	0	41	57	3	0
Art & Design	0	0	0	4	23	40	31	2	0
Music	0	0	0	0	20	65	14	0	0
Physical Education	0	0	0	11	40	34	11	3	0
Religious Education	0	0	0	1	38	34	28	0	0

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

### GCSE RESULTS 2014

GCSE Results 2014				
Subject	Entries	A*-C %	A*-G %	National 2011 A*-C
Art & Design	35	81	97	76
Biology	54	94	100	90
Business Studies	47	77	100	65
Chemistry	54	91	100	91
Computing	11	33	92	66
Dance	10	30	100	Not available
Design & Technology	117	85	100	61
Drama	8	50	100	73
English	160	69	99	62
English Literature	152	60	100	76
French	20	50	100	70
Geography	77	82	100	69
German	40	69	100	74
Health & Social Care	12	100	100	Not available
History	56	78	98	68
ICT	105	50	100	70
Mathematics	160	74	100	58
iMedia	30	100	100	Not available
Music	16	100	100	Not available
Sport (National Diploma)	8	100	100	Not available
PE	24	100	100	70
Physics	54	93	100	91
Religious Studies - Full GCSE	37	95	100	72
Science & Additional Science	100	59	99	59
Science (BTec)	8	100	100	Not available
Spanish	25	84	100	72
<b>Summary of GCSE Results</b>				
Number of students aged 15 on roll = 161				
<b>Students (percentage)</b>	<b>Achieving 5+ GCSEs A*-C</b>	<b>Achieving 5+ A* - G</b>	<b>Entered 1+ GCSEs</b>	<b>Achieving 1+ A*-G</b>
Boys	60	97	100	100
Girls	78	99	100	100
All Students	67	98	100	100

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

### Summer 2014 GCE 'A' Level Summary

The number of students in the cohort was 87

The % of grades at A\*-B was 50%

The % of grades at A\* – C was 83%

The % of the year group achieving A\* to E grades was 100%

The School was in the top 300 State Schools

Subject	Entries	A*/A	B	C	D	E
Art	3	-	1	2	-	-
Biology	13	3	4	2	2	2
Business Studies	17	3	8	6	-	-
Chemistry	13	4	2	3	3	1
Computing	4	1	1	1	1	-
Drama	3	-	-	1	2	-
English Language	10	1	2	5	2	-
English Literature	12	3	5	3	1	-
French	1	-	-	-	-	1
German	1	-	1	-	-	-
General Studies	19	2	5	7	1	4
Geography	25	3	11	9	2	-
Graphics	3	-	-	3	-	-
Health & Social Care	10	7	-	2	-	1
History	5	-	3	2	-	-
ICT	4	4	-	-	-	-
Law	12	1	5	2	1	3
Mathematics	14	6	2	2	1	3
Media	17	1	10	5	1	-
Music	2	1	-	1	-	-
PE	4	-	1	3	-	-
Physics	6	1	3	2	-	-
Product Design	3	1	1	-	1	-
Psychology	5	2	1	2	-	-
RE/Philosophy	12	3	2	4	3	-
Science	11	1	1	3	6	-
Sociology	14	4	3	6	1	-
National Diploma in Sport	5	1	-	3	-	1



# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

### 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.

	2014	2013
%Teaching & educational Support staff costs to Incoming resources.	66.22%	67.67%
Ratio of FTE staff to students.	9.08	9.45
Teaching staff FTE ratio to students	15.27	16.58

### 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 2014 means that the school continue to prosper.

For this reason it continues to adopt the going concern basis in preparing the financial statements.

### 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 31 <sup>st</sup> August 2014	£5,194,669
Total funds expended at 31 <sup>st</sup> August 2014	£5,761,600

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

The value of the tangible fixed assets was £11,469,901, these assets were used exclusively for providing education and the associated support services to the students.

At 31st August 2014 the academy trust held fund balances of:

Restricted funds	£218,500
Unrestricted funds	£150,105
Restricted fixed asset funds	£11,474,988
Pension deficit	(£1,029,000)
Cash balances held	£683,409

The level of funding agreed by the education funding agency for next year should allow a balanced budget, any shortfall will be met from the academy trust reserves.

# KIRKBY KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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### **Reserves Policy**

The governors will continue to review and agree the levels of reserves the academy trust holds in line with government guidelines.

The local government pension liability will have an impact on the level of these reserves.

Defined benefit pension scheme deficit fund was in deficit as this represents the deficit on the Local Government Pension scheme (LGPS) at the year end.

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.

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

### **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.

### **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. 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.

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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### 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 18<sup>th</sup> Nov 2014 and signed on its behalf by:



Mrs Nicola Crie  
Chair of Governors and Academy Trustee



Mr Phil Hyman  
Headteacher & Accounting Officer

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2014

### 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 five times, the pay & performance committee four times, the curriculum committee five times and the finance and property committee four times.

Attendance during the year at meetings was as follows:

Governor	Full board		P&PM		Curriculum		F&P		Total
	Possible	Attended	Possible	Attended	Possible	Attended	Possible	Attended	
Mrs N Crierie (Chair)	5	5	4	4	5	4	4	4	17
Mr W R Abram (chair F&P)	5	5	4	3			4	4	12
Mr S Ratcliffe (chair Curr)	5	-	-	-	5	5			5
Mr D Armstrong	5	3	-	-	-	-	4	4	7
Mr D Andrews	5	-	-	-	-	-	4	-	-
Mr P Braithwaite (chair p&pm)	5	5	4	4	-	-			9
Dr N Brown	5	4	-	-	5	3			7
Mrs J Buckland	5	3	-	-	5	3			6
Mr S Wright	5	4	-	-	5	5			9
Mr D Durnford	5	2	-	-	-	-	4	3	5
Mr J S Gee	5	5	4	4	-	-	4	4	13
Mr P Hyman	5	4	4	4	5	5	4	4	17
Mr M Leadbeatter	5	4	-	-	5	4			9
Mr A Monk	5	2	-	-	5	3			5
Mr T Swane	5	5	-	-	-	-	4	3	8
Mrs A Letheren	2	2	-	-	-	-	3	3	5
Mrs L Smyth (clerk)	5	5	4	3	5	5	4	4	17

# KIRKBIIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNANCE STATEMENT *(continued)*

YEAR ENDED 31 AUGUST 2014

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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 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 & performance committee** is a sub-committee of the main board of governors. Its 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.

### **Purpose of the System of Internal Control**

The systems of internal control are designed to manage risk to a reasonable level so as to achieve policy and aims and objectives. The system is based on an on-going process of review designed to identify and prioritise the risks to the achievement of the Academy Trust objectives and aims. To further evaluate the likelihood and impact of those risks 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 August 2014 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 2014 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.

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## GOVERNORS' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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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.

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.

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:

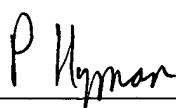
- The work of the external auditor;
- The financial management and governance self assessment process;
- Monthly and quarterly financial reports.
- Weekly meetings with the school's business manager
- Termly meetings with the school's finance manager.
- The financial management manual.
- The work of 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 18<sup>th</sup> Nov 2014 and signed on its behalf by:

  
Mrs Nicola Crie  
Chair of Governors

  
Mr Phil Hyman  
Headteacher & Accounting Officer

# KIRKBBIE KENDAL SCHOOL ACADEMY TRUST

## STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

YEAR ENDED 31 AUGUST 2014

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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

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## STATEMENT OF GOVERNORS' RESPONSIBILITIES

YEAR ENDED 31 AUGUST 2014

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 issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the 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;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The 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 18<sup>th</sup> Nov 2014 and signed on its behalf by:

*N Crierie*

Mrs Nicola Crierie  
Chair of Governors



# **KIRKBIE KENDAL SCHOOL ACADEMY TRUST**

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

**YEAR ENDED 31 AUGUST 2014**

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We have audited the financial statements of Kirkbie Kendal School Academy Trust for the year ended 31 August 2014 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 APB'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 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.
- have been prepared in accordance with the Academies Accounts Direction 2013 to 2014 issued by the EFA.

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

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

YEAR ENDED 31 AUGUST 2014

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### 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.

### 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: 15/12/14

# **KIRKBY KENDAL SCHOOL ACADEMY TRUST**

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

**YEAR ENDED 31 AUGUST 2014**

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In accordance with the terms of our engagement letter dated 16 September 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the Academy Trust during the period 01 September 2013 to 31 August 2014 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 Kirkby Kendal School Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Kirkby Kendal School Academy Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Kirkby Kendal School Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Kirkby 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 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013 to 2014. 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 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **APPROACH**

We conducted our engagement in accordance with the Academies: Accounts Direction 2013 to 2014 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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.

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

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

YEAR ENDED 31 AUGUST 2014

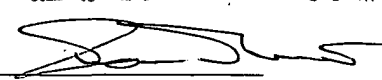
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The work undertaken to draw our conclusion includes:

- 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 2013 to 31 August 2014 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: 15/12/14

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT AND THE STATEMENT OF RECOGNISED GAINS AND LOSSES)

YEAR ENDED 31 AUGUST 2014

	Note	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2014 £	Total Funds 2013 £
<b>Incoming resources</b>						
Incoming resources from generating funds:						
Voluntary income	3	-	14,748	-	14,748	8,879
Activities for generating funds	4	194,177	-	-	194,177	138,603
Investment income	5	1,600	-	-	1,600	1,419
Incoming resources from charitable activities - Funding for the Academy's educational operations						
	6	10,285	4,869,571	104,773	4,984,629	5,285,940
Other incoming resources	7	-	-	(485)	(485)	(792)
<b>Total incoming resources</b>		<b>206,062</b>	<b>4,884,319</b>	<b>104,288</b>	<b>5,194,669</b>	<b>5,434,049</b>
<b>Resources expended</b>						
Costs of generating funds:						
Costs of generating voluntary income	8	(163,258)	-	-	(163,258)	(132,399)
Charitable activities - Academy's educational operations	9	(1,882)	(4,957,106)	(588,989)	(5,547,977)	(5,517,098)
Governance costs	10	-	(50,365)	-	(50,365)	(49,586)
<b>Total resources expended</b>		<b>(165,140)</b>	<b>(5,007,471)</b>	<b>(588,989)</b>	<b>(5,761,600)</b>	<b>(5,699,083)</b>
<b>Net outgoing resources before transfers</b>						
	11	40,922	(123,152)	(484,701)	(566,931)	(265,034)
Transfer between funds	12	(22,384)	(12,442)	34,826	-	-
<b>Net outgoing resources for the year</b>		<b>18,538</b>	<b>(135,594)</b>	<b>(449,875)</b>	<b>(566,931)</b>	<b>(265,034)</b>
Actuarial (gains)/losses on defined benefit pension scheme		-	(145,000)	-	(145,000)	39,000
<b>Net movement in funds</b>		<b>18,538</b>	<b>(280,594)</b>	<b>(449,875)</b>	<b>(711,931)</b>	<b>(226,034)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward at 01 September 2013		131,567	(529,906)	11,924,863	11,526,524	11,752,558
<b>Total funds carried forward at 31 August 2014</b>		<b>150,105</b>	<b>(810,500)</b>	<b>11,474,988</b>	<b>10,814,593</b>	<b>11,526,524</b>

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

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

The notes on pages 38 to 59 form part of these financial statements.

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## BALANCE SHEET

31 AUGUST 2014

	Note	2014 £	2013 £
<b>Fixed Assets</b>			
Tangible assets	14	11,469,901	11,924,863
<b>Current Assets</b>			
Stocks	15	3,663	3,884
Debtors	16	264,202	163,119
Cash at bank and in hand		683,409	723,325
		<u>951,274</u>	<u>890,328</u>
<b>Creditors: Amounts falling due within one year</b>	17	<u>(577,582)</u>	<u>(443,667)</u>
<b>Net Current Assets</b>		<b>373,692</b>	<b>446,661</b>
<b>Total Assets less Current Liabilities</b>		<b>11,843,593</b>	<b>12,371,524</b>
<b>Provisions for Liabilities</b>			
Pensions scheme liability	18	<u>(1,029,000)</u>	<u>(845,000)</u>
<b>Net Assets</b>		<b><u>10,814,593</u></b>	<b><u>11,526,524</u></b>
<b>Funds of the Academy Trust:</b>			
<b>Restricted Fixed Asset Funds</b>	20	<b>11,474,988</b>	<b>11,924,863</b>
<b>Restricted Income Funds:</b>			
General funds	21	218,500	315,094
Pension reserve	21	<u>(1,029,000)</u>	<u>(845,000)</u>
<b>Total Restricted Income Funds</b>		<b>(810,500)</b>	<b>(529,906)</b>
<b>Unrestricted Income Funds</b>	22	<b>150,105</b>	<b>131,567</b>
<b>Total Funds</b>		<b><u>10,814,593</u></b>	<b><u>11,526,524</u></b>

Approved by order of the members of the governing body on 18<sup>th</sup> Nov 2014 and signed on its behalf by:

NCCriene  
Mrs Nicola Crie  
Chair of Governors

John Gee  
Mr John Gee  
Governor

Company Registration Number: 07543834

The notes on pages 38 to 59 form part of these financial statements.

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 2014

	2014	2013	
	£	£	
<b>Reconciliation of Net Incoming Resources before Transfers to</b>			
<b>Net Cash Inflow from Operating Activities</b>			
Net outgoing resources before transfers	(566,931)	(265,034)	
Interest receivable	(1,600)	(1,419)	
Loss on disposal of fixed assets	485	792	
Depreciation	489,302	476,201	
Capital grants from DfE and other capital income	(104,773)	(121,226)	
Decrease/(Increase) in stocks	221	(2,514)	
(Increase)/Decrease in debtors	(101,082)	114,235	
Increase/(Decrease) in creditors	133,915	(90,678)	
FRS 17 pension cost less contributions payable	7,000	4,000	
FRS 17 net pension finance cost	32,000	34,000	
<b>Net cash inflow / (outflow) from operating activities</b>	<b>(111,463)</b>	<b>148,357</b>	
<b>Net cash inflow from returns on investments and servicing of finance</b>			
Interest received	1,600	1,419	
<b>Net cash inflow from returns on investments and servicing of finance</b>	<b>1,600</b>	<b>1,419</b>	
<b>Capital Expenditure and Financial Investment</b>			
Payments to acquire tangible fixed assets	(34,826)	(240,310)	
Capital grants from DfE and other capital income	104,773	121,226	
<b>Net cash inflow/(outflow) from capital expenditure and financial investment</b>	<b>69,947</b>	<b>(119,084)</b>	
<b>(Decrease)/Increase in cash in the year</b>	<b>(39,916)</b>	<b>30,692</b>	
<b>Reconciliation of Net Cash Flow to Movement in Net Funds</b>			
	2014	2013	
	£	£	
(Decrease)/Increase in cash in the period	(39,916)	30,692	
Change in net funds	(39,916)	30,692	
Net funds at 1 September 2013	723,325	692,633	
Net funds at 31 August 2014	683,409	723,325	
<b>Analysis of Changes in Net Funds</b>			
	1 Sep 13	Cash flows	31 Aug 14
	£	£	£
Cash in hand and at bank	723,325	(39,916)	683,409

The notes on pages 38 to 59 form part of these financial statements.

# KIRKBY KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

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### 1. ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, except for the revaluation of certain fixed assets, and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005), the Academies Accounts Direction 2013 to 2014 issued by the EFA and the Companies Act 2006.

#### **Going concern**

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

#### **Incoming resources**

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

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.

General Annual Grant (GAG) is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Other government grants are also recognised on a receivable basis. For all grants the balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.

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

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable except in so far as they are not capable of financial measurement.

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

#### **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.



# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

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### 1. ACCOUNTING POLICIES *(continued)*

#### **Fund accounting**

Unrestricted funds reflect those resources which may be used towards meeting any of the objects of the Academy at the discretion of the governors.

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.

Details of restricted and unrestricted funds are shown in the notes to the financial statements.

#### **Resources expended**

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Costs have been allocated in accordance with the Charities SORP 2005.

Items of expenditure which involve more than one cost category have been apportioned on a reasonable and justifiable basis for the cost category concerned. Direct costs are those incurred in the provision of education in accordance with the objects. Support costs are those related to the organisational infrastructure that allows the charitable company to provide education.

- **Costs of Generating Funds:** These are costs incurred in attracting voluntary income, and those incurred in activities that raise funds.
- **Charitable Activities:** These are costs incurred on the academy trust's educational operations.
- **Governance Costs:** These include those costs attributable to compliance with statutory requirements.

All resources expended are inclusive of irrecoverable VAT.

#### **Fixed assets**

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.

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.

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

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### 1. ACCOUNTING POLICIES *(continued)*

#### Depreciation

Depreciation is calculated 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:

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

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

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

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

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.

#### Stocks

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

#### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

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

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

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### 1. ACCOUNTING POLICIES *(continued)*

#### **Pension benefits**

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

#### **Teachers' pension scheme**

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in the notes, the TPS is a multi-employer scheme and the Charitable Company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

#### **Local Government Pension Scheme**

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of the staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits are vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net amount of other finance costs or credits. Actuarial gains and losses are recognised immediately in other gains and losses.

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### 2. GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2014 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 2014, as shown below:

#### a. Results and Carry Forward for the Year

GAG brought forward from previous year	313,627	273,943
GAG allocation for current year	4,349,024	4,689,918
<b>Total GAG available to spend</b>	<b>4,662,651</b>	<b>4,963,861</b>
Recurrent expenditure from GAG	(4,448,859)	(4,559,372)
Fixed assets purchased from GAG	(17,116)	(101,944)
Catering fund contribution towards overhead costs	10,159	9,746
Music tuition fees transferred to cover costs	7,733	1,336
<b>GAG carried forward to next year</b>	<b>214,568</b>	<b>313,627</b>
Maximum permitted GAG carried forward at end of current year		
(12% of allocation for current year)	(521,883)	(562,790)
<b>GAG to surrender to DfE</b>		
(12% rule breached if result is positive)	(307,315)	(249,163)
	<b>No breach</b>	<b>No breach</b>

#### b. Use of GAG Brought Forward from Previous Year for

**Recurrent Purposes** Of the amount carried forward each year, a maximum of 2% of GAG can be used for recurrent purposes. Any balance, up to a maximum of 12%, can only be used for capital purposes)

Recurrent expenditure from GAG in current year	4,448,859	4,559,372
GAG allocation for current year	(4,349,024)	(4,689,918)
GAG allocation for previous year x 2%	(93,798)	(98,660)
<b>GAG b/fwd from previous year in excess of 2%, used on recurrent expenditure in current year</b>	<b>6,037</b>	<b>(229,206)</b>
(2% rule breached if result is positive)	<b>Breach</b>	<b>No breach</b>

The governors are aware of the breach above. During the current year there was an extra amount of maintenance costs due to works replacing the flooring coverings in the science block. In addition recurrent expenditure is the figure before the catering fund contribution and music tuition fees transferred to cover costs. If these are taken into account there would be no breach.

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### 3. VOLUNTARY INCOME

	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
<b>Donations</b>			
Miscellaneous donations	<u>14,748</u>	<u>14,748</u>	<u>8,879</u>

### 4. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Hire of facilities	12,411	12,411	7,767
Hire of pitches	24,997	24,997	22,628
Catering income	<u>156,769</u>	<u>156,769</u>	<u>108,208</u>
	<u>194,177</u>	<u>194,177</u>	<u>138,603</u>

### 5. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Bank and Building Society interest receivable	<u>1,600</u>	<u>1,600</u>	<u>1,419</u>

### 6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2014 £	Total Funds 2013 £
<b>DfE / EFA grants</b>					
General Annual Grant (GAG)	-	4,349,024	-	4,349,024	4,682,318
Capital grants	-	-	104,773	104,773	121,226
Pupil Premium	-	103,104	-	103,104	110,008
Other EFA grants	-	7,479	-	7,479	14,966
<b>Other Government grants</b>					
Local Authority Funded Statements	-	138,724	-	138,724	154,369
Other Government Grants	-	37,967	-	37,967	10,345
<b>Trip Income</b>	-	207,606	-	207,606	143,028
<b>Other income</b>	-	10,011	-	10,011	13,466
<b>Other educational income</b>	7,837	15,656	-	23,493	33,277
<b>School fund</b>	<u>2,448</u>	-	-	<u>2,448</u>	<u>2,937</u>
	<u>10,285</u>	<u>4,869,571</u>	<u>104,773</u>	<u>4,984,629</u>	<u>5,285,940</u>

# KIRKBY KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### 7. OTHER INCOMING RESOURCES

	Restricted Fixed Asset Funds £	Total Funds 2014 £	Total Funds 2013 £
Gains / Losses on disposal of tangible fixed assets for charity's own use	(485)	(485)	(792)

### 8. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
<b>Sports lettings</b>			
Support staff costs	10,838	10,838	14,196
Maintenance of premises and equipment	3,983	3,983	11,753
	<u>14,821</u>	<u>14,821</u>	<u>25,949</u>
<b>Other lettings</b>			
Support staff costs	2,930	2,930	—
Catering	568	568	—
	<u>3,498</u>	<u>3,498</u>	<u>—</u>
<b>Catering</b>			
Support staff costs	56,748	56,748	51,013
Maintenance of premises and equipment	6,886	6,886	—
Catering	81,305	81,305	55,437
	<u>144,939</u>	<u>144,939</u>	<u>106,450</u>
	<u>163,258</u>	<u>163,258</u>	<u>132,399</u>

The costs of activities for generating funds were previously included within charitable activities - academy's educational operations. These have been restated separately within the above note.

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### 9. COSTS OF CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds	Restricted Funds	Restricted Fixed Asset Funds	Total Funds 2014	Total Funds 2013
	£	£	£	£	£
Direct costs	-	3,879,147	402,955	4,282,102	4,216,835
Trips and productions	-	207,607	-	207,607	143,028
Allocated support costs	1,882	870,352	186,034	1,058,268	1,157,235
	<u>1,882</u>	<u>4,957,106</u>	<u>588,989</u>	<u>5,547,977</u>	<u>5,517,098</u>

Included within resources expended are the following transactions. Individual transactions exceeding £5,000 are identified separately:

	Total £	Individual items above £5,000 Amount £	Reason
Fixed asset losses	485	-	
			2014 £
<b>Direct costs</b>			2013 £
<i>Academy's educational operations</i>			
Depreciation			402,955
Teaching and educational support staff costs			3,543,960
Books, apparatus and stationery			97,106
Examination fees			82,433
Staff development			14,413
Educational consultancy			7,250
Alternative Curriculum			52,934
Hire of leisure centre			29,163
Other direct costs			51,888
			<u>4,282,102</u>
			4,216,835
<b>Trips and productions</b>			
<i>Academy's educational operations</i>			
Transport and accommodation costs			125,157
Trip supply costs			3,738
Admission costs			14,056
Costumes and props			1,249
Lighting and sound			1,664
Marketing and advertising			425
Other costs			61,318
			<u>207,607</u>
			143,028

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### 9. COSTS OF CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS (continued)

	2014 £	2013 £
<i>Allocated support costs</i>		
Legal & professional - Other	52,934	—
Depreciation	86,348	95,240
Support staff costs	511,753	506,503
Staff development	367	—
Maintenance of premises and equipment	95,706	212,616
Cleaning	7,899	5,913
Rates and water	46,884	43,783
Heat and light	61,885	68,552
Insurance	28,269	27,446
Security	7,539	10,058
Transport	24,358	29,480
Catering	10,536	23,745
Computer costs	21,788	28,116
Telephone	13,431	12,333
Admin photocopying and stationery	15,280	14,424
Advertising	17,664	9,379
Mini bus rental	1,890	—
Mini bus expenses	515	—
School fund	1,882	4,528
Other support costs	51,340	65,119
	<u>1,058,268</u>	<u>1,157,235</u>
	<u>5,547,977</u>	<u>5,517,098</u>

### 10. GOVERNANCE COSTS

	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Accountancy fees	7,510	7,510	4,370
Audit fees	4,100	4,100	4,000
Legal and professional fees	6,724	6,724	7,216
Governors' reimbursed expenses	31	31	—
Net finance costs in respect of defined benefit pension schemes	32,000	32,000	34,000
	<u>50,365</u>	<u>50,365</u>	<u>49,586</u>

### 11. NET OUTGOING RESOURCES FOR THE YEAR

This is stated after charging:

	2014 £	2013 £
Depreciation	489,302	476,201
Auditors' remuneration:		
- audit of the financial statements	4,100	4,000
- accountancy	5,395	3,870
- assurance services	3,315	500



# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### 12. FUND TRANSFERS

	2013 £
<b>Unrestricted funds</b>	
Music tuition fees transferred to the restricted GAG fund to cover costs incurred in providing this service	(7,733)
Transfer to the restricted fixed asset fund for the purchase of catering equipment by the unrestricted catering fund	(2,210)
Transfer to the restricted GAG fund from the unrestricted catering fund to contribute towards the overhead costs	(10,159)
Transfer to the restricted fixed asset fund for a contribution towards the server upgrade by the unrestricted reserves	(2,282)
	<u>(22,384)</u>
<b>Restricted general funds</b>	
Transfer to the restricted fixed asset fund for assets purchased by the restricted GAG fund	(17,116)
Transfer to the restricted fixed asset fund for a contribution towards the equipment by the KKSA restricted donation	(13,218)
Music tuition fees transferred to the restricted GAG fund to cover costs incurred in providing this service	7,733
Transfer to the restricted GAG fund from the unrestricted catering fund to contribute towards the overhead costs	10,159
	<u>(12,442)</u>
<b>Restricted fixed asset funds</b>	
Transfer to the restricted fixed asset fund for assets purchased by the restricted GAG fund	17,116
Transfer to the restricted fixed asset fund for the purchase of catering equipment by the unrestricted catering fund	2,210
Transfer to the restricted fixed asset fund for a contribution towards the server upgrade by the unrestricted reserves	2,282
Transfer to the restricted fixed asset fund for a contribution towards the equipment by the KKSA restricted donation	13,218
	<u>34,826</u>

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### 13. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2014 £	2013 £
Wages and salaries	3,357,870	3,318,482
Social security costs	219,398	229,169
Other pension costs	492,726	474,611
	<u>4,069,994</u>	<u>4,022,262</u>
Supply staff costs	59,973	41,586
Staff restructuring costs	-	9,501
	<u>4,129,967</u>	<u>4,073,349</u>

#### Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2014 No	2013 No
Teaching	84	84
Administration and support	17	17
Management	1	1
Generating funds	3	3
	<u>105</u>	<u>105</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2014 No	2013 No
£80,000 to £89,999 (annual equivalent)	<u>1</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2014, the employer's pension contributions in respect of this employee amounted to £12,603 (2013: £12,177).

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### 14. TANGIBLE FIXED ASSETS

	Plant and machinery £	Furniture, equipment and computers £	Long Leasehold Property £	Total £
<b>COST</b>				
At 1 September 2013	2,525,097	145,191	10,384,052	13,054,340
Additions	-	34,826	-	34,826
Disposals	-	(1,533)	-	(1,533)
<b>At 31 August 2014</b>	<b>2,525,097</b>	<b>178,484</b>	<b>10,384,052</b>	<b>13,087,633</b>
<b>DEPRECIATION</b>				
At 1 September 2013	406,819	47,739	674,919	1,129,477
Charge for the year	168,339	31,052	289,911	489,302
On disposals	-	(1,047)	-	(1,047)
<b>At 31 August 2014</b>	<b>575,158</b>	<b>77,744</b>	<b>964,830</b>	<b>1,617,732</b>
<b>NET BOOK VALUE</b>				
At 31 August 2014	1,949,939	100,740	9,419,222	11,469,901
At 31 August 2013	2,118,278	97,452	9,709,133	11,924,863

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 15 Tangible Fixed Assets, 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.

#### Capital commitments

	2014 £	2013 £
Contracted but not provided for in the financial statements	614,935	-

### 15. STOCKS

	2014 £	2013 £
Catering stock	3,663	3,884

# KIRKBIIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### 16. DEBTORS

	2014	2013
	£	£
Trade debtors	2,123	3,238
CCC debtor	115,000	-
Other debtors	77,999	108,369
Prepayments	69,080	51,512
	<u>264,202</u>	<u>163,119</u>

### 17. CREDITORS: Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	93,326	65,973
EFA creditor	10,060	-
Taxation and social security	68,495	72,025
Deferred income	190,533	108,299
Other creditors	97,882	85,652
Accruals	117,286	111,718
	<u>577,582</u>	<u>443,667</u>

#### Deferred income

Deferred income at 1 September 2013	108,299	139,387
Resources deferred in the period	190,533	108,299
Amounts released from previous years	(108,299)	(139,387)
Deferred income at 31 August 2014	<u>190,533</u>	<u>108,299</u>

Deferred income at 31 August 2014 comprises:

Local authority funded statements grant (section 215) for the period September 2014 to March 2015	60,858
EFA Rates funding for the period September 2014 to March 2015	13,000
Deposits in advance for Trips in the following academic year	30,738
Cumbria County Council income for the leisure centre for future academic years	85,837
Prize money for the 2014/15 academic year	100
	<u>190,533</u>

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

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### 18. PENSIONS

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2013.

Contributions amounting to £64,188 (2013: £62,955) were payable to the schemes as at 31 August 2014 and are included within creditors, comprising TPS £48,477 (2013: £46,464) and LGPS £15,711 (2013: £16,491).

The total pension costs to the academy during the year ended 31 August 2014 and included in staff costs were £492,726 (2013: £474,496) comprising TPS £342,660 (2013: £337,366), LGPS £150,066 (2013: £137,130). In addition, the academy incurred finance costs amounting to £32,000, being interest on LGPS liabilities £74,000 less expected returns on LGPS assets £42,000, included in governance costs (2013: finance costs £34,000; interest on LGPS pension liabilities £60,000 less expected returns on LGPS assets £26,000).

#### Teachers' Pension Scheme

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

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

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

#### Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 million.

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

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The assumed real rate of return was 3.5% in excess of prices and 2% 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

### Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by the standard contributions to be paid in the future by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

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

The Public Service Pensions Bill provides for future scheme valuations to be conducted in accordance with Treasury directions. The actuarial valuation report in summer 2014 takes effect from September 2015.

### Teachers' Pension Scheme Changes

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

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

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall just outside of the 10 year protection.

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

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

### Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £190,000 (2013: £176,000), of which employers' contributions totalled £143,000 (2013: £132,000) and employees' contributions totalled £47,000 (2013: £44,000). Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

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

	2014	2013
<i>The principal actuarial assumptions are:</i>		
Rate of CPI inflation	2.20%	2.40%
Rate of increase in salaries	3.70%	4.15%
Rate of increase in pensions	2.20%	2.40%
Discount rate	4.00%	4.60%

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

	2014	2013
Retiring today		
Male	23.0 Yrs	22.2 Yrs
Female	25.5 Yrs	24.9 Yrs
Retiring in 20 years		
Male	25.7 Yrs	24.1 Yrs
Female	28.7 Yrs	26.9 Yrs

# KIRKBIIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

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

	2014 (2013) Expected return	2014 Fair value of assets £	2013 Fair value of assets £
Equities	7.0% (7.0%)	476,000	381,000
Government bonds	2.9% (3.4%)	141,000	98,000
Other bonds	3.8% (4.4%)	60,000	101,000
Property	6.2% (5.7%)	60,000	40,000
Cash / liquidity	0.5% (0.5%)	66,000	5,000
Other	7.0% (7.0%)	26,000	34,000
Fair value of scheme assets		829,000	659,000
Present value of scheme liabilities			
Funded		(1,858,000)	(1,504,000)
Unfunded			
<b>Surplus/(deficit) in the scheme</b>		<b>(1,029,000)</b>	<b>(845,000)</b>

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.

The actual return on the scheme assets in the year was £100,000 (2013: £65,000).

### The amounts recognised in the statement of financial activities

	2014 £	2013 £
Current service cost	(150,000)	(136,000)
Total operating charge	<u>(150,000)</u>	<u>(136,000)</u>

### Analysis of pension finance income/(costs)

	2014 £	2013 £
Expected return on scheme assets	42,000	26,000
Interest on pension liabilities	(74,000)	(60,000)
pension finance income/(costs)	<u>(32,000)</u>	<u>(34,000)</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £203,000 loss (2013: £58,000 loss).

### Contributions

The total contributions made by the employer in the year were £143,000 (2013: £132,000).

The best estimate of contributions to be paid by the employer to the scheme for the year beginning after 31 August 2014 is £150,000.



# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### *Movement in deficit in the year:*

	2014	2013
	£	£
Deficit in scheme at 1 September 2013	(845,000)	(846,000)
Current service cost	(150,000)	(136,000)
Employer contributions	143,000	132,000
Expected return on assets	42,000	26,000
Interest on pension liabilities	(74,000)	(60,000)
Actuarial gain or (loss)	(145,000)	39,000
Deficit at 31 August 2014	<u>(1,029,000)</u>	<u>(845,000)</u>

### *Movement in the present value of defined benefit obligations were as follows:*

	2014	2013
	£	£
Benefit obligation at 1 September 2013	(1,504,000)	(1,266,000)
Current service cost	(150,000)	(136,000)
Interest on pension liabilities	(74,000)	(60,000)
Actuarial gain or (loss)	(89,000)	—
Contributions by scheme participants	(47,000)	(44,000)
Benefits / transfers paid	6,000	2,000
Benefit obligation at 31 August 2014	<u>(1,858,000)</u>	<u>(1,504,000)</u>

### *Movement in the fair value of academy's share of scheme assets:*

	2014	2013
	£	£
Opening fair value of scheme assets at 1 September 2013	659,000	420,000
Expected return on scheme assets	42,000	26,000
Contributions by employer	143,000	132,000
Contributions by scheme participants	47,000	44,000
Actuarial gains or (loss)	(56,000)	39,000
Benefits paid	(6,000)	(2,000)
Closing fair value of scheme assets at 31 August 2014	<u>829,000</u>	<u>659,000</u>
<i>Experience gain/(loss) adjustment on scheme assets</i>	(56,000)	39,000
<i>Percentage of period end scheme assets</i>	6.8%	5.9%
<i>Experience gain/(loss) adjustment on scheme liabilities</i>	8,000	—
<i>Percentage of period end scheme liabilities</i>	0.4%	0.0%

# KIRKBIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### 19. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2014 the company had annual commitments under non-cancellable operating leases as set out below.

	Assets other than Land and buildings	
	2014 £	2013 £
<b>Operating leases which expire:</b>		
Within 2 to 5 years	<u>10,408</u>	<u>6,628</u>

Included within the above operating leases disclosure is the full cost of £3,780 (2013: £Nil) 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.

### 20. RESTRICTED FIXED ASSET FUNDS

	Balance at 1 Sep 2013 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Aug 2014 £
EFA formula capital	-	19,491	(19,491)	-	-
EFA capital maintenance	-	85,282	(80,195)	-	5,087
Fixed assets used for charitable purposes	<u>11,924,863</u>	<u>(485)</u>	<u>(489,303)</u>	<u>34,826</u>	<u>11,469,901</u>
	<u>11,924,863</u>	<u>104,288</u>	<u>(588,989)</u>	<u>34,826</u>	<u>11,474,988</u>

Details of transfers are shown in Note 12.

# KIRKBIIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### 21. RESTRICTED INCOME FUNDS

	Balance at 1 Sep 2013 £	Incoming resources £	Outgoing resources £	Losses & Transfers £	Balance at 31 Aug 2014 £
<b>DfE / EFA grants</b>					
General Annual Grant (GAG)	313,627	4,349,024	(4,448,859)	776	214,568
Pupil premium	–	103,104	(103,104)	–	–
Other EFA grants	18	7,479	(5,015)	–	2,482
<b>Defined benefit pension scheme deficit</b>	(845,000)	–	(39,000)	(145,000)	(1,029,000)
<b>Other Government grants</b>					
Local authority funded statements	–	138,724	(138,724)	–	–
Other government grants	–	37,967	(37,967)	–	–
<b>Trips and productions</b>	–	207,606	(207,606)	–	–
<b>Other educational income</b>	–	15,656	(15,656)	–	–
<b>Other restricted general funds</b>	1,449	24,759	(11,540)	(13,218)	1,450
	<u>(529,906)</u>	<u>4,884,319</u>	<u>(5,007,471)</u>	<u>(157,442)</u>	<u>(810,500)</u>

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 2014. Note 2 discloses whether the limit was exceeded.

Details of transfers are shown in Note 12.

The specific purposes for which 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.

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### 22. UNRESTRICTED INCOME FUNDS

	Balance at 1 Sep 2013 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Aug 2014 £
Cinderovens sports facility	55,129	24,997	(14,819)	-	65,307
School fund	9,032	2,448	(1,882)	-	9,598
Building projects	42,000	-	-	-	42,000
Catering fund	(5,899)	156,769	(144,941)	(12,369)	(6,440)
Other designated funds	28,154	20,248	(3,498)	(10,015)	34,889
General Funds	3,151	1,600	-	-	4,751
	<u>131,567</u>	<u>206,062</u>	<u>(165,140)</u>	<u>(22,384)</u>	<u>150,105</u>

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

**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.

Details of transfers are shown in Note 12.

### 23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2014 are represented by:

	Tangible fixed assets £	Net current assets £	Defined benefit pension liability £	Total £
<b>Restricted Income Funds:</b>				
General Annual Grant (GAG)	-	214,568	-	214,568
Other EFA grants	-	2,482	-	2,482
Defined benefit pension scheme deficit	-	-	(1,029,000)	(1,029,000)
Other restricted general funds	-	1,450	-	1,450
	-	<u>218,500</u>	<u>(1,029,000)</u>	<u>(810,500)</u>
<b>Restricted Fixed Asset Funds:</b>				
EFA capital maintenance	-	5,087	-	5,087
Fixed assets used for charitable purposes	11,469,901	-	-	11,469,901
	<u>11,469,901</u>	<u>5,087</u>	-	<u>11,474,988</u>
<b>Unrestricted Income Funds:</b>				
Designated Funds	-	145,354	-	145,354
General Funds	-	4,751	-	4,751
	-	<u>150,105</u>	-	<u>150,105</u>
<b>Total Funds</b>	<u>11,469,901</u>	<u>373,692</u>	<u>(1,029,000)</u>	<u>10,814,593</u>

# KIRKIE KENDAL SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

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### 24. RELATED PARTY TRANSACTIONS

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

Fat Media – a company in which Mr D Durnford (a governor of the trust) is the CEO:

- The trust received a donation totalling £945 (2013: £Nil) during the year as a contribution towards the costs of the minibus.
- In entering into the transaction 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 transactions with staff governors as detailed in the note below.

### 25. GOVERNORS' REMUNERATION AND EXPENSES

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

P Hyman (principal and governor)	£85,000 to £89,999 (2013 - £85,000 to £89,999)
J Gee (staff governor)	£55,000 to £59,999 (2013 - £55,000 to £59,999)
M Leadbeater (staff governor)	£40,000 to £44,999 (2013 - £35,000 to £39,999)
S Wright (staff governor)	£40,000 to £44,999 (2013 - £25,000 to £29,999)

During the year ended 31 August 2014 £Nil (2013: £Nil) expenses were reimbursed to governors.

### GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect governors and officers from claims for negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 (2013: £2,000,000) on any one claim and the cost for the period ended 31 August 2014 was £1,336 (2013: £1,431).

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

### 26. COMPANY LIMITED BY GUARANTEE

Kirkbie Kendal School Academy Trust is a company limited by guarantee. 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.