

# REGISTRAR OF COMPANIES

## Norbury Manor Business and Enterprise College for Girls

### Annual Report and Financial Statements

31 August 2015

Company Limited by Guarantee  
Registration Number  
07843573 (England and Wales)

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## Reference and administrative information

<b>Members</b>	I Hamilton-Bower M Hamilton M Turner D Rose (resigned 1 December 2014) K Hume (appointed 1 December 2014) J Ralphs (appointed 1 December 2014)
<b>Governors</b>	C Deen, Parent Governor (resigned 1 October 2014) D Rose, Vice Chair (resigned 1 December 2014) I Hamilton-Bower, Vice Chair (from 1 December 2014), Chair of Personnel Committee J Ralphs, LA Governor K Hume, Chair of Premises Committee M Hamilton, Chair of Admissions M Turner, Chair of Governing Body P Harris, Staff Governor A Compton, Headteacher and Accounting Officer A Hussain, Parent Governor M Miller, Chair of Admissions, Education and Curriculum Committee, Parent Governor A S Horner-Knight, Parent Governor E Jordon, Parent Governor J Chandler, Chair of Finance Committee N Gallimore (appointed 23 March 2015), Staff Governor
<b>Company Secretary</b>	W Kinnon
<b>Headteacher</b>	A Compton
<b>Operating address</b>	Kensington Avenue Thornton Heath Croydon Surrey CR7 8BT
<b>Registered address</b>	130 Wood Street London EC2V 6DL
<b>Company registration number</b>	07843573 (England and Wales)

## Reference and administrative information

<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	National Westminster Bank plc 1393 London Road Norbury London SW16 4XF

The Governors of Norbury Manor Business and Enterprise College for Girls ('the College') present their annual report together with the financial statements and the auditor's reports of the charitable company for the year to 31 August 2015. The annual report serves the purposes of both a Governors' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 26 to 29 of the attached financial statements and comply with the College's memorandum and articles of association, applicable laws and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 ('SORP 2005').

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The College is a company limited by guarantee and an exempt charity. It was set up in November 2011 and in terms of a Funding Agreement entered into with the Secretary of State for Education, became an academy on 1 January 2012. The charitable company's memorandum and articles of association are the primary governing documents of the College.

The Governors act as the trustees for the charitable activities of Norbury Manor Business and Enterprise College for Girls and are also the directors of the charitable company for the purposes of company law.

### **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**

Subject to the provisions of the Companies Act, every Governor or other officer of the charitable company shall be indemnified out of the assets of the charitable company against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or on connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the charitable company.

### **Principal activities**

The main objective of the College is to provide a high quality education for girls between the ages of 11-19 in Croydon and the surrounding area. The College aims to develop students as well rounded individuals who will become active citizens of the future.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

### **Governors**

The Governors are directors of the charitable company for the purposes of the Companies Act 2006. The following Governors were in office at 31 August 2015 and served throughout the year except where shown.

<b>Trustee</b>	<b>Appointed/Resigned</b>	<b>Appointing body</b>
C Deen	Resigned 1 October 2014	Parent Governor
D Rose	Resigned 1 December 2014	Vice Chair
I Hamilton-Bower		Vice Chair (from 1 December 2014) Chair of Personnel Committee
J Ralphs		LA Governor
K Hume		Chair of Premises Committee
M Hamilton		Chair of Admissions, Education and Curriculum Committee (to 1 December 2014)
M Turner		Chair of Governing Body
P Harris		Staff Governor
A Compton		Headteacher
A Hussain		Parent Governor
M Miller		Parent Governor and Chair of Admissions, Education and Curriculum Committee (from 16 March 2015)
A S Horner-Knight		Parent Governor
E Jordon		Parent Governor
J Chandler		Chair of Finance Committee
N Gallimore	Appointed 23 March 2015	Staff Governor

### **Method of recruitment and appointment or election of Governors**

The governors are appointed under the terms of the College's articles of association;

- ◆ a minimum of two parent governors;
- ◆ any governors elected by the Secretary of State for Education; and
- ◆ up to 3 co-opted governors.

The term of office for any governor shall be four years. The Headteacher's term of office runs parallel with her contract of employment. Subject to remaining eligible to be a particular type of governor any governor may be re-appointed or re-elected.

### **Policies and procedures adopted for the induction and training of Governors**

During the period under review the Governors held 17 meetings of the board and sub committees. The training and induction provided for new Governors will depend on their existing experience. Where necessary an induction will provide training on charity and educational legal and financial matters. All new Governors are given a tour of the College and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees and the directors of the charitable company.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

### **Organisational structure**

The charitable company has established a management structure to enable its efficient running. The structure consists of two levels; the governors and the executive who are the senior leadership team. The Governing Body has considered its role thoughtfully and decided that the role of the governors is to approve the strategic direction and objectives of the charitable company and monitor its progress towards these objectives.

The Governing Body has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference.

Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the charitable company by use of budgets and making major decisions about the direction of the charitable company, including capital expenditure and senior staff appointments.

## **OBJECTIVES AND ACTIVITIES**

### **Objects and aims**

The principle object and activity is to raise the standard of education achievement for all pupils.

The College aims to:

- ◆ support the development of every individual by providing opportunities and experiences that will support the development of the students' understanding and knowledge in a broad range of subjects while supporting the students' through a strong pastoral system that values the diversity of the students and recognises each individual's needs;
- ◆ ensure it is involved with a wide range of stakeholders and that students understand their part and participate in local, national and international communities;
- ◆ ensure that the facilities it has are used to support its students and the local community; and
- ◆ provide value for money for the funds expended and to ensure that all statutory requirements are met.

### **Objectives, strategies and activities**

The charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the College and the curriculum should comply with the substance of the national curriculum.

## **OBJECTIVES AND ACTIVITIES (continued)**

### **Activities for achieving objectives**

The key activities for the year ended 31 August 2015 were:

- ◆ Effectiveness of Leadership and management – A review of key areas of the school has been undertaken and a new pastoral structure will be implemented from September 2015 as a result of this and changes have been made to in class support. The role of middle leaders has been a focus and regular meetings have taken place to include all those with responsibility both pastoral and academic to ensure greater consistency. The college applied performance related pay and has further developed this during the year.
- ◆ Quality of teaching, learning and assessment - The College has strived to ensure that all aspects of teaching are assessed and that this information is recorded and analysed and feeds in to staff training. There has been a range of training delivered with a clear focus on improving teaching in all subjects and on ensuring feedback to students is formative and well used. This is delivered through both external providers and staff sharing expertise and good practice. It is supported through learning walks, lesson observations, Curriculum/Pastoral Area reviews and analysis of outcomes - individual staff support is provided when required.
- ◆ Personal development, behaviour and welfare - The College has complied with all statutory requirements for safeguarding, including addressing issues identified in the Prevent strategy but has also supported students through non teaching Year Leaders, Learning Mentors and through a wide range of activities that will ensure students are ready and able to move on to the next stage of their education or work (Independent careers advisor, enterprise opportunities for all year group, subject mentors, social mentors, prefects, student voice to name a few). The college prides itself on its commitment to student's well being and takes part in major initiatives around this such as healthy eating , e-safety and a full programme of PSHE. The college encourages students to act independently and develop resilience
- ◆ Outcomes for pupils –the primary focus is to ensure that students make expected progress and a significant proportion make better than expected progress. The quality of learning and teaching drives this and is supported by a range of interventions, delivered for all year groups that is appropriate and effective. Tracking of students starts with good internal moderation, validated, when possible, by external information. Students are then tracked individually and subjects are also reviewed. When there is a need for intervention this is managed and effective. The college uses external connections to ensure that it is abreast of new developments and uses these for the student's benefits.



## **OBJECTIVES AND ACTIVITIES (continued)**

### **Public benefit**

The College's object is "to advance for the public benefit education in the United Kingdom, in particular and without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum" (Articles of Association).

In setting the College's objectives and planning its activities, the Board of Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

## **STRATEGIC REPORT**

### **Achievements and performance**

#### ***Review of activities***

##### ***Achievement***

Overall - Students achievement in 2015 shows a marked increase on the previous year. At A2 the percentage of students gaining the top A\*-B grades rose from 40% to 48% and at GCSE the % of students gaining 5+ A\*-C grades including maths and English rose from 62% to 69%.

Disadvantaged students – Students who have qualified for free school meals in the last 6 years (ever6) make expected progress in maths and English in line with other students, schools are expected to ensure that the performance gap between these students and others is minimised and for this measure the school has no gap. 58% of ever6 students got 5+ A\*-C grades including English and maths and this is an increase of 8% from last year and narrows the gap significantly from -22% in 2013 to -11% in 2015.

The College also supports students across a wide range of activities, some of which are listed below:

- ◆ The College ran a successful play and musical events during the year, took part in a widening range of sporting competitions, and enterprise competitions.
- ◆ Students completed the Duke of Edinburgh bronze award, the Jack Petchey Speak out challenge, the Race for Life and ran a full programme of activities for Red Nose Day. In total just under £10,000 was raised for charity.
- ◆ Locally students ran a scheme to renovate the local wildlife area, entertained the local elders and supported a review of local road planning.
- ◆ Nationally students competed in Cheerleading competitions, won the NTYE business plan competition, and gained financial support for students moving on to university.
- ◆ The College was re-awarded International Schools status and visits took place to Spain, France and South Africa along with visits to the College of teachers from France, Korea, Spain and Yemen.

**STRATEGIC REPORT** (continued)

**Achievements and performance** (continued)

*Review of activities (continued)*

*Quality of teaching, learning and assessment*

- ◆ Close monitoring of learning and teaching shows that the percentage Good and Outstanding lessons is now 100%.
- ◆ Staff training is directly linked to those aspects of teaching most in need of improving and the College has supported staff through its staff support programme and through a wide range of training opportunities.
- ◆ Monitoring of students' progress has been enhanced to ensure that individual students are carefully monitored and that subjects are aware of the progress of their students in detail after each data collection.

*Behaviour and Safety Personal development, behaviour and welfare*

- ◆ The College has continued to meet its statutory requirements under safeguarding.
- ◆ The College has undertaken staff training on the new Prevent strategy and ensured that it covers all aspects of British Values though in class teaching and through opportunities made available and assemblies.
- ◆ The Headteacher sits on the local Safeguarding Board, Education subcommittee, the Croydon Fair Access Panel and the Early Help Board.

*Effectiveness of Leadership and Management*

- ◆ The Senior Leadership team was re-structured and a clear focus on raising achievement established.
- ◆ Middle leadership meetings and planning involved both pastoral and academic leaders to ensure greater consistency and a review of the pastoral structure will result in a new structure from September from 2015 to enhance the focus on academic progress.
- ◆ Governors undertook a full day of training in January 2015 and also a review of their skill base. They revised the committee structure to better reflect the requirements under the introduction of performance related pay and have been able to recruit new Governors during the year. The Governors continue to be linked with areas in the College and to fulfil their role as a critical friend while maintaining a clear focus on the strategic direction of the College.

## **STRATEGIC REPORT** (continued)

### **Achievements and performance** (continued)

#### ***Going concern***

After making appropriate enquiries, the Governing Body has a reasonable expectation that the College 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.

#### ***Ethos, strategy and policies***

The college has a strong ethos and the following mission statement;

Norbury Manor is a unique community where all students and staff are valued as individuals. We draw strength from our diversity and take pride in our cultural richness and utilise both in preparing students to embrace their places in the local and global communities.

At Norbury Manor, we aim to enable all students to live full and active lives. We promote the value of knowledge and push every student to fulfil their academic potential. We are committed to providing a curriculum which helps to develop self confidence, healthy living and strong communication and leadership skills.

We are dedicated to preparing students for the future – to developing confident, motivated and resilient independent learners. Norbury Manor students are encouraged to establish a strong sense of self-worth; they become articulate young adults who are both creative and enterprising.

### **Financial review**

#### ***Financial report for the year***

The total income for the year was £7,306,086, of which £6,179,251 was General Annual Grant. The excess of income over expenditure for the year, excluding the fixed assets fund was £62,314 (2014 - £59,953).

The results for the year are shown on page 23.

#### ***Reserves policy***

The College held fund balances at 31 August 2015 of £20,943,256 (2014 - £21,398,306) comprising £130,523 (2014 - £120,218) of unrestricted general funds and £20,812,733 (2014 - £21,278,088) of restricted funds which includes the pension reserve deficit of £1,306,000 (2014 - £1,263,000).

The College's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £130,523 (2014 - £120,218).

## **STRATEGIC REPORT (continued)**

### **Financial review (continued)**

#### ***Reserves policy (continued)***

During the coming year, the Governing Body will adopt a policy on the appropriate level of free reserves to reflect revenue income and on-going commitments.

The fund balances at 31 August 2015 are adequate to fulfil the obligations of the College and provide a balance against most unforeseen future events. To achieve the development plan objectives and for other major projects, the College remains dependent on the provision of additional fixed asset grants from the EFA.

The deficit on the pension fund relates to the College's share of the obligations under the Local Government Pension Scheme (LGPS). Any cash flows as a result of this deficit will occur over a number of years.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Governors have assessed the major risks to which the College is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the College, and its finances. The Governors have implemented a number of systems to assess risks that the College faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The College has an effective system of internal financial controls and this is explained in more detail in the statement on internal control.

### **PLANS FOR FUTURE PERIODS**

The 3 year plan has broader goals as set out below;

- ◆ Obtain an Outstanding in Ofsted by ensuring outstanding outcomes for all students.
- ◆ Increase the size of the college
  - ◇ Increase the numbers in the 6<sup>th</sup> form (250), this is against a background of falling numbers of 18 year olds until 2020.
  - ◇ Increase the intake in Year 7 to 8 forms of entry from September 2016
- ◆ Improve the fabric of the building to allow the delivery of an education to equip students for the 21<sup>st</sup> century in a safe and motivating environment.
- ◆ Improve the financial position of the College by maintaining financial probity to ensure the long term development plans can be sustained.


**Governors' report** Year to 31 August 2015

**AUDITOR**

In so far 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.

Governors' report, incorporating a strategic report, approved by order of the members of the Board of Governors on 30 November 2015 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M Turner', is written over a horizontal line.

M Turner  
Chair of Governors

Date: 30 November 2015

### Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that the Norbury Manor Business and Enterprise College for Girls 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 Governors have 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 the College and the Secretary of State for Education. The Headteacher is also responsible for reporting to the Board of Governors 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 Board of Governors has formally met three times during the year. Attendance during the year at meetings of the Board of Governors was as follows:

Governor	Meetings attended	Out of a possible
A Compton	3	3
M Turner	3	3
K Hume	2	3
P Harris	2	3
M Hamilton	3	3
D Rose	1	1
C Deen	0	0
I Hamilton-Bower	3	3
J Ralphs	3	3
A Hussain	3	3
M Miller	3	3
J Chandler	3	3
E Jordon	3	3
S Horner-Knight	3	3
N Gallimore	2	2

### Governance reviews

The Governing Body undertook a full SWOT analysis in January 2015 and have used this to inform its long term development planning, they undertook a full self review using an externally provided framework and have reviewed the outcomes from this. An audit of Governor skills was also undertaken. The Governing body undertake a range of training activities and feedback from these are shared across all members.

The Governing body has restructured to provide for the new responsibility for performance related pay. They have established a committee to review the school's procedure and to ensure consistency in the judgements made and fairness in the way the policy is applied.

The SWOT analysis is informing the 3 year development plan and a working group including a Governor and the Headteacher are working jointly on this.

**Governance** (continued)

**Governance reviews** (continued)

The Governing intends to continue with an annual review as part of its annual development day.

The Finance Committee is a sub-committee of the main Board of Governors. Its purpose is to make sure that the College is following the EFA's financial regulations.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
J Chandler (Chair)	3	3
A Compton	3	3
M Turner	3	3
D Rose	0	1
I Hamilton-Bower	2	3
M Hamilton	2	3
P Harris	3	3
J Ralphs	3	3

**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 the academic year, and reports to the board of trustees where value for money can be improved, including the use on benchmarking data where available. The Accounting Officer for the academy trust has delivered and improved value for money during the year by:

**Staffing**

This remains the largest element of the budget. Savings have been made in several key areas:

Teaching staff – this has been reduced over the year and part time staff employed when a full time teacher is not required. The Senior Leadership team has been reduced by one member; and

Non teaching staff - This has been reviewed, and as a result a re-structure of the pastoral system implemented that offers a saving of about £30,000 per year, this did result in the need for redundancies but this will be in place for September 2015. A reduction in the number of Learning Support assistants (LSAs) LSAs and Teaching Assistants (TAs) employed is being implemented after a review into the use made of these staff. There is increased training being provided to ensure that in class support can be provided by both LSAs and TAs to ensure that students are provided with the most appropriate support for their needs.

## **Review of Value for Money (continued)**

### ***Students***

Vulnerable groups are tracked and appropriate intervention implemented where there is underachievement which includes the deployment of support staff such as learning Mentors and Academic Leaders, Gifted and Talented Co-ordinator, Raising achievement co-ordinator in maths, and an accelerated reading co-ordinator.

### ***Facilities***

The College has sought to maintain and improve the fabric of the building and also to use the facilities to raise further revenues. Improvements have been undertaken in the heating of the drama/English huts, parking, canopies covering walkways and the canteen provision. The canteen providers have reviewed the pricing structure and made some small changes to ensure that they operate a surplus.

### ***Collaboration***

The school ensures that it contributes to the local community;

- ◆ The Headteacher is the vice chair of Croydon Fair Access Panel, sits on the Croydon Safeguarding Board and Education sub committee and the Early Help Board.
- ◆ The school is part of the PiXL group, the Change through Learning teaching school alliance, and the UCL Institute for Education.

### ***Outcomes***

The last two years have shown consistent improvement in achievement against the key national performance indicators. At GCSE results in 2015 are 7% higher than in 2014 for the percentage of students who achieve 5+ A\*-C grades including maths and English. At A Level the percentage of students achieving the higher A\*-B grades rose by 8% to 48%. Behaviour is tracked electronically and appropriate interventions implemented. The school has had zero exclusions for two years and absence figures are below National Average.

### ***The purpose of the system of internal control***

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the College's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place at the College for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.



### **Capacity to handle risk**

The Board of Governors has reviewed the key risks to which the College is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that has been in place for the year ended 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 Governors.

### **The risk and control framework**

The College'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 Governors;
- ◆ regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- ◆ setting targets to measure financial and other performance;
- ◆ clearly defined purchasing (asset purchase or capital investment) guidelines;
- ◆ delegation of authority and segregation of duties;
- ◆ identification and management of risks.

The Board of Governors has considered the need for a specific internal audit function and has decided:

- ◆ not to appoint an internal auditor. However the Governors have appointed Buzzacott LLP, the external auditor, 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. On a termly basis, the auditor reports to the Board of Governors, through the Finance Committee on the operation of the systems of control and on the discharge of the Board of Governors' financial responsibilities.

Reports covering all terms have been received by the Finance Committee. No significant issues have been raised.

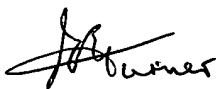
**Review of effectiveness**

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;
- ♦ the work of the Senior Management Team within the College who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Board of Governors on 30 November 2015 and signed on their behalf by:



M Turner

(Chair of Governors)



A Compton

(Accounting Officer)

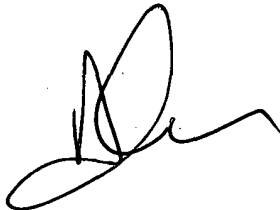
Approved on: 30 November 2015

**Statement on regularity, propriety and compliance 31 August 2015**

As Accounting Officer of Norbury Manor Business and Enterprise College for Girls, I have considered my responsibility to notify the academy trust Board of Governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust 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.

A handwritten signature in black ink, appearing to be 'A Compton', with a large loop at the end.

A Compton

Accounting Officer

Date: 30 November 2015

## Statement of Governors' responsibilities 31 August 2015

The Governors (who act as trustees of the College 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 College 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' Statement of Recommended Practice (the Charities' SORP);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 College will continue in operation.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the College's transactions and disclose with reasonable accuracy at any time the financial position of the College 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 College 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 College 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 charity and financial information included on the College'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 Governors on 30 November 2015 and signed on its behalf by:

M Turner   
Chair of Governors

**Independent auditor's report on the financial statements to the Members of Norbury Manor Business and Enterprise College for Girls**

We have audited the financial statements of Norbury Manor Business and Enterprise College for Girls ("the charitable company") for the year ended 31 August 2015 which comprise the statement of financial activities, the balance sheet, the cash flow statement, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

**Respective responsibilities of Governors and auditor**

The Governors act as trustees for the charitable activities of Norbury Manor Business and Enterprise College for Girls and are also the directors of the charitable company for the purpose of company law.

As explained more fully in the statement of Governors' responsibilities set out in the Governors' report, including the strategic report, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

**Scope of the audit of the financial statements**

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

**Opinion**

In our opinion:

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

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Governors' report, including the strategic 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.

*Buzzacott LLP*

Catherine Biscoe, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

*10 December 2015*

**Independent reporting accountant's assurance report on regularity to Norbury Manor Business and Enterprise College for Girls and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 30 July 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Norbury Manor Business and Enterprise College for Girls during the period from 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 Norbury Manor Business and Enterprise College for Girls and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Norbury Manor Business and Enterprise College for Girls and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Norbury Manor Business and Enterprise College for Girls and the EFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Norbury Manor Business and Enterprise College for Girls's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Norbury Manor Business and Enterprise College for Girls's funding agreement with the Secretary of State for Education dated 1 January 2012 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the 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.

## Independent reporting accountant's report 31 August 2015

### Approach (continued)

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

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

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

*Buzzacott LLP*

Reporting Accountant  
Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London  
EC2V 6DL

*10 December 2015*



**Statement of financial activities (including income and expenditure account and statement of total recognised gains and losses) Year to 31 August 2015**

	Notes	Unrestricted general fund £	Restricted general fund £	Restricted fixed assets fund £	2015 Total funds £	2014 Total funds £
<b>Income and expenditure</b>						
<b>Incoming resources</b>						
Incoming resources from generated funds						
. Voluntary income	1	6,633	—	—	6,633	701
. Activities for generating funds	2	72,451	—	—	72,451	65,032
. Investment income	3	5,701	—	—	5,701	8,512
Incoming resources from charitable activities						
. Funding for the academy's educational operations	4	298,082	6,678,112	245,107	7,221,301	7,333,378
<b>Total incoming resources</b>		<b>382,867</b>	<b>6,678,112</b>	<b>245,107</b>	<b>7,306,086</b>	<b>7,407,623</b>
<b>Resources expended</b>						
Cost of generating funds:						
. Fundraising trading		12,244	—	—	12,244	4,799
Charitable activities						
. Academy's educational operations	6	360,318	6,845,801	544,204	7,750,323	7,832,035
Governance costs	7	—	18,569	—	18,569	19,230
<b>Total resources expended</b>	5	<b>372,562</b>	<b>6,864,370</b>	<b>544,204</b>	<b>7,781,136</b>	<b>7,856,064</b>
<b>Net income (expenditure) for the year before transfers</b>						
		10,305	(186,258)	(299,097)	(475,050)	(448,441)
Transfers between funds	15	—	238,267	(238,267)	—	—
<b>Net income (expenditure) for the year</b>						
		10,305	52,009	(537,364)	(475,050)	(448,441)
<b>Other recognised gains and losses</b>						
Actuarial losses on defined benefit pension scheme	24	—	20,000	—	20,000	(126,000)
<b>Net movement in funds</b>						
		10,305	72,009	(537,364)	(455,050)	(574,441)
<b>Reconciliation of funds</b>						
Total fund balances brought forward at 1 September 2014		120,218	(535,299)	21,813,387	21,398,306	21,972,747
<b>Total fund balances carried forward at 31 August 2015</b>		<b>130,523</b>	<b>(463,290)</b>	<b>21,276,023</b>	<b>20,943,256</b>	<b>21,398,306</b>

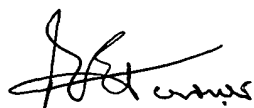
All of the Academy's activities derived from continuing operations during the above two financial periods.

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

**Balance sheet 31 August 2015**

	Notes	2015 £	2015 £	2014 £	2014 £
<b>Fixed assets</b>					
Tangible fixed assets	11		21,276,023		21,813,387
<b>Current assets</b>					
Stock	12	3,993		3,833	
Debtors	13	171,849		163,084	
Cash at bank and in hand		1,131,776		1,335,281	
		<u>1,307,618</u>		<u>1,502,198</u>	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	14	(334,385)		(654,279)	
<b>Net current assets</b>			<u>973,233</u>		<u>847,919</u>
<b>Total assets less current liabilities</b>			<u>22,249,256</u>		<u>22,661,306</u>
Pension scheme liability	24		(1,306,000)		(1,263,000)
<b>Net assets including pension scheme liability</b>			<u>20,943,256</u>		<u>21,398,306</u>
<b>Funds of the Academy</b>					
Restricted income funds					
. Fixed assets fund	15	21,276,023		21,813,387	
. General fund	15	842,710		727,701	
. Pension reserve	15	(1,306,000)		(1,263,000)	
			<u>20,812,733</u>		<u>21,278,088</u>
Unrestricted funds					
. General fund	15		130,523		120,218
<b>Total funds</b>			<u>20,943,256</u>		<u>21,398,306</u>

The financial statements on page 23 to 43 were approved by the Governors, and authorised for issue on 30 November 2015 and are signed on their behalf by:



M Turner  
Chair

Norbury Manor Business and Enterprise College for Girls  
Company Limited by Guarantee  
Registration Number: 07843573 (England and Wales)

# **Cash flow statement** Year to 31 August 2015

	Notes	2015 £	2014 £
<b>Net cash (outflow) inflow from operating activities</b>	19	<b>(447,473)</b>	264
Returns on investment and servicing of finance	20	5,701	8,512
Capital expenditure	21	238,267	334,904
<b>(Decrease) increase in cash in the year</b>	22	<b>(203,505)</b>	343,680
<b>Reconciliation of net cash flow to movement in net funds:</b>			
Net funds at 1 September 2014		1,335,281	991,601
<b>Net funds at 31 August 2015</b>		<b>1,131,776</b>	<b>1,335,281</b>

### **Basis of preparation**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the 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 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 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 year is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

#### **♦ 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 year it is receivable and to the extent the goods have been provided or on completion of the service.

### **Resources expended**

All expenditure is recognised in the year 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 Governor's meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

### **Tangible fixed assets**

Assets costing £2,000 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's depreciation policy.

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

♦ Freehold buildings	2%
♦ Fixtures, fittings and equipment	20%
♦ IT equipment	33%

Depreciation is charged from the month of acquisition.

**Tangible fixed assets (continued)**

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.

**Stock**

Stocks are valued at the lower of cost and net realisable value.

**Taxation**

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

**Pensions benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 24, the TPS is a multi employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

**Pensions benefits (continued)**

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

**Fund accounting**

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

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

Restricted general funds comprise all other grants received from the Education Funding Agency/Department for Education.

**Agency Arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the College does not have control over the charitable application of the funds. The College can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 26.

**1 Voluntary income**

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Donations	6,633	—	6,633	701

**2 Activities for generating funds**

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Hire of facilities	72,451	—	72,451	65,032

**3 Investment income**

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Interest receivable	5,701	—	5,701	8,512



#### 4 Funding for academy's educational operations

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
<b>DfE / EFA capital grants</b>	—	245,107	245,107	385,944
<b>DfE / EFA revenue grants</b>				
. General Annual Grant (GAG)	—	6,179,251	6,179,251	6,214,919
. Pupil Premium Grant	—	348,978	348,978	325,234
. Other DfE / EFA	—	32,727	32,727	43,100
	—	6,560,956	6,560,956	6,583,253
<b>Other government grants</b>				
. SEN	—	20,053	20,053	24,261
. Local authority grants	—	15,906	15,906	4,833
	—	35,959	35,959	29,094
<b>Other income</b>				
. Learning resources	61,769	—	61,769	61,820
. Catering income	179,167	—	179,167	162,267
. Trip income	57,146	—	57,146	70,092
. Miscellaneous income	—	81,197	81,197	40,908
	298,082	81,197	379,279	335,087
	298,082	6,923,219	7,221,301	7,333,378

Miscellaneous income includes £19,341 (2014 – £nil) of monies received towards salary costs.

#### 5 Resources expended

	Non pay expenditure			2015 Total funds £	2014 Total funds £
	Staff costs £	Premises £	Other costs £		
<b>Cost of generating funds</b>					
. Cost of activities for generating funds	—	—	12,244	12,244	4,799
<b>Charitable activities</b>					
. Academy's educational operations					
.. Direct costs	4,890,030	365,487	443,274	5,698,791	5,740,511
.. Allocated support costs	674,744	759,562	617,226	2,051,532	2,091,524
	5,564,774	1,125,049	1,060,500	7,750,323	7,832,035
<b>Governance costs</b>	—	—	18,569	18,569	19,230
	5,564,774	1,125,049	1,091,313	7,781,136	7,856,064

**5 Resources expended (continued)**

	2015 Total funds £	2014 Total funds £
<b>Net outgoing resources for the year include:</b>		
Operating leases	28,947	18,927
Fees payable to auditor		
Statutory audit	7,200	8,000
Other assurance	2,745	2,950
Other services	2,430	3,250
Prior year	—	1,675

**6 Charitable activities - academy's educational operations**

	2015 Total funds £	2014 Total funds £
<b>Direct costs</b>		
Teaching and educational support staff costs	4,890,030	4,874,620
Depreciation	365,487	365,487
Educational supplies	230,512	255,932
Examination fees	97,209	110,999
Educational consultancy	31,715	46,570
Staff development	20,923	16,849
Other direct costs	62,915	70,054
	<b>5,698,791</b>	<b>5,740,511</b>
<b>Allocated support costs</b>		
Support staff costs	674,744	682,581
Depreciation	178,717	193,945
Technology costs	44,469	11,802
Recruitment and support	36,203	33,385
Ongoing maintenance of premises and equipment	136,780	146,611
Property repairs	211,130	353,211
Feasibility costs	23,745	—
Finance costs (FRS17 charge)	31,000	42,000
Cleaning	26,043	30,189
Rent and rates	40,029	44,119
Energy costs	106,992	111,387
Insurance	59,871	60,823
Catering	273,658	254,072
Bank interest and charges	5,506	2,697
Other support costs	202,645	124,702
	<b>2,051,532</b>	<b>2,091,524</b>
<b>Total direct and support costs</b>	<b>7,750,323</b>	<b>7,832,035</b>

**7 Governance costs**

	2015 Total funds £	2014 Total funds £
Legal and professional fees	—	975
Auditor's remuneration:	12,375	15,875
Other costs	6,194	2,380
	<b>18,569</b>	<b>19,230</b>

**8 Staff**

**(a) Staff costs**

Staff costs during the year were:

	2015 Total funds £	2014 Total funds £
Wages and salaries	4,423,381	4,504,678
Social security costs	356,573	362,922
Pension costs	657,855	597,470
	<b>5,437,809</b>	<b>5,465,070</b>
Supply teacher costs	114,583	92,562
Staff restructuring costs	12,382	—
	<b>5,564,774</b>	<b>5,557,632</b>

**(b) Staff numbers**

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

Charitable activities	2015	2014
Teachers	76	76
Administration and support	64	65
Management	7	8
	<b>147</b>	<b>149</b>

**8 Staff (continued)**

**(c) Higher paid staff**

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

	2015 No	2014 No
£60,001 - £70,000	—	3
£70,001 - £80,000	3	3
£80,001 - £90,000	1	—

Four (2014 – three) of the above employees participated in the Teachers' Pension Scheme. The other employees participated in the Local Government Pension Scheme.

**9 Related party transactions – Governors' remuneration and expenses**

Some Governors have been paid remuneration or have received other benefits from an employment with the academy trust. The Headteacher and staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as Governors. Other Governors did not receive any payments, from the academy in respect of their role as governors. The value of Governors' remuneration and other benefits whilst a Governor was as follows:

	2015 £'000	2014 £'000
Amanda Compton, Headteacher		
. Remuneration	£85 - £90	£75 - £80
. Employer's pension contributions	£10 - £15	£10 - £15
David Stevenson, Other staff/governor		
. Remuneration	n/a	£45 - £50
. Employer's pension contributions	n/a	£5 - £10
Patrick Harris, Other staff/governor		
. Remuneration	£35 - £40	£35 - £40
. Employer's pension contributions	£5 - £10	£5 - £10
Naps Gallimore		
. Remuneration	£15 - £20	n/a
. Employer's pension contributions	£0 - £5	n/a

**10 Governors' and Officers' insurance**

In accordance with normal commercial practice the College has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on College business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,900 (2014 - £1,855).

Other related party transactions involving the trustees are set out in note 25.

# 11 Tangible fixed assets

	Freehold land and buildings £	Furniture and equipment £	Computer equipment £	Total funds £
<b>Cost/valuation</b>				
At 1 September 2014	22,244,330	895,865	346,814	23,487,009
Additions	—	—	6,840	6,840
At 31 August 2015	22,244,330	895,865	353,654	23,493,849
<b>Depreciation</b>				
At 1 September 2014	974,632	407,961	291,029	1,673,622
Charge in year	365,487	155,161	23,556	544,204
At 31 August 2015	1,340,119	563,122	314,585	2,217,826
<b>Net book value</b>				
At 31 August 2015	20,904,211	332,743	39,069	21,276,023
At 31 August 2014	21,269,698	487,904	55,785	21,813,387

# 12 Stock

	2015 £	2014 £
Catering and supplies	3,993	3,833

# 13 Debtors

	2015 £	2014 £
Prepayments and accrued income	155,626	123,867
VAT debtor	16,223	39,217
	171,849	163,084

# 14 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	630	7,396
Amounts due to the EFA	10,494	—
Taxation and social security	93,740	105,147
Other creditors	69,826	207,976
Accruals and deferred income	159,695	333,760
	334,385	654,279

	2015 £	2014 £
Deferred income at 1 September 2014	41,844	—
Resources deferred in the year – School trips 2015/16	17,487	13,585
Resources deferred in the year – Grants received in advance	62,753	41,844
Amounts released from previous years	(41,844)	—
Deferred income at 31 August 2015	80,240	55,429

## 15 Funds

	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2015 £
<b>EFA revenue grant fund</b>					
· General Annual Grant (GAG)	672,482	6,179,251	(6,356,156)	238,267	733,844
· Pupil Premium	55,219	348,978	(295,331)	—	108,866
· Other DfE/EFA grants	—	32,727	(32,727)	—	—
	727,701	6,560,956	(6,684,214)	238,267	842,710
· Pension reserve	(1,263,000)	—	(63,000)	20,000	(1,306,000)
	(535,299)	6,560,956	(6,747,214)	258,267	(463,290)
<b>Other restricted funds</b>					
· SEN	—	20,053	(20,053)	—	—
· Local Authority grants	—	15,906	(15,906)	—	—
· Other income	—	81,197	(81,197)	—	—
	—	117,156	(117,156)	—	—
<b>Fixed assets fund</b>					
· EFA capital grants	17,393	245,107	(7,631)	(238,267)	16,602
· GAG funded assets	20,319	—	(8,471)	—	11,848
· College building and furniture and equipment transferred from Local Authority	21,775,675	—	(528,102)	—	21,247,573
	21,813,387	245,107	(544,204)	(238,267)	21,276,023
<b>Total restricted funds</b>	21,278,088	6,923,219	(7,408,574)	20,000	20,812,733
<b>Unrestricted funds</b>					
· Unrestricted funds	120,218	382,867	(372,562)	—	130,523
<b>Total unrestricted funds</b>	120,218	382,867	(372,562)	—	130,523
<b>Total funds</b>	21,398,306	7,306,086	(7,781,136)	20,000	20,943,256

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

**EFA revenue grant fund and other restricted funds***General Annual Grant (GAG)*

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.

*Fixed asset fund*

Restricted fixed asset funds are resources to be spent on particular capital purposes. Transfers out of the fund represented capital funding spent on items which did not meet the College's capitalisation policy.

*Other restricted funds*

Are resources for educational purposes, unrestricted funds are resources for general purposes.

## 16 Analysis of net assets between funds

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset fund £	Total 2015 £
<b>Fund balances at 31 August 2015 are represented by:</b>				
Tangible fixed assets	—	—	21,276,023	21,276,023
Current assets	148,010	1,159,608	—	1,307,618
Current liabilities	(17,487)	(316,898)	—	(334,385)
Pension scheme liability	—	(1,306,000)	—	(1,306,000)
<b>Total net assets</b>	<b>130,523</b>	<b>(463,290)</b>	<b>21,276,023</b>	<b>20,943,256</b>

## 17 Capital commitments

	2015 £	2014 £
Contracted for, but not provided in the financial statements	—	194,477

## 18 Financial commitments

### *Operating leases*

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

	2015 £	2014 £
<b>Other</b>		
Expiring within one year	—	9,267
Expiring within two and five years inclusive	8,460	9,660
	<b>8,460</b>	<b>18,927</b>

## 19 Reconciliation of net expenditure to net cash outflow from operating activities

	2015 £	2014 £
Net expenditure	(475,050)	(448,441)
Depreciation (note 11)	544,204	559,432
Capital grants from DfE and other capital income	(245,107)	(385,944)
Interest receivable (note 3)	(5,701)	(8,512)
FRS 17 pension cost less contributions payable (note 24)	63,000	91,000
Increase in stock	(160)	(393)
(Increase) decrease in debtors	(8,765)	26,725
(Decrease) increase in creditors	(319,894)	166,397
<b>Net cash outflow from operating activities</b>	<b>(447,473)</b>	<b>264</b>

**20 Returns on investment and servicing of finance**

	2015 £	2014 £
Interest received	5,701	8,512
<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>5,701</b>	<b>8,512</b>

**21 Capital expenditure and financial investment**

	2015 £	2014 £
Purchase of tangible fixed assets	(6,840)	(51,040)
Capital grants from DfE / EFA	245,107	385,944
<b>Net cash inflow from capital expenditure and financial investments</b>	<b>238,267</b>	<b>334,904</b>

**22 Analysis of changes in net funds**

	At 1 September 2014 £	Cashflows £	At 31 August 2015 £
Cash in hand and at bank	1,335,281	(203,505)	1,131,776

**23 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

**24 Pension and similar obligations**

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

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

Contributions amounting to £69,826 (2014: £74,677) were payable to the schemes at 31 August 2015 and are included within creditors.



## 24 Pension and similar obligations (continued)

### *Teachers' Pension Scheme*

#### *Introduction*

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

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

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

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

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

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

## 24 Pension and similar obligations (continued)

### *Teachers' Pension Scheme (continued)*

#### *Valuation of the Teachers' Pension Scheme (continued)*

The pension costs paid to TPS in the period amounted to £369,000 (2014: £355,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>).

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.

### *Local Government Pension Scheme (LGPS)*

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 £318,000 of which employer's contributions totalled £257,000 and employees' contributions totalled £61,000. The agreed contribution rates for future years are 18.3% of employers plus an annual payment of £51,000 and 5.5% – 7.5% of employees.

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

Principal Actuarial Assumptions	At 31 August 2015	At 31 August 2014
Rate of increase in salaries	3.6%	3.5%
Rate of increase for pensions in payment / inflation	2.7%	2.7%
Discount rate for scheme liabilities	3.8%	3.7%
Inflation assumption (CPI)	2.7%	2.7%

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
<i>Retiring today</i>		
Males	22.3	22.3
Females	24.4	24.4
<i>Retiring in 20 years</i>		
Males	24.4	24.4
Females	26.7	26.7

## 24 Pension and similar obligations (continued)

### Local Government Pension Scheme (LGPS) (continued)

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

	Fair value at 31 August 2015 £	Expected return at 31 August 2014*	Fair value at 31 August 2014 £
Equities	695,000	6.4%	477,000
Bonds	242,000	3.7%	182,000
Property	154,000	4.5%	61,000
Cash	11,000	3.3%	38,000
Total market value of assets	1,102,000		758,000
Present value of scheme liabilities	(2,408,000)		(2,021,000)
(Deficit) in the scheme	(1,306,000)		(1,263,000)

\* No long-term expected rate of return at 31 August 2015 has been provided, as for accounting periods beginning on or after 1 January 2015, the expected return and interest cost will be replaced with a single net interest cost. This will effectively set the expected return at a level equal to the discount rate of 3.8%.

The actual return on scheme assets was £30,000.

Amounts recognised in statement of financial activities	2015 £	2014 £
<i>Current service costs (net of employee contributions)</i>		
Past service costs	289,000	242,000
Total operating charge	289,000	242,000

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

Expected return on pension scheme assets	50,000	31,000
Interest on pension liabilities	(81,000)	(73,000)
Pension finance (costs)	(31,000)	(42,000)

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 loss of £197,000.

**24 Pension and similar obligations (continued)**

***Local Government Pension Scheme (LGPS) (continued)***

**Movements in the overall deficit were as follows:**

	2015 £	2014 £
Deficit at 1 September 2014	(1,263,000)	(1,046,000)
Current service cost	(289,000)	(242,000)
Employer contributions	257,000	193,000
Net finance interest	(31,000)	(42,000)
Actuarial gains (losses)	20,000	(126,000)
<b>At 31 August 2015</b>	<b>(1,306,000)</b>	<b>(1,263,000)</b>

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

	2015 £	2014 £
Deficit at 1 September 2014	2,021,000	1,453,000
Current service costs	289,000	242,000
Interest costs	81,000	73,000
Employee contributions	61,000	55,000
Actuarial (gain) loss	(40,000)	201,000
Estimated benefits paid	(4,000)	(3,000)
<b>At 31 August 2015</b>	<b>2,408,000</b>	<b>2,021,000</b>

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

	2015 £	2014 £
At 1 September 2014	758,000	407,000
Expected return on assets	50,000	31,000
Actuarial (loss) gain	(20,000)	75,000
Employer contributions	257,000	193,000
Employee contributions	61,000	55,000
Estimated benefits paid	(4,000)	(3,000)
<b>At 31 August 2015</b>	<b>1,102,000</b>	<b>758,000</b>

The estimated value of the employer contributions for the year ended 31 August 2016 is £221,000.

## 24 Pension and similar obligations (continued)

### *Local Government Pension Scheme (LGPS) (continued)*

The three year history of experience adjustments are as follows:

	2015 £	2014 £	2013 £	2012 £
<b>Present value of defined benefit obligations</b>	<b>(2,408,000)</b>	<b>(2,021,000)</b>	<b>(1,453,000)</b>	<b>(1,127,000)</b>
<b>Fair value of share scheme assets</b>	<b>1,102,000</b>	<b>758,000</b>	<b>407,000</b>	<b>147,000</b>
<b>Deficit on the scheme</b>	<b>(1,306,000)</b>	<b>(1,263,000)</b>	<b>(1,046,000)</b>	<b>(980,000)</b>
<b>Experience adjustments on share of scheme assets</b>				
Amount	(20,000)	75,000	16,000	2,000
<b>Experience adjustments on scheme liabilities</b>				
Amount	2,000	(52,000)	—	—

## 25 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, transactions may take place with organisations in which a member of the trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account.

## 26 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2015 the trust received £21,974 and disbursed £10,381 from the fund. An amount of £10,494 is included in other creditors relating to undistributed funds that will be dispersed to students in 2015/16.