

**Company Registration Number:
7610791 (England & Wales)**

STUDLEY HIGH SCHOOL

ANNUAL REPORTS AND FINANCIAL STATEMENTS

31 AUGUST 2015

Presented by:

Mills Pyatt Limited

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STUDLEY HIGH SCHOOL**ANNUAL REPORT AND FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 AUGUST 2015**

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STUDLEY HIGH SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Members	M M Thake M M Weddell L Gray (appointed 1 September 2014) E McLeod (resigned 10 November 2014)	E Shelley M D Kimberley E E Young (resigned 1 September 2014) A Watson (resigned 17 July 2015)
Trustees	L Gray (appointed 1 September 2014) E Shelley I D Dixon J K Stone D A J Stanley Y D Clarke (appointed 1 February 2015) J Woodward (appointed 17 April 2015) S-A Stephenson (appointed 17 April 2015) E E Young (resigned 1 September 2014) C Wolsey (resigned 17 January 2015)	M M Thake M D Kimberley M M Weddell Z Haines P A Hunt N A Robinson (appointed 11 March 2015) D Ward (appointed 17 April 2015) A Watson (resigned 17 July 2015) E McLeod (resigned 10 November 2014) S-J Blackford (resigned 8 March 2015)
Company Secretary	N J Purslow	
Community Governors	M M Thake (Chairman) P A Hunt J K Stone N A Robinson	M M Weddell E Shelley D A J Stanley
Staff Governors	L Gray Y D Clarke	Z Haines M D Kimberley
Parent Governors	I D Dixon D Ward	J Woodward S-A Stephenson
Senior Management Team Headteacher Deputy Headteacher Assistant Headteachers	L Gray R J Eost A Ingram W Brooks	M D Kimberley A M Page (associate assistant headteacher)
Principal and Registered Office	Studley High School Crooks Lane Studley Warwickshire B80 7QX	
Company Registration Number	7610791 (England and Wales)	
Independent Auditor	Moore Stephens LLP 35 Calthorpe Road Edgbaston Birmingham B15 1TS	
Bankers	HSBC Bank Plc Haydon House Alcester Road Studley Warwickshire B80 7AN	
Solicitors	Foot Anstey Senate Court Southern Hay Gardens Exeter EX1 1NT	

STUDLEY HIGH SCHOOL

TRUSTEES' REPORT

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

The trust operates an academy for pupils aged 11-16 serving a catchment area in Studley and attracting many pupils from Worcestershire. It has a pupil capacity of 750 and has a roll of 711 in the school census in January 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Studley High School are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Studley High School.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 2.

Members' Liability

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

Trustees' Indemnities

The Academy has purchased an insurance policy that indemnifies Trustees against any legal liability that may arise from a claim made against them personally.

Method of Recruitment and Appointment or Election of Governors

Governors are subject to retirement at the end of their term of office, which is four years. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected. The Governing Body consists of up to 11 Governors appointed by Company members, up to 3 staff members, a minimum of 2 Parent Governors, the Headteacher and up to 3 co-opted Governors.

Any vacancy for Parent Governors will be advertised to all current parents with pupils of the Academy and any subsequent election will be open to all parents of pupils of the Academy. Any Staff Governor vacancy will be advertised to all Studley High School staff who are eligible and any subsequent election will be open to all staff members.

Policies and Procedures Adopted for the Induction and Training of Governors

All potential Governors meet with the Headteacher and Chair of Governors to discuss the role of Governors prior to appointment or standing for election. The Governing Body has appointed one of its members as Training Officer. This person is responsible for identifying the training needs of all Governors and induction of new Governors. All Governors have access to the Academy's policies, procedures, minutes, accounts, budgets, plans and any other documents that they will need to undertake their role. As there are only two or three new Governors elected each year, induction tends to be done informally and is tailored specifically to the individual. External providers are used when appropriate. All Governors have access to usethekey.org for Governors.

Organisational Structure

The leadership structure of the academy involves all staff working in conjunction with 3 main groups; Governors, the leadership group and curriculum area leaders (CALs). The aim of the academy structure is to allow a distributed approach to leadership and management with decision making and innovation encouraged at all levels.

The governing body consists of 4 committees; Policy and Resources, Finance and Staffing, Curriculum and Communication, and Health and Safety and Premises. These committees ensure school policies are fit for purpose and compliant and monitor the academy's performance in specific areas. CALs and members of the leadership team report regularly to individual committees and Link Governors meet with CALs and appropriate staff to discuss performance.

The leadership group consists of the Headteacher, Deputy Headteacher and 3.8 assistant Headteachers. This group controls the Academy at an executive level implementing policies and procedures and reporting back to the governing body as appropriate. The leadership group also authorises spending within agreed budgets and for the appointment of staff.

An extended leadership group of 4 CALs was established in 2013 to help develop leadership potential amongst key staff. One of them has been promoted to AHT for 2014 and the other joined the leadership team as AHT for one year from September 2015. Members of this team have led on staff CPD, NQT induction, academic mentoring and pupil leadership within the school.

Curriculum area leads are responsible for coordinating all attainment and progress data and support the leadership team in ensuring high quality provision for pupils. CALs report regularly to the leadership group.

Related Parties and other Connected Charities and Organisations

The Academy works closely with local schools in its cluster on a range of issues.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principle object and aim of the Academy Trust of Studley High School is to provide an education for pupils of all abilities between the ages of 11 and 16, through a broad and balanced curriculum.

Objectives

In accordance with the Funding Agreement between the Academy and the Department for Education, the Academy follows the Warwickshire County Council procedure for admitting pupils to the Academy by defining the catchment area from which pupils are drawn. The school provides a broad balanced curriculum to its pupils.

The main objectives of the Academy in the reporting period are summarised below;

- To maximise pupil achievement and attainment through appropriate courses, high quality teaching and excellent pastoral support.
- To improve performance of key groups of pupils including SEND and disadvantaged pupils.
- To further develop the leadership skills and opportunities across the Academy for all staff and pupils to ensure effective systems and quality assurance processes.
- To further enhance the provision of ICT through the use of a cloud based system to allow all stakeholders easier access to key information and learning.
- To ensure tutor time is a positive and rewarding experience for pupils.
- To develop further links with local organisations including businesses, schools, charities and external agencies.
- To recruit and retain high quality staff as part of the ongoing succession planning linked to key retirements and promotions.
- To ensure safeguarding and wellbeing are of the highest quality.

Strategies and Activities

The Academy's main strategy is encompassed in its motto "Semper Sursum" - "Always Aiming Higher". To this end the activities provided include:

- Further support and intervention for pupils, in all subject areas, to ensure highest levels of attainment and achievement.
- Improved assurance systems linked to teachers, curriculum leaders and the leadership team through regular meetings and more frequent data trawls.
- Continuing professional development for staff linked to understanding and promotion of a growth mindset approach, how to use online systems and how to ensure high quality assessment.
- Implement academic lead posts with high quality mentoring for identified pupils.
- Further development of extracurricular activities linked to the promotion of pupil leadership and opportunities to get involved beyond the curriculum.
- Middle and senior leader development programmes established internally and for other local schools.
- High quality information, advice and guidance for all pupils linked to successful destinations post 16.
- Development of a new assessment and marking policy linked to evidence based practice.

Equal Opportunities

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy aims to establish equal opportunities in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Public Benefit

With reference to the Charity Commission's guidance on public benefit and Section 4 of the Charities Act 2006, the Trustees confirm that setting of the Academy's objectives and aims is conducted with due regard to the advancement of education of its pupil population within the catchment area.

The Academy takes an active role in partnership with a wide range of businesses, other educational institutions and the community including:

- New relationships have been explored and established with local lacrosse, cricket and netball clubs.
- The school's facilities host a wide range of local organisations for functions, weekly sessions and concerts. Community use of the school is encouraged and pupils participated in community activities.
- The Academy takes part in a range of fundraising activities for a variety of local, national and international charities chosen by the pupils through the School Council.
- Adaptations continue to be made to enable disabled people to access the buildings, where feasible. The Academy ensures that fair consideration is given to staff and pupils regardless of gender, race or orientations when applying to the Academy for work or a place.
- The Academy has hosted many successful days and workshops linked to Science, English, Technology and Humanities with local primary schools. This includes pupils visiting the Academy and staff working within local schools.
- The Academy has hosted members of the over 75's group in Studley in enjoying an afternoon tea and concert.
- The Academy has also supported Anne Frank exhibitions within the school and at Millennium Point in Birmingham with pupils acting as tour guides to relay the story of Anne Frank for a national charity.

STRATEGIC REPORT**ACHIEVEMENTS AND PERFORMANCE**

The Academy is now in its fifth year of operation. The total number of pupils on roll as of 31st August is 702. With the appointment of a new Headteacher in September 2014, it has been a busy but very successful and rewarding time for the Academy. The Academy was judged outstanding in all areas in November 2011 by Ofsted. During 2015 the Academy was subject to a section 8 inspection linked to the performance of disadvantaged pupils. Ofsted highlighted strengths linked to the improving trend of GCSE examination results and effective leadership structure but also highlighted that the gap between disadvantaged pupils and other pupils needs to close.

We have worked hard to ensure effective management systems are in place and that effective quality assurance processes highlight successes and areas for further development. The improved use of data through more regular collections and more specific targeting of pupils to ensure that they are getting the support they need has resulted in very good results of 63% of pupils achieving A*-C including English and Mathematics. Mathematics saw an improvement from 71% A*-C to 82% A*-C and English remains well above national average with 69% of pupils achieving A*-C grades. Particularly pleasing were improvements in the overall Science grades and excellent performances across PE, Art, Food Technology, Catering, French, German, RE, Geography, English Literature and Astronomy.

Pupil premium performance improved from 30% of pupils achieving 5A*-C including English and Mathematics to 44% in 2015 with improved progress measures in both English and Mathematics.

This represents an excellent achievement across the board for the Academy. In order to better meet the needs of all of our pupils we have introduced Photography GCSE from September 2015 along with ICT GCSE to complement the Computer Science GCSE introduced in 2014. In addition to new programmes we have expanded Triple Science due to popular demand and over 60% of pupils in year 10 have opted to do separate GCSEs in Science.

There is a more robust and effective assessment and marking policy linked to best practice nationally, enabling pupil and parents to focus more clearly on areas for development in terms of making expected or beyond expected progress.

As part of our preparations for work programme, all of year 10 continue to participate in a week's work experience in local businesses delivering a very successful partnership with local manufacturers. In order to provide the Independent Advice and Guidance for Post 16 education and careers, the school has its own advisor to provide a high quality service. We work closely with local sixth form providers, FE colleges and training providers through our information evenings and events for pupils in years 9-11.

The Academy has been successful in developing leadership programmes to help ensure effective succession planning within South Warwickshire. This has been further enhanced by working alongside a licensee for National College programmes to deliver training and development to staff from across the county.

The Academy has been successful in an application to the condition improvement fund securing a much enhanced driveway, gates and security fencing for the site to improve safeguarding and access.

Key Performance Indicators

Significant financial performance indicators are the level of balance sheet reserves and bank balances in hand. The Academy's Funding Agreement is not subject to specific levels, however, sufficient surplus funds should be maintained at each reporting interval.

The Academy's core funding is based on pupil numbers. The number of pupils on roll has fallen from 708 in September 2014 to 698 in September 2015. The increase in year 7 intake compared to 2014 has reduced the financial pressure but the Academy is aiming to recruit the full PAN of 150 for September 2016. Resources will remain under close scrutiny to ensure restricted funds received will be disbursed in the most efficient manner.

Staff payroll and pension costs for the year are 86% of grant funding, a reduction from the 88% measure of last year. As a percentage of restricted general resources expended, staff costs were 83% in 2015 compared to 81% in 2014.

Using the measure of at least 5 A*-C grades including English and Mathematics, the Academy was aiming to exceed 70% for 2015. A performance of 63% indicates a very good 'value added' achievement. In 2016 progress 8 and attainment 8 measures will be introduced. The Academy targets are 0.4 progress 8 score and attainment 8 scores in excess of 55 points.

Attendance for 2014-15 was 95.7%, representing a strong continuation of very good attendance in recent years.

Going Concern

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

FINANCIAL REVIEW

Most of the Academy's income is obtained from the Department for Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives capital grants which are shown as restricted income in the fixed asset fund in the statement of financial activities. The restricted fixed asset fund balance is reduced by depreciation charges over the expected useful life of the assets concerned. The assets are used exclusively for providing education and the associated support services to the pupils of the Academy.

During the accounting period, total expenditure of £4,181,893 was more than recurrent grant funding from DfE, together with other incoming resources, of £3,865,741. The excess of expenditure over income for the period was £316,152.

The Academy held fund balances at 31 August 2015 of £2,437,038, comprising £3,268,738 restricted fixed asset funds, £153,836 restricted general funds, £121,464 unrestricted general funds and a pension reserve deficit of £1,107,000.

The Academy's non-teaching staff are entitled to membership of the Local Government Pension Scheme (LGPS). The Academy's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme and consequently the Academy's balance sheet shows a net liability of £1,107,000.

The deficit on the LGPS does not mean that an immediate liability crystallises. The deficit results in a cash flow effect for the Academy in the form of possible future increases in pension contributions, which, if required, will be met from the budgeted annual income. There is therefore no direct impact on the free reserves of the Academy Trust because of recognising the deficit.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Academy's policy is to carry forward a prudent level of resources that are considered sufficient for the Academy's requirements.

Investment Policy

The Academy operates an investment policy that seeks to maximise returns, minimise risk and maintain flexibility and access to funds. Current funds are held on deposit.

Principal Risks and Uncertainties

Based on the strategic plan, the Trustees undertake a comprehensive review of the risks to which the Academy is exposed. The Trustees identify systems and procedures, including specific preventable actions which should mitigate any potential negative impact on the Academy. Risk management is continually monitored to ensure existing and emerging risks are considered. A risk register, covering low, medium and high level risks, is maintained by the Academy and reviewed at least annually. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy and the actions being taken to reduce and mitigate the risks.

The Trustees have assessed major risks to which the Academy is exposed, in particular those relating to operational risks (e.g. in relation to human resources, health and safety, technology) and in relation to control of finance. The Academy is continually working to minimise these risks and has an effective system of internal finance controls.

The Academy relies on continued government funding to achieve its objectives. To mitigate the risk of withdrawal of grant funding, the Academy continually strives to deliver high quality education via a continually refined curriculum, maintain and improve grades achieved by its pupils and sustain positive inspection outcomes. The financial statements report the share of the pension scheme deficit on the balance sheet in line with the requirements of FRS 17.

Plans for Future Periods

The Academy will continue striving to improve the levels of performance of its pupils at all levels and continue its efforts to ensure that pupils proceed successfully to higher education.

Funds Held as Custodian Trustee on Behalf of Others

The Academy has exhausted all funds that were held for the benefit of schools in its cluster following requests for transfers of funds by the local cluster schools.

Auditor

Insofar as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 2 December 2015 and signed on the board's behalf by:



Michael Thake
[Chair of Trustees]

2 December 2015

STUDLEY HIGH SCHOOL

GOVERNANCE STATEMENT

Scope of Responsibility

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

The board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between Studley High School and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The full **Governing Body** has formally met 5 times during the year. Attendance during the year at meetings of the full Governing Body was as follows:

Governor		Meetings attended	Out of a possible
Mr M Thake	(Chair) (Community Governor)	4	5
Mr L Gray	(Headteacher and Accounting Officer)	5	5
Mrs M Kimberley	(Staff Governor)	3	5
Ms Z Haines	(Staff Governor)	5	5
Mrs C Wolsey	(Staff Governor)	2	2
Mrs Y Clarke	(Staff Governor)	3	3
Mrs S-J Blackford	(Parent Governor)	1	3
Ms S Cheetham	(Parent Governor)	2	2
Mr I Dixon	(Parent Governor)	4	5
Mrs J Woodward	(Parent Governor)	2	2
Mrs E McLeod	(Parent Governor)	1	1
Mr D Ward	(Parent Governor)	2	2
Mrs P Hunt	(Community Governor)	5	5
Mr N Robinson	(Community Governor)	3	3
Mrs E Shelley	(Community Governor)	2	5
Mr D Stanley	(Community Governor)	5	5
Mrs J Stone	(Community Governor)	1	5
Mr A Watson	(Community Governor)	4	5
Mr M Weddell	(Community Governor)	4	5

The **Finance and Staffing Committee** is a sub-committee of the main Governing Body. Its purpose is to deal with the school's financial affairs and staffing matters on behalf of the Governing Body. Attendance at meetings in the year was as follows:

Governor		Meetings attended	Out of a possible
Mrs E Shelley	(Chair)	4	6
Mr M Thake		5	6
Mr L Gray		6	6
Mr M Weddell		4	6
Mr I Dixon		6	6

Review of Value for Money

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Continuing the South Warwickshire Education Partnership, ensuring value for money through the sharing of best practice and group CPD opportunities shared financially across schools. There has been significant investment in the ICT infrastructure with outsourcing of key strategic roles providing a value for money, high quality product in terms of a restructure of cabling and hardware in 2 IT labs and across the school.
- Investing significant time and resources to develop and embed software to track and respond to data related to pupil progress. This has resulted in improved results and the school moved from a broadly average performance to being in the 21st percentile for value added nationally. This represents excellent value for money.
- Investing in pastoral managers to work closely with pupils and their families, which has impacted positively on behaviour, reduced exclusions and attendance, which has now reached 96%.

GOVERNANCE STATEMENT (CONTINUED)

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Studley High School for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees;
- Regular reviews by the Finance and Staffing 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 investments) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mr D Parkes FCCA of Mills Pyatt Limited, the external accountant, to perform additional checks. The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular, the checks carried out in the current period included testing of payroll systems, purchase systems, control accounts, income systems and financial reports. On a timely basis, the reviewer reports to the board of Trustees, through the Finance and Staffing Committee, on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities.

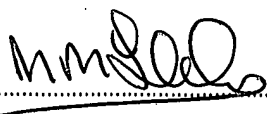
Review of Effectiveness

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:

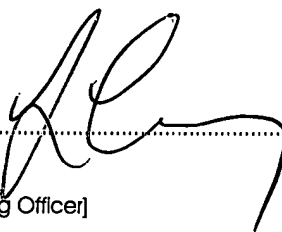
- The work of the external reviewer;
- The work of the external auditor;
- The financial management and governance self-assessment process;
- The work of Warwickshire County Council Finance Department;
- Academies Financial Handbook;
- The work of the Governing Body Finance and Staffing Committee within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of Trustees on 2 December 2015 and signed on its behalf by



Michael Thake
[Chair of Trustees]



Lee Gray
[Accounting Officer]

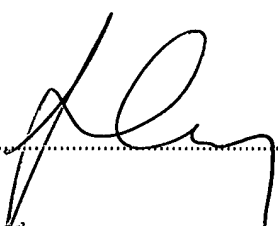
STUDLEY HIGH SCHOOL

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Studley High School Academy Trust I have considered my responsibility to notify the Academy Trust board of Trustees 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 for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

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Lee Gray
[Accounting Officer]

2 December 2015

STUDLEY HIGH SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2005;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from EFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of Trustees on 2 December 2015 and signed on its behalf by



Michael Thake
[Chair of Trustees]

STUDLEY HIGH SCHOOL

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF STUDLEY HIGH SCHOOL

We have audited the financial statements of Studley High School for the year ended 31 August 2015 set out on pages 14 to 27. These financial statements have been prepared under the accounting policies set out therein.

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

Respective Responsibilities of Trustees and Auditors

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

Scope of the Audit of the Financial Statements

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

Opinion on the Financial Statements

In our opinion the financial statements:

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

Opinion on Other Matters Prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on Which we are Required to Report by Exception

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

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



NICHOLAS SIMKINS (Senior Statutory Auditor)
for and on behalf of MOORE STEPHENS LLP
Chartered Accountants and Statutory Auditor
Birmingham

2 December 2015

STUDLEY HIGH SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STUDLEY HIGH SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 23 June 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Studley High School during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective Responsibilities of Studley High School's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Studley High School's Funding Agreement with the Secretary of State for Education dated 27 May 2011 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

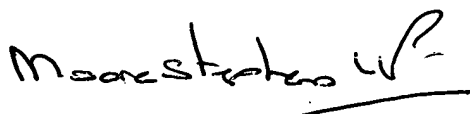
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.

Our procedures included, but not limited to, the following:

- Reviewing minutes of meetings, management accounts and made enquiries of management.
- Performing sample testing of expenditure ensuring items are for the School's purposes and are appropriately authorised
- Sample testing on credit card expenditure, review for any indication of purchase for personal use by staff, Head or Governors
- Reviewing the procedures for identifying and declaring related parties and other business interests
- Scrutinising journals, and other adjustments posted during the year for evidence of unusual entries and made further enquiries into any such items where relevant;
- Taking a selection of nominal ledger accounts for evidence of unusual entries and made further enquiries into any such items where relevant;
- Performing an evaluation of the general control environment of the School;
- Reviewing nominal ledger accounts for any large or unusual entries and obtaining supporting documentation

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 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



MOORE STEPHENS LLP
Chartered Accountants and Statutory Auditor
Birmingham

2 December 2015

STUDLEY HIGH SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2015

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
Incoming resources						
Incoming resources from generated funds:						
Voluntary income	2	-	-	1,997	1,997	1,996
Activities for generating funds	3	111,213	121,426	-	232,639	251,239
Investment income	4	458	-	-	458	1,340
Incoming resources from charitable activities:						
Funding for the Academy Trust's educational operations	5	-	3,510,223	120,424	3,630,647	4,050,909
Total incoming resources		111,671	3,631,649	122,421	3,865,741	4,305,484
Resources expended						
Charitable activities:						
Academy Trust's educational operations	7	(138,882)	(3,578,126)	(420,127)	(4,137,135)	(4,351,374)
Governance costs	8	-	(44,758)	-	(44,758)	(101,676)
Total resources expended	6	(138,882)	(3,622,884)	(420,127)	(4,181,893)	(4,453,050)
Net income/(expenditure) for the year		(27,211)	8,765	(297,706)	(316,152)	(147,566)
Other recognised gains and losses						
Actuarial losses on defined benefit pension schemes	16,26	-	(38,000)	-	(38,000)	(51,000)
Net movement in funds		(27,211)	(29,235)	(297,706)	(354,152)	(198,566)
Reconciliation of funds						
Total funds brought forward at 1 September 2014	16	148,675	(923,929)	3,566,444	2,791,190	2,989,756
Total funds carried forward at 31 August 2015	16	121,464	(953,164)	3,268,738	2,437,038	2,791,190

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

STUDLEY HIGH SCHOOL
BALANCE SHEET AS AT 31 AUGUST 2015
Company Number: 7610791

	Note	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible assets	12		3,313,747		3,642,070
Current assets					
Debtors	13	64,631		187,502	
Cash at bank and in hand		<u>243,385</u>		<u>99,667</u>	
		308,016		287,169	
Liabilities					
Creditors: amounts falling due within one year	14	<u>(58,318)</u>		<u>(78,580)</u>	
Net current assets			249,698		208,589
Total assets less current liabilities			3,563,445		3,850,659
Creditors: amounts falling due after more than one year	15		(19,407)		(39,469)
Net assets excluding pension liability			3,544,038		3,811,190
Pension scheme liability	26		<u>(1,107,000)</u>		<u>(1,020,000)</u>
Net assets including pension liability			2,437,038		2,791,190
Funds of the Academy Trust:					
Restricted funds					
Fixed asset fund	16		3,268,738		3,566,444
General fund	16		153,836		96,071
Pension reserve	16		<u>(1,107,000)</u>		<u>(1,020,000)</u>
Total restricted funds			2,315,574		2,642,515
Unrestricted income funds					
General fund	16		<u>121,464</u>		<u>148,675</u>
Total unrestricted funds			121,464		148,675
Total funds			2,437,038		2,791,190

The financial statements on pages 14 to 27 were approved by the Trustees and authorised for issue on 2 December 2015 and are signed on their behalf by:



Michael Thake
[Chair of Trustees]

STUDLEY HIGH SCHOOL**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £	2014 £
Net cash inflow/(outflow) from operating activities	20	50,026	(454,043)
Returns on investments and servicing of finance	21	458	1,340
Capital expenditure	22	113,296	(94,761)
Financing	23	(20,062)	(20,063)
Increase/(Decrease) in cash in the year	24	<u>143,718</u>	<u>(567,527)</u>
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2014		99,667	667,194
Net funds at 31 August 2015		<u>243,385</u>	<u>99,667</u>

1. Statement of Accounting Policies

Basis of Preparation

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

Going Concern

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

Incoming Resources

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

• Grants Receivable

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted fund.

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

• Sponsorship Income

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

• Donations

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

• Other Income

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

• Donated Goods, Facilities and Services

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

Resources Expended

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

• Costs of Generating Funds

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

• Charitable Activities

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

• Governance Costs

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

All resources expended are inclusive of irrecoverable VAT.

1. Statement of Accounting Policies (continued)**Tangible Fixed Assets**

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight line basis over its expected useful life, as follows:

Freehold buildings	5 - 34 years
Furniture	10 years
Fixtures and equipment	4 years
ICT equipment	4 years
Motor vehicles	5 years

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

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

Leased Assets

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

Taxation

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

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.

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 note 26, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

STUDLEY HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (CONTINUED)

1. Statement of Accounting Policies (continued)

Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the EFA.

2. Voluntary Income

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Donations for capital purposes	-	1,997	1,997	1,996
	-	1,997	1,997	1,996

3. Activities for Generating Funds

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Hire of facilities	3,910	-	3,910	4,954
Catering income	107,303	-	107,303	84,227
Teacher sickness income	-	15,818	15,818	31,437
Insurance claims	-	-	-	3,357
Educational visits income	-	-	-	460
School trips and social events	-	83,255	83,255	97,835
Supply of staff to other settings	-	22,353	22,353	28,969
	111,213	121,426	232,639	251,239

4. Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Bank interest received	458	-	458	1,340
	458	-	458	1,340

5. Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
DfE / EFA capital grants				
Academy main building grants	-	120,424	120,424	519,301
	-	120,424	120,424	519,301
DfE / EFA revenue grants				
General Annual Grant (GAG)	-	3,336,002	3,336,002	3,412,277
Pupil Premium Grant	-	144,916	144,916	110,291
Other DfE / EFA and local authority grants	-	29,305	29,305	9,040
	-	3,510,223	3,510,223	3,531,608
	-	3,630,647	3,630,647	4,050,909

STUDLEY HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (CONTINUED)

6. Resources Expended

	Staff Costs	Non Pay Expenditure		Total 2015	Total 2014
		Premises	Other		
	£	£	£	£	£
Academy's educational operations:					
Direct costs	2,378,949	-	233,757	2,612,706	2,529,237
Allocated support costs	624,181	509,496	390,752	1,524,429	1,822,137
	3,003,130	509,496	624,509	4,137,135	4,351,374
Governance costs including allocated support costs	-	-	44,758	44,758	101,676
	3,003,130	509,496	669,267	4,181,893	4,453,050

Net Income/(expenditure) for the year includes:

	2015	2014
	£	£
Operating leases	1,839	2,649
Fees payable to auditor for:		
audit	8,200	8,000
other services	2,810	2,200
Profit on disposal of fixed assets	-	(1,804)

7. Charitable Activities

	Unrestricted Funds	Restricted Funds	Total 2015	Total 2014
	£	£	£	£
Direct costs - educational operations				
Teaching and educational support staff costs	-	2,378,949	2,378,949	2,371,440
Educational supplies	-	152,292	152,292	72,095
Examination fees	-	53,800	53,800	45,520
Teacher insurance	-	23,141	23,141	22,680
Other direct costs	-	4,524	4,524	17,502
	-	2,612,706	2,612,706	2,529,237
Support costs - educational operations				
Support staff costs	-	624,181	624,181	714,390
Depreciation: premises	-	231,898	231,898	208,297
Depreciation: other	-	105,550	105,550	101,611
Profit on disposal of fixed assets	-	-	-	(1,804)
Recruitment and training	-	20,787	20,787	42,431
Maintenance of premises and equipment	-	30,110	30,110	44,683
Contract works and consultants	57,221	82,679	139,900	260,596
Cleaning, refuse and security	-	16,552	16,552	14,059
Rates	-	19,297	19,297	21,448
Energy	-	53,489	53,489	61,782
Property insurance	-	18,250	18,250	24,466
Computer equipment and software	-	2,945	2,945	45,753
Catering	81,661	-	81,661	71,639
Bank interest and charges	-	72	72	338
Local authority support fees	-	8,433	8,433	53,355
Other support costs	-	77,109	77,109	71,407
School trips and social events	-	94,195	94,195	87,686
	138,882	1,385,547	1,524,429	1,822,137
Total direct and support costs	138,882	3,998,253	4,137,135	4,351,374

8. Governance Costs

	Unrestricted Funds	Restricted Funds	Total 2015	Total 2014
	£	£	£	£
Legal and professional fees	-	33,748	33,748	91,476
Auditor's remuneration:				
audit of financial statements	-	8,200	8,200	8,000
other audit costs	-	2,810	2,810	2,200
	-	44,758	44,758	101,676

STUDLEY HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (CONTINUED)

9. Staff

a. Staff costs

Staff costs during the year were:

	2015 £	2014 £
Wages and salaries	2,420,792	2,496,904
Social security costs	176,712	173,676
Operating costs of defined benefit pension schemes	405,626	415,250
	<u>3,003,130</u>	<u>3,085,830</u>

b. Staff numbers

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

	2015 No.	2014 No.
Charitable Activities		
Teachers	46	46
Administration and support	53	56
Management	6	6
	<u>105</u>	<u>108</u>

c. Higher paid staff

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

	2015 No.	2014 No.
£60,001 - £70,000	1	-
£80,001 - £90,000	-	1

The above employees participated in the Teachers' Pension Scheme.

10. Related Party Transactions - Trustees' Remuneration and Expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

L Gray (current Headteacher and Trustee); (appointed as Trustee 1 September 2014)	Remuneration £65,000 - £70,000 (2014: £nil) Employer's pension contributions £5,000 - £10,000 (2014: £nil)
E E Young (previous Headteacher and Trustee); (resigned as Trustee 1 September 2014)	Remuneration £nil (2014: £80,000 - £85,000) Employer's pension contributions £nil (2014: £10,000 - £15,000)
M D Kimberley (Staff Trustee):	Remuneration £45,000 - £50,000 (2014: £45,000 - £50,000) Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000)
Z Haines (Staff Trustee):	Remuneration £45,000 - £50,000 (2014: £45,000 - £50,000) Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000)
C Wolsey (Staff Trustee); (resigned as Trustee 17 January 2015)	Remuneration £20,000 - £25,000 (2014: £20,000 - £25,000) Employer's pension contributions £nil - £5,000 (2014: £nil - £5,000)
Y D Clarke (Staff Trustee); (appointed as Trustee 1 February 2015)	Remuneration £20,000 - £25,000 (2014: £20,000 - £25,000) Employer's pension contributions £nil - £5,000 (2014: £nil - £5,000)

During the year ended 31 August 2015, travel and subsistence expenses totalling £235 (2014: £42) were reimbursed to 2 Trustees (2014: 1 Trustee).

Other related party transactions involving the Trustees are set out in note 27

11. Trustees' and Officers' Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,187 (2014: £1,187). The cost of this insurance is included in the total insurance cost.

STUDLEY HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (CONTINUED)

12. Tangible Fixed Assets

	Freehold Land £	Freehold Buildings £	Computer Equipment £	Furniture, Fixtures and Equipment £	Motor Vehicles £	Total £
Cost						
At 1 September 2014	400,000	3,604,028	119,858	296,183	13,750	4,433,819
Additions	-	-	-	9,125	-	9,125
At 31 August 2015	400,000	3,604,028	119,858	305,308	13,750	4,442,944
Depreciation						
At 1 September 2014	-	631,745	37,204	116,842	5,958	791,749
Charged in year	-	231,898	29,968	72,832	2,750	337,448
At 31 August 2015	-	863,643	67,172	189,674	8,708	1,129,197
Net book values						
At 31 August 2015	400,000	2,740,385	52,686	115,634	5,042	3,313,747
At 1 September 2014	400,000	2,972,283	82,654	179,341	7,792	3,642,070

13. Debtors

	2015 £	2014 £
Trade debtors	3,551	15,228
VAT recoverable	33,800	151,272
Prepayments and accrued income	27,280	21,002
	<u>64,631</u>	<u>187,502</u>

14. Creditors: Amounts Falling due within one Year

	2015 £	2014 £
Trade creditors	-	78
Loans	20,062	20,062
Accruals and deferred income	38,256	58,440
	<u>58,318</u>	<u>78,580</u>

Deferred Income

	2015 £
Deferred income at 1 September 2014	4,079
Amounts released from previous years	(1,997)
Deferred income at 31 August 2015	<u>2,082</u>

Deferred income represents donations received for specific capital purchases, the funds of which are released in accordance with each asset's useful life.

15. Creditors: Amounts Falling due after more than one Year

	2015 £	2014 £
Loans	<u>19,407</u>	<u>39,469</u>

Included within creditors due within and after one year are loans of £39,469 (2014 £59,531) from Salix Finance Limited which are interest free, repayable by March 2017 and relate to the replacement of some of the Academy's fixtures.

STUDLEY HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (CONTINUED)

16. Funds

	Balance at 1 September £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2015 £
Restricted general funds					
General Annual Grant (GAG)	96,071	3,336,002	(3,278,237)	-	153,836
Pupil Premium Grant	-	144,916	(144,916)	-	-
Other DfE / EFA and local authority grants	-	29,305	(29,305)	-	-
Activities for generating funds	-	121,426	(121,426)	-	-
	96,071	3,631,649	(3,573,884)	-	153,836
Pension reserve	(1,020,000)	-	(49,000)	(38,000)	(1,107,000)
	(923,929)	3,631,649	(3,622,884)	(38,000)	(953,164)
Restricted fixed asset funds					
Local authority grant	2,863,092	-	(192,335)	-	2,670,757
DfE / EFA capital grants	703,352	120,424	(225,795)	-	597,981
Donations	-	1,997	(1,997)	-	-
	3,566,444	122,421	(420,127)	-	3,268,738
Total restricted funds	2,642,515	3,754,070	(4,043,011)	(38,000)	2,315,574
Unrestricted funds					
Unrestricted general fund	148,675	111,671	(138,882)	-	121,464
Total unrestricted funds	148,675	111,671	(138,882)	-	121,464
Total funds	2,791,190	3,865,741	(4,181,893)	(38,000)	2,437,038

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

The General Annual Grant (GAG) has been provided by the DfE in order to fund the normal running costs of the Academy. During the period, the Academy's GAG income exceeded GAG expenditure. The balance of GAG will be carried forward to apply in future years and enable the establishment of a minimum prudent level of reserves to manage risks and unforeseen costs. Under the Funding Agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Pupil premium grant income is received from the DfE so that the school can support their disadvantaged pupils and close the attainment gap between them and their peers. All of the income received was fully expended during the period.

Other DfE/EFA and local authority grants include incoming resources in relation to rates relief, special needs and Year 7 Catch Up income. All of the income received was fully expended during the period.

Activities for generating funds include income generated from activities including school trips and social events, supply of staff to other settings and teacher sickness income. All of the income received was fully expended during the period.

The restricted Pension reserve represents the deficit on the Academy's share of the Local Government Pension Scheme as at 31 August 2015.

17. Analysis of Net Assets between Funds

Fund balances at 31 August 2015 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	3,313,747	3,313,747
Current assets	121,464	186,552	-	308,016
Current liabilities	-	(32,716)	(25,602)	(58,318)
Non-current liabilities	-	-	(19,407)	(19,407)
Pension scheme liability	-	(1,107,000)	-	(1,107,000)
Total net assets	121,464	(953,164)	3,268,738	2,437,038

STUDLEY HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (CONTINUED)

18. Capital Commitments

	2015 £	2014 £
Contracted for, but not provided in the financial statements	-	400,709

19. Financial Commitments

Operating Leases

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

	2015 £	2014 £
Equipment		
Expiring within one year	-	1,261
Expiring within two and five years inclusive	999	999
	<u>999</u>	<u>2,260</u>

20. Reconciliation of Net Income/(Expenditure) to Net Cash Inflow/(Outflow) from Operating Activities

	2015 £	2014 £
Net expenditure	(316,152)	(147,566)
Depreciation (note 12)	337,448	309,908
Profit on disposal of fixed assets	-	(1,804)
Capital grants from DfE and other capital income	(122,421)	(521,297)
Interest receivable (note 4)	(458)	(1,340)
FRS 17 pension cost less contributions payable (note 26)	35,000	51,000
FRS 17 pension finance income (note 26)	14,000	27,000
Decrease/(Increase) in debtors	122,871	(98,546)
Decrease in creditors	(20,262)	(71,398)
Net cash provided by/(used in) operating activities	<u>50,026</u>	<u>(454,043)</u>

21. Returns on Investments and Servicing of Finance

	2015 £	2014 £
Interest received	458	1,340
Net cash inflow from returns on investment and servicing of finance	<u>458</u>	<u>1,340</u>

22. Capital Expenditure and Financial Investment

	2015 £	2014 £
Capital grants from DfE/EFA	120,424	519,301
Capital donations received	1,997	1,996
Purchase of tangible fixed assets	(9,125)	(623,077)
Receipts from disposal of tangible fixed assets	-	7,019
Net cash inflow/(outflow) from capital expenditure and financial investment	<u>113,296</u>	<u>(94,761)</u>

23. Financing

	2015 £	2014 £
Loan repayments	(20,062)	(20,063)
Net cash outflow from financing	<u>(20,062)</u>	<u>(20,063)</u>

24. Analysis of Changes in Net Funds

	At 1 September 2014 £	Cash Flows £	At 31 August 2015 £
Cash at bank and in hand	99,667	143,718	243,385
	<u>99,667</u>	<u>143,718</u>	<u>243,385</u>

25. Members' Liability

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

26. Pension and Similar Obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 August 2015.

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

Teachers' Pension Scheme**Introduction**

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the period amounted to £239,208 (2014: £239,131).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

STUDLEY HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (CONTINUED)

26. Pension and Similar Obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £153,000, of which employer's contributions totalled £120,000 and employees' contributions totalled £33,000. The agreed contribution rates for future years are 17.2% for employers and between 5.5% and 12.5% for employees.

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

In addition to the future contribution rates, the Academy Trust has agreed to make additional employer contributions for the next 2 years at the following rates per annum:

	£'000
2015/16	29
2016/17	38

Principal Actuarial Assumptions

	At 31 August 2015	At 31 August 2014
Rate of increase in salaries	4.5%	4.4%
Rate of increase for pensions in payment / inflation	2.6%	2.6%
Discount rate for scheme liabilities	3.7%	3.7%
Inflation assumption (CPI)	1.1%	2.4%
Commutation of pensions to lump sums	50%	50%

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

	At 31 August 2015	At 31 August 2014
Retiring today		
Males	22.4	22.4
Females	24.4	24.4
Retiring in 20 years		
Males	24.3	24.3
Females	26.6	26.6

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £'000	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £'000
Equities	3.7%	915	6.3%	874
Bonds	3.7%	328	3.4%	270
Property	3.7%	171	4.5%	129
Cash	3.7%	14	3.3%	13
Total market value of assets		1,428		1,286
Present value of scheme liabilities				
- Funded		(2,535)		(2,306)
Deficit in the scheme		(1,107)		(1,020)

The actual return on scheme assets was £53,000 (2014: £150,000).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (CONTINUED)

26. Pension and Similar Obligations (continued)

Amounts recognised in the statement of financial activities

	2015 £'000	2014 £'000
Current service cost (net of employee contributions)	(35)	(43)
Past service cost	-	(8)
Total operating charge	(35)	(51)
Analysis of pension finance income / (costs)		
Expected return on pension scheme assets	74	70
Interest on pension liabilities	(88)	(97)
Pension finance costs	(14)	(27)

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 £286,000 loss (2014: £248,000 loss).

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

	2015 £'000	2014 £'000
At 1 September	2,306	2,057
Current service cost	155	146
Interest cost	88	97
Employee contributions	33	32
Actuarial loss	17	30
Benefits paid	(64)	(64)
Past service cost	-	8
At 31 August	2,535	2,306

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

	2015 £'000	2014 £'000
At 1 September	1,286	1,166
Expected return on assets	74	70
Actuarial loss	(21)	(21)
Employer contributions	120	103
Employee contributions	33	32
Benefits paid	(64)	(64)
At 31 August	1,428	1,286

The estimated value of employer contributions for the year ended 31 August 2016 is £127,000.

The four year history of experience adjustments is as follows:

	2015 £'000	2014 £'000	2013 £'000	2012 £'000
Present value of defined benefit obligations	(2,535)	(2,306)	(2,057)	(1,774)
Fair value of share of scheme assets	1,428	1,286	1,166	873
Deficit in the scheme	(1,107)	(1,020)	(891)	(901)
Experience adjustments on share of scheme assets	(21)	(21)	115	(45)
Experience adjustments on scheme liabilities	3	168	-	-

27. Related Party Transactions

Owing to the nature of the Academy Trust's operations and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

Michael Weddell, a Trustee and Governor, earned £770 (2014: £501) during the year for providing exam invigilation to the Academy.