

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)

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**FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members

Mr Rabindara Nath Pathak^{1,2}
Mrs Fay Denise Haras-Gummer, Chair^{1,2}
Mr Kewal Singh Kallha^{1,2}
Mrs Jane Sagoo (resigned 4 October 2014)
Ms Jan Moorhouse
Ms Apinder Sidhu, Vice Chair (appointed 5 November 2014)

Trustees

Mr Syed Zahid Ali
Mr Davinder Kumar Anand
Mrs Saranjit Kaur Bangar
Mr Arif Hayat
Mrs Inder Prakash Kaur
Mr Sunil Seewon Prayag^{1,2}
Mr Umesh Sharma
Mr Narinder Singh Shinhmar
Ms Joy Spreadbury
Mrs Jyoti Subharwal
Mrs Arfa Ayyub (appointed 17 November 2014)
Mr Gerry Wadwa, Head Teacher & Accounting Officer^{1,2}

¹ Member of Finance Committee

² Member of Audit Committee

Company registered number

07800029

Principal and registered office

11 Montague Waye
Southall
Middlesex
UB2 5HF

FEATHERSTONE HIGH SCHOOL
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Administrative details (continued)

Company secretary

Mrs Harjinder Johal

Senior leadership team

Gerry Wadwa, Headteacher
Neil Bradford, Deputy Headteacher
Alison Lusuardi, Deputy Headteacher
Kamal Thacker, Deputy Headteacher
Tariq Hillman, Deputy Headteacher
John Noel, Assistant Headteacher
Alka Patel, Assistant Headteacher
Alan Bate, Assistant Headteacher
Nicola Meston, Assistant Headteacher
Mark Thorley, Assistant Headteacher
Joanne Ainsworth, Assistant Headteacher
Kristen Bolt, Associate Assistant Headteacher

Independent auditors

MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditor
Euro House,
1394 High Road
London
N20 9YZ

Bankers

Lloyds Bank
3 Teignmouth Parade
Perivale
UB6 8BZ

Solicitors

Browne Jacobsen LLP
44 Castle Gate
Nottingham
NG1 7BJ

FEATHERSTONE HIGH SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Featherstone High School (the Academy and the group) for the year ended 31 August 2015. The Trustees confirm that the Annual Report and financial statements of the Academy and the group comply with the current statutory requirements, the requirements of the Academy and the group's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

The trust operates an academy for pupils aged 11 to 19 serving the catchment area in Southall. It has overall pupil capacity of 1600 with 11-16 capacity of 1200 and 16-19 capacity of 400. The academy had a roll of 1536 in the school census in October 2014 which consisted of 1200 pre 16 students and 336 post 16. In the latest census October 2015, pre 16 numbers have remained at capacity level of 1200 students with a further 370 students in the sixth form.

Structure, governance and management

a. CONSTITUTION

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Governors act as the trustees for the charitable activities of Featherstone High School and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Featherstone High School.

Details of the Governors who served throughout the year are included in the Reference and Administrative Details on page 1.

b. 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.

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The management of the Academy is the responsibility of the Governors who are elected and co-opted under the terms of the articles of association.

The Governing Body comprises the Headteacher, 5 Parent Governors, 4 Community Governors, 3 Staff Governors, 3 Co-opted Governors and 1 Member's Governor.

Parent Governors are normally elected by parents of students registered at the school and the Governing Body makes arrangements to notify parents of a vacancy and oversees a secret ballot where the number of nominees exceeds the number of vacancies. Staff governors are similarly elected by staff.

Where necessary, other Governors are appointed after searching local community groups and businesses dependent on the person specification seen as needed. Curriculum Vitae's are requested. Volunteers first visit the school and meet the Chair of Governors, Headteacher and another governor. This is a preliminary sift and, where appropriate, a recommendation would be made for a candidate to be presented to the Full Governing Body with a view to an appointment.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

All new Governors are given an induction pack and, if not familiar with the school, are invited to a tour and to meet key Governors and staff. Governor support is available through an outside consultancy specialising in Governors. Training/courses are also available through London Borough of Ealing on a pay as you go basis. There is a named Governor to provide details of relevant courses, encourage attendance and monitor Governor-wide training undertaken. There is an Annual Governors Saturday Workshop which focuses on training needs.

e. ORGANISATIONAL STRUCTURE

Featherstone High School has a unified management structure to ensure it is run in an efficient way. The structure consists of two broad levels. The Governors and the Senior Leadership Team (SLT) are responsible for strategic direction: The 3 core operational teams are populated with middle leaders and overseen by relevant members of SLT - Pupil Progress, Curriculum Developers and Teacher Developers. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors fulfil a largely strategic role. They adopt an Academy Development Plan (ADP). They sanction an annual budget. They monitor Academy performance and, on advice, make decisions about the direction of Featherstone High School, its capital expenditure and senior staff appointments.

The SLT for the year ended 31 August 2015 are the Headteacher, 4 Deputy Headteachers, 6 Assistant Headteachers and 1 Associate Assistant Headteacher. One of the Deputy Headteachers was seconded to the Local Authority on a 0.6-0.8 FTE basis for the whole of the academic year. This secondment is currently full time.

The SLT control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group, the SLT is responsible for the authorisation of spending within agreed budgets and the appointment of staff, other than specific senior staff appointments for which the Governing Body is responsible (having regard to the Headteacher's advice). Some spending control is devolved to members of SLT and appointed budget holders. The Headteacher is the Accounting Officer.

f. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Featherstone High School works closely with Featherstone Sports Centre Ltd which exists to promote the health and wellbeing as well as improve the condition of life in the local community. Although Featherstone Sports Centre Ltd is a subsidiary company of the Academy, it is a separate entity. However organisational decisions for the Sports Centre are made by the Community Sports Committee which is a sub-committee of the Full Governing Body and includes the Headteacher.

Featherstone Sports Centre Limited had turnover of £330,150 with excess of income over expenditure in the year of £24,298 (2014: £58,088) prior to a donation to the academy of £31,901, (2014: £50,846).

The Academy also has a Featherstone School Sports Partnership (SSP) which exists to provide Physical Education lessons to schools in London Borough of Ealing. The SSP is not a separate legal entity but a collaborative working partnership with London Borough of Ealing.

The Academy has been provided with services by two parties who are related to the governors: Kallha Brothers (Builders Merchants) and Ambassadors of Sound Ltd (DJ services) during the year ended 31 August 2015. During the year, the Academy also employed two related parties to carry out duties at the sports centre and in reception. All of these transactions were on commercial terms and are detailed in note 28.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

g. RISK MANAGEMENT

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in operational areas such as teaching, health and safety, bullying and school trips as well as those relating to the control of finance. They have introduced robust systems, including operational procedures such as the vetting of new staff (DBS checks), supervision of school grounds and internal financial controls to manage and minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover in place. The Governors are satisfied that systems and procedures are in place to mitigate the exposure to major risks.

h. TRUSTEES' INDEMNITIES

Governors benefit from indemnity insurance to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £1,846.

Objectives and Activities

a. OBJECTS AND AIMS

The principal object and activity of the charitable company is the operation of Featherstone High School to provide education for pupils of different abilities between the ages of 11 and 19 with a specialism in Sciences and Sport.

In accordance with the Funding Agreement made under section 482 of the Education Act 1996, as substituted by the Education Act 2002, between the Secretary of State for Children, Schools and Families and the Academy Trust, the Academy is Governed by a Governing Body which exercises its powers and functions with a view to fulfilling a largely strategic role in the running of the school. The Funding Agreement specifies the admission arrangements, amongst other things, and that the curriculum, in substance, complies with statutory requirements.

The main objectives of the Academy during the period ended 31 August 2015 are summarised below:

- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care
- To raise the standard of educational achievement and progress of all pupils
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review
- To provide value for money for the funds expended
- To maintain close links with the community, industry and commerce
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The Academy's main strategy is to raise standards of achievement and progress through an unrelenting focus on continuous improvement in all aspects of the organisation. The core purpose of the Academy is teaching and learning: its people and resources are constantly measured by their contribution to the overall quality of teaching and learning and therefore the standards achieved by its students.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Key activities which support the main strategic purpose of the organisation are:

- Robust quality assurance processes which are transparent and inform all subsequent actions
- Secure use of data and tracking to measure progress and inform actions and intervention
- A constant review of CPD and training opportunities for staff
- A core structure which allows all staff and students to understand their role within the organisation and also to ensure that lines of accountability are also clear
- Structures to support the organisation and integration of all internal and external resources and support available for both students and staff.

The Academy Development Plan can also be seen for further information.

c. PUBLIC BENEFIT

In setting the Academy objectives and planning activities the Governors have given careful consideration to the charity commission's general guidance on public benefit. Pupils are admitted in accordance with the admissions policy agreed with the Department for Education (DfE). Children are admitted from a wide range of backgrounds. The Academy has a rich curriculum which aims to deliver good academic progress with a range of activities and experiences, offering pupils a chance to demonstrate their abilities and potential.

Additionally, £6,434 was collected and received as restricted charitable donations through a variety of activities including Children in Need, MacMillan Coffee Morning, Poppy Appeal, Charity Disco and other charities. £3,138 has been passed on to the relevant charities as at 31 August 2015 with the balance being used to cover operational costs.

d. EQUAL OPPORTUNITIES POLICY

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

Ramps, lifts and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Academy. The policy of the school is to support recruitment and retention of pupils and employees with disabilities. The Academy does this by adapting the physical environment, by making resources available and through training and career development.

Group Strategic Report

Achievements and performance

a. GOING CONCERN

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

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

b. KEY FINANCIAL PERFORMANCE INDICATORS

Most of the Academy's revenue is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The funding received during 12 months ended 31 August 2015 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. The Academy also receives funding for fixed assets from the EFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such funding is shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned. During the period ended 31 August 2015, there was an operating surplus of £120,907 (£1,674,525). At 31 August 2015 the net book value of fixed assets was £17,337,232 (£17,156,841) as shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The level of permanent and supply staff used during the year was 78% of overall revenue. Although this percentage has increased in comparison with 2013-14 (74%), this is mainly due to the fall in funding. Furthermore, 78% is still a very good level and allows further investment into a rich and varied curriculum, an impressive IT infrastructure, the maintenance and development of a large site as well as the purchase of professional services.

The working capital has increased to 1: 5.14 (1: 4.21). This not only allows short term requirements to be met but also helps towards balancing a 3 year budget. The governors are aware that the ongoing volatile nature of funding combined with increasing costs require the utmost importance to be placed on prudence and regular forecasting.

The Academy's non-teaching staff are entitled to membership of the Local Government Pension Scheme (LGPS). The Academy is part of the London Borough of Ealing pooling scheme which allows the Academy to contribute a reduced rate than the rate calculated upon conversion for Employer Pension Contributions. However the Academy pays an additional monthly lump sum due to a deficit upon conversion. The latest actuarial report highlights losses of £109,000 with overall liability increasing to £3,430,000 as at 31 August 2015.

c. REVIEW OF ACTIVITIES

In its fourth year of operation, we achieved the best % 5+ A*-C including English and Maths with 63% (50%) since conversion. Last year's figure is shown in brackets. Early release DfE figures show that results nationally remained the same as the previous year therefore we can feel very proud of a 13% increase and in excess of the challenging FFT D target.

The Governors will be aware that the government has introduced a new performance measure which will be used from 2016 onwards. It is called the Progress 8 and Attainment 8. The Progress 8 measure is designed to encourage schools to offer a broad and balanced curriculum at KS4, and reward schools for the teaching of all their pupils equally. The new measure will be based on students' progress measured across eight subjects: English; mathematics (both carry a double weighting) three other English Baccalaureate (EBacc) subjects (sciences, computer science, geography, history and languages); and three further subjects, which can be from the range of EBacc subjects, or can be any other approved, high-value arts, academic, or vocational qualification. The Academy curriculum was reshaped 3 years ago to reflect this measure and the software package being used continues to suggest a very positive performance against that measure of +0.4 which means on average our students are performing 0.4 of a grade better than students of the same ability nationally.

A big focus for the Academy last year was students at the top end of the ability profile and we are pleased to report some significant increases in performance at the top end.

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	High 2014 (46)	High 2015 (44)	Diff
5A*- C Inc Maths & English	83%	98%	15%
3+ English	70%	91%	21%
3+ Maths	72%	91%	19%
4+ English	37%	44%	7%
4+ Maths	38%	49%	11%
5A*-A	17%	28%	11%
Progress 8	+0.07	+0.44	0.37

Sixth Form Results

Governors will be aware that the Academy offers both traditional A Levels and Applied A Levels (also known as BTEC Level 3). The government has started publishing results separately as 'academic' results and 'vocational' results.

Post 16 Historical & Contextual Data

	2013	2014	2015
Academic			
A2 - number of students	64	80	67
A2 - % of grades at A* to B	37.8%	47.7%	59%
A2 - % of grades at A* to E	96.9%	98.7%	100%
A level av pts score	209	213	232.9
A2 - ALPS grade	6	5	1
Vocational			
Vocational (BTEC) - number of students	125	90	86
Vocational - % of grades at Distinction*/ Distinction	42.8%	54.7%	65%
Vocational av pts score	204	214	222
BTEC - ALPS T Score	5	4	3

N.B. ALPS Grade 1 = outstanding top 1% schools; 3 = excellent top 20% schools; 4 = Very Good Progress; 5 = Quite Good

A-Level/BTEC 2014-15 Results key points summary:

- Results the best in terms of outcomes for the last 3 years
- All key measures showing upward trend over last 3 years
- Overall A-level students achieved outstanding success which places the sixth form within the top 1% schools in the country for progress made.
- Top end performance again shows significant improvements with A*-B grades increasing by 12%.
- BTEC students success was also very impressive as reflected in the ALPS Grade 3.
- Top A-level for Progress Business History Sociology Art Psychology
- Top BTEC for Progress Travel & Tourism Health and Social Care & Sport

It should be noted that the excellent results are reflected in an increase to 12% in the number of students securing Russell Group University places.

To ensure that standards are continually raised the Academy, the Governing Body and the Leadership Team:

- Operates a robust quality assurance calendar which monitors the quality of teaching and learning and assessment
- Is visited, scrutinised and supported by a Local Authority Link Officer and independent Consultants
- Undertakes a rigorous review of attainment using RAISEONLINE and FFT and ALPS to measure the progress of students paying particular regard to their achievement on entry and levels of progress secured

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

To ensure that standards are continually raised the Academy operates a continuous programme of holiday boosters which any underachieving students are requested to attend. In addition the Academy operates a focused programme of lesson observations, visits by consultants are rigorous including a comparison of value added results from entry to Key Stage 3 to GCSE and from GCSE to A Level.

Additionally, several teachers are engaged in Leadership Development courses and Master's Level research. We are the lead school in the LA for Leadership Development and provide support for this in a variety of ways e.g. full payment or subsidies for courses, paid study leave and we purchase resources when appropriate. Those completing the NPQML and NPQSL with the Institute of Education have access to in school coaches and their tutor sessions are facilitated on site. All staff are given the opportunity to engage in school based action research which is shared with the whole staff. Furthermore, the Academy was invited by the London Leadership Strategy to join a group of outstanding London schools to share best practice through a programme called Going 4 Great.

The overall attendance for 2014-15 was 95.9%, an increase of 0.3%. This is above the Ealing average by 0.6% and 1% above the national average. Our overall ranking in Ealing is 4th and well above the averages across schools in Ealing, London as well as schools on a national level.

Financial review

a. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

As an Academy funded directly by the DfE, funding streams are considered to be reasonably safe and secure. The risk mainly arises from changes in government policy and funding levels. However the key risk is falling levels of funding and numbers on roll. The governors have a risk register which is managed and reviewed on a regular basis. Numbers on roll are reported to the governing body termly through the Headteacher's Report. Governors are therefore kept fully aware of any trends in changes of numbers on roll and hence fully aware of any impending risk to financial health.

To overcome a reduction in funding combined with increasing liabilities such as pension and national insurance costs, the Academy has been going through a process of redundancies to ensure a sustainable budget. Furthermore, the Academy has recently submitted an application to increase the Published Admission Number and therefore an increased level of funding with minimal outlay. Cash flow is monitored weekly by the Academy and budgets presented to the governors at every finance committee meeting. The Academy has general reserves which enable it to plan for future capital projects and enable safeguarding against a reduction in funding. The Academy has strong internal control systems in place and chooses to have more than the 3 Responsible Officer visits per year to maintain clarity, transparency and confidence of all internal and external stakeholders.

b. PRINCIPAL RISKS AND UNCERTAINTIES

Featherstone High School is fully subscribed at entry level and main school numbers on roll are sustained year on year which currently represents a low risk. Sixth Form funding will continue to reduce over the years due to it being brought in line with FE Colleges, hence this represents a risk of loss in funding. Sixth Form numbers on roll have not reached full capacity but have increased again in September 2015 which continues to balance the situation.

The Academy Trust practices through its Board, namely the governing body and the constituted subcommittees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The governing body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the governing body collectively, whilst more minor risks are dealt with by the SLT.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

c. RESERVES POLICY

The Governors have agreed a Reserves Policy for the school and review this on an annual basis. The review encompasses the nature of income and expenditure streams and the need to match income with commitments. Demand on the Academy's reserves (restricted and unrestricted) will vary over the coming years. The Governors have determined that the appropriate level of in year contingency or 'reserves' should be a minimum 5% of the total budget (approximately £500,000). The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. Any additional reserves will be earmarked for future projects in line with the Academy Development Plan and used to balance the 3 year budget.

Restrictions on GAG carry forward balances have been removed, which means that the Academy is able to carry forward all surpluses at the year end. However the Academy will not compromise the education and development of current students by setting aside an unrealistic level of current funds for future projects. The Academy has plans in place to meet on-going liabilities of the pension deficit as they fall due.

At 31 August 2015 the total funds comprised:

Unrestricted:		£157,855
Restricted:	Fixed asset funds	£17,337,232
	GAG	£834,426
	Pension reserve	(£3,430,000)
	Other	£393,543

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 26. The deficit can be met in the longer term from any combination of increased employer or employee contributions as mentioned previously, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the governors, and represent 1.4% of Academy annual expenditure. The aim of the governors is to increase this reserve to meet future working capital requirements.

d. INVESTMENTS POLICY

There are currently no Investments and no Investment Policy in place. Governors balance future funding with current requirements before making an informed decision on an annual basis. This will continue to be a standing agenda item on a periodic basis.

Plans for future periods

a. FUTURE DEVELOPMENTS

Featherstone High School will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure all students are secure in their next steps on leaving the Academy with regards to employment or continuing in training or higher education. The Academy continuously strives to be at the forefront of innovation in education and we are perpetually revising our curriculum offer to suit the needs of our students.

Featherstone High School has an excellent reputation for the personal development and well-being of its students and staff and this will continue to be priority. The Academy will continue to look at its accommodation

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FOR THE YEAR ENDED 31 AUGUST 2015

and plan for the redevelopment of areas of the school site where buildings have reached the end of their useful life.

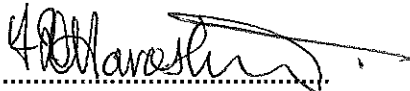
Featherstone High School aims to provide the opportunity for increased student success beyond the boundaries of our Academy. As a specialist School for Sciences and Sport, we are at the forefront of plans aiming to establish ways to benefit the wider community in these areas through links with primary schools and some secondary schools who have direct access to our facilities, curricular materials and the expertise of our staff.

DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the governors are aware:

- There is no relevant audit information of which Featherstone High School's auditor is unaware
- 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

This report, incorporating the Group Strategic Report, was approved by order of the Governing Body, as the company directors, on 2-12-15 and signed on the board's behalf by:



.....
Mrs Fay Denise Haras-Gummer
Chair of Trustees



.....
Mr Gerry Wadwa
Accounting Officer

FEATHERSTONE HIGH SCHOOL
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Featherstone 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 Governing Body 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 Featherstone High School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body 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 Trustees' Responsibilities Statement. The Governing Body has formally met 4 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
Mr Rabindara Nath Pathak	4	4
Mrs Fay Denise Haras-Gummer, Chair	4	4
Mr Kewal Singh Kallha	3	4
Mrs Jane Sagoo	0	0
Ms Jan Moorhouse	1	4
Ms Apinder Sidhu, Vice Chair	4	4
Mr Syed Zahid Ali	2	4
Mr Davinder Kumar Anand	3	4
Mrs Saranjit Kaur Bangar	4	4
Mr Arif Hayat	1	4
Mrs Inder Prakash Kaur	4	4
Mr Sunil Seewon Prayag	4	4
Mr Umesh Sharma	3	4
Mr Narinder Singh Shinhmar	4	4
Ms Joy Spreadbury	3	4
Mrs Jyoti Subharwal	4	4
Mrs Arfa Ayyub	2	4
Mr Gerry Wadwa, Head Teacher & Accounting Officer	4	4

The Governing Body also delegates responsibility to its sub-committees: Finance Committee, Curriculum Committee, Personnel Committee, Premises Committee and Community Sports Committee. These sub-committees are required to meet on a termly basis (i.e. 3 times a year) as a minimum. All these sub-committees formally met at least 3 times during the period ended 31 August 2015. Items discussed at sub-committee meetings are then reported and ratified at the next Full Governing Body meeting.

The Finance Committee is a sub-committee of the Full Governing Body. This committee is responsible for monitoring and making recommendations to the Governing Body on matters related to Finance. The Chair of Finance, Mr Sunil Seewon Prayag, is a qualified accountant.

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GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Sunil Seewon Prayag (Chairman)	5	5
Mrs Fay Denise Haras-Gummer	4	5
Mr Kewal Singh Kallha	5	5
Mr Rabindara Nath Pathak	4	5
Mrs Jan Moorhouse	4	5
Mr Gerry Wadwa (Headteacher)	5	5
Mr Shahbaz Haider (Business Manager)	5	5

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:

Achievements and Performance

As previously stated, the Academy achieved our best all round results in 2014-15 since inception. Progress over time by students was exceptional with our teaching and learning provision graded as Outstanding again by OFSTED during their visit in January 2015.

The Featherstone High School Offer

Featherstone High School continued to provide a rich and varied curriculum to ensure needs of all students were met. The aim of all governors, senior leaders and members of staff is to not only provide a well rounded curriculum, but to go the extra mile and ensure students are ready for the wider society upon completion of their studies. This included:

- Over 70 curriculum and non curriculum based trips for our students
- Continued investment in the IT infrastructure
- The number of exclusion days reducing from 118 to 97
- More students provided with work experience opportunities through vocational courses
- A range of morning, lunch and after school clubs with attendance continuing to exceed expectation
- Increased number of booster classes / gifted & talented provision
- Continued investment in offering careers advice, counselling and educational psychologist provision
- The use of independent consultants and partners to continuously scrutinise the teaching and learning standards
- Ongoing capital improvements to facilities such as the completion of the LRC building and new roofing allowing money saved to be re-allocated to the curriculum

Benchmarking

Benchmarking 2012-13 data was made available by the EFA and this allowed a comparison of key areas to be made for the first time since conversion to Academy status. The information has been used as one of the key drivers during staff redundancies over the last 12 months and will continued to be used as a key document in future. Furthermore, a number of operational budgets have been scrutinised such as IT, Facilities, Advertising, Resources, Catering and Trips/Activities to ensure the school continues to balance a 3 year budget by achieving value for money.

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)

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 ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Featherstone High School for the year 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 Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 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 Governing Body.

THE RISK AND CONTROL FRAMEWORK

The Academy'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 Finance Committee and ratified at the Full Governing Body;
- regular reviews by the Finance 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 trustees has considered the need for a specific Internal Audit function and appointed CEFM as Responsible Officer (RO). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems on a termly basis. The RO reports to the governing body on the operation of the systems of control as well as making recommendations on improvement. CEFM have completed their 3 standard visits as well as 1 additional visit to audit the Sports Centre in 2014-15. In particular the checks carried out in the current period included:

- Testing of payroll systems;
- Testing of purchase systems;
- Testing of the fixed asset register with physical checks;
- Testing of income and other revenue;
- Testing of control account/bank reconciliations;
- Checks of governance structure and review of FGB and finance committee minutes;
- Checking of declaration of interest forms and proper and regular use of public funds;
- Checking of reports given to the finance committee;
- Review of the Academy Finance Manual including all policies and effective oversight;
- Checking of risk register and business continuity plan;

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

- All of the above for the Sports Centre also during the additional audit day;

The following shows the number of recommendations made during the Responsible Officer visits.

Responsible Officer Visit 1 = no recommendations

Responsible Officer Visit 2 = 5 low risk recommendations (all items now in place)

Responsible Officer Visit 3 = no recommendations

Responsible Officer Visit 4 = 2 low risk recommendations (all items now in place)
(Sports Centre audit)

REVIEW OF EFFECTIVENESS

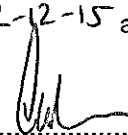
As accounting officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Responsible Officer;
- the work of the External Auditor;
- the Finance Committee;
- the Financial Management and Governance Evaluation (FMGE)
- the work of the managers within the Academy who have responsibility for the development and maintenance of the internal control framework i.e. Senior Leadership Team and Business & Finance Manager

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance Committee and a plan to address the low risk recommendations whilst ensuring continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 2-12-15 and signed on its behalf, by:


.....
Mrs Fay Denise Haras-Gummer
Chair of Trustees


.....
Mr Gerry Wadwa
Accounting Officer

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Featherstone High School I have considered my responsibility to notify the Academy Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the Academy Governing Body are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook (2014).

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 Governing Body and EFA.

.....
Mr Gerry Wadwa
Accounting Officer

Date: 8-12-2015

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees (who act as governors of Featherstone High School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Group Strategic 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, which give a true and fair view of the state of affairs of the academy and of the incoming resources and application of resources, including the income and expenditure, of the academy for that period. In preparing these financial statements, the Trustees are required to:

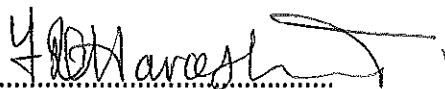
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Academy will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy's transactions and disclose with reasonable accuracy at any time the financial position of the academy 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 academy 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 academy 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 Governors are responsible for the maintenance and integrity of the corporate and financial information included on the Academy'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 Governing Body and signed on its behalf by:


.....
Mrs Fay Denise Haras-Gummer
Chair of Trustees

Date: 9-12-2015

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FEATHERSTONE HIGH SCHOOL

We have audited the financial statements of Featherstone High School for the year ended 31 August 2015 which comprise the group Statement of Financial Activities, the group and Academy Balance Sheets, the group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act. 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 group's and the parent Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FEATHERSTONE HIGH SCHOOL

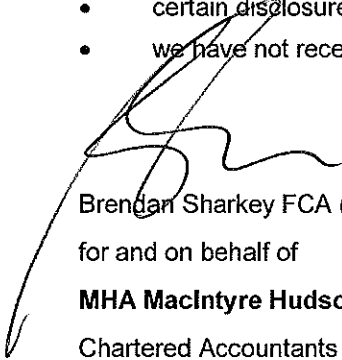
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report, incorporating the Group 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:

- the parent charitable Academy has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable Academy 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.



Brendan Sharkey FCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants & Statutory Auditor

Euro House,
1394 High Road
London
N20 9YZ

Date: 14th December 2015

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
FEATHERSTONE HIGH SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 1 September 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 Featherstone High School during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Featherstone High School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Featherstone 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 Featherstone High School and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF FEATHERSTONE HIGH SCHOOL'S ACCOUNTING OFFICER AND
THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Featherstone High School's funding agreement with the Secretary of State for Education, 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 year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

The work undertaken to draw to our conclusion includes;

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
FEATHERSTONE HIGH SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties
- testing of a sample of grants received and other income streams; and
- evaluating the internal control procedures and reporting lines, and testing as appropriate, and making appropriate enquiries of the Accounting Officer.

CONCLUSION

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



Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants & Statutory Auditor

Euro House,
1394 High Road
London
N20 9YZ

Date: 14th December 2015

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	-	6,434	-	6,434	5,380
Activities for generating funds	3	429,062	36,940	-	466,002	583,266
Investment income	4	2,030	-	-	2,030	2,059
Incoming resources from charitable activities	5	-	10,668,380	469,530	11,137,910	11,797,241
TOTAL INCOMING RESOURCES		431,092	10,711,754	469,530	11,612,376	12,387,946
RESOURCES EXPENDED						
Charitable activities	8	160,260	10,535,040	422,770	11,118,070	11,061,141
Governance costs	9	4,775	14,150	-	18,925	16,500
Other resources expended	6	293,474	-	-	293,474	285,780
TOTAL RESOURCES EXPENDED	7	458,509	10,549,190	422,770	11,430,469	11,363,421
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		(27,417)	162,564	46,760	181,907	1,024,525

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	18	-	(133,631)	133,631	-	-
NET INCOME FOR THE YEAR		(27,417)	28,933	180,391	181,907	1,024,525
Actuarial gains and losses on defined benefit pension schemes		-	(61,000)	-	(61,000)	650,000
NET MOVEMENT IN FUNDS FOR THE YEAR		(27,417)	(32,067)	180,391	120,907	1,674,525
Total funds at 1 September 2014		185,272	(2,169,964)	17,156,841	15,172,149	13,497,624
TOTAL FUNDS AT 31 AUGUST 2015		157,855	(2,202,031)	17,337,232	15,293,056	15,172,149

All activities relate to continuing operations.

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

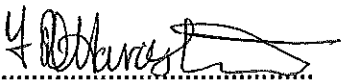
The notes on pages 27 to 50 form part of these financial statements.

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07800029


CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	14		17,337,232		17,156,841
CURRENT ASSETS					
Debtors	16	306,788		315,671	
Cash at bank and in hand		1,413,870		1,436,493	
		<u>1,720,658</u>		<u>1,752,164</u>	
CREDITORS: amounts falling due within one year	17	(334,834)		(415,856)	
NET CURRENT ASSETS			<u>1,385,824</u>		<u>1,336,308</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>18,723,056</u>		<u>18,493,149</u>
Defined benefit pension scheme liability	26		<u>(3,430,000)</u>		<u>(3,321,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>15,293,056</u></u>		<u><u>15,172,149</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	18	1,227,969		1,151,036	
Restricted fixed asset funds	18	17,337,232		17,156,841	
Restricted funds excluding pension liability		<u>18,565,201</u>		<u>18,307,877</u>	
Pension reserve		<u>(3,430,000)</u>		<u>(3,321,000)</u>	
Total restricted funds			<u>15,135,201</u>		<u>14,986,877</u>
Unrestricted funds	18		<u>157,855</u>		<u>185,272</u>
TOTAL FUNDS			<u><u>15,293,056</u></u>		<u><u>15,172,149</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 2-12-2015 and are signed on their behalf, by:



Mrs Fay Denise Haras-Gummer
 Chair of Trustees



Mr Gerry Wadwa
 Accounting Officer

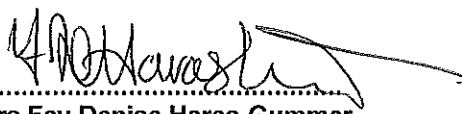
The notes on pages 27 to 50 form part of these financial statements.

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07800029

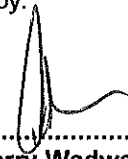
ACADEMY BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	14		17,309,507		17,121,513
Investments	15		1		1
			17,309,508		17,121,514
CURRENT ASSETS					
Debtors	16	306,790		315,671	
Cash at bank and in hand		1,396,521		1,395,009	
		1,703,311		1,710,680	
CREDITORS: amounts falling due within one year	17	(319,543)		(397,131)	
NET CURRENT ASSETS			1,383,768		1,313,549
TOTAL ASSETS LESS CURRENT LIABILITIES					
Defined benefit pension scheme liability	26		(3,430,000)		(3,321,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			15,263,276		15,114,063
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds		1,153,095		1,153,095	
Restricted fixed asset funds		17,309,507		17,121,513	
Restricted funds excluding pension asset		18,462,602		18,274,608	
Pension reserve		(3,382,000)		(3,321,000)	
Total restricted funds			15,080,602		14,953,608
Unrestricted funds			182,674		160,455
TOTAL FUNDS			15,263,276		15,114,063

The financial statements were approved by the Trustees, and authorised for issue, on 2-12-2015 and are signed on their behalf, by:



Mrs Fay Denise Haras-Gummer
 Chair of Trustees



Mr Gerry Wadwa
 Accounting Officer

The notes on pages 27 to 50 form part of these financial statements.

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	20	580,539	1,195,802
Returns on investments and servicing of finance	21	-	2,059
Capital expenditure and financial investment	21	(603,162)	(1,156,250)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(22,623)	41,611

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

	2015 £	2014 £
(Decrease)/Increase in cash in the year	(22,623)	41,611
MOVEMENT IN NET FUNDS IN THE YEAR	(22,623)	41,611
Net funds at 1 September 2014	1,436,493	1,394,882
NET FUNDS AT 31 AUGUST 2015	1,413,870	1,436,493

The notes on pages 27 to 50 form part of these financial statements.

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Basis of consolidation

The financial statements consolidate the accounts of Featherstone High School and its subsidiary undertaking ('subsidiary'), Featherstone Sports Centre Limited. The results of the subsidiary are consolidated on a line by line basis.

The Academy Trust has taken advantage of the exemption contained within 408 of the Companies Act 2006 and paragraph 397 of the SORP not to present its own Income and Expenditure Account.

The consolidated Statement of Financial Activities is for the group as a whole. The income for the year dealt with in the accounts of the Academy Trust was £157,609 (2014 - £668,297).

1.3 Going concern

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

1.4 Incoming resources

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

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

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

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

Sponsorship income provided to the Academy 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.

FEATHERSTONE HIGH SCHOOL
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income, including the sports centre income from the subsidiary, is recognised in the period in which it is receivable and to the extent that services have been provided.

1.5 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. All costs incurred by the subsidiary sports centre have been allocated to other resources expended, (note 6).

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

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Tangible fixed assets and depreciation

All assets costing more than £5,000 are capitalised.

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

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

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

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1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	50 years straight line method
Motor vehicles	-	4 years straight line method
Equipment	-	5 years straight line method
Computer equipment	-	4 years straight line method
Leasehold land	-	Not depreciated

1.7 Taxation

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

1.8 Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

The academy's shareholding in the wholly owned subsidiary, Featherstone Sports Centre, is included in the balance sheet at the cost of the share capital less impairment. There is no readily available market value and the cost of the valuation exceeds the benefit desired.

Investments in subsidiaries are valued at cost less provision for impairment.

1.9 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

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1. ACCOUNTING POLICIES (continued)

1.10 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 26, 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.

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

1.11 Fund accounting

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

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

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

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

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

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	-	6,434	6,434	5,380

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Academy rental income	87,091	-	87,091	70,145
Other income	11,509	36,940	48,449	38,095
Catering income	313	-	313	140,753
Sports centre rental income	330,149	-	330,149	334,273
	429,062	36,940	466,002	583,266

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest receivable	2,030	-	2,030	2,059

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

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	9,591,363	9,591,363	9,842,687
Pupil Premium	-	586,398	586,398	601,586
16-18 Bursary	-	61,649	61,649	60,457
Devolved formula capital	-	-	-	12,410
EFA capital maintenance grant	-	469,530	469,530	776,471
	-	10,708,940	10,708,940	11,293,611
Other government grants				
Local authority SEN income	-	70,920	70,920	129,003
Other DfE/EFA grants	-	281,869	281,869	305,672
	-	352,789	352,789	434,675
Other funding				
Trip income	-	76,181	76,181	68,955
	-	76,181	76,181	68,955
	-	11,137,910	11,137,910	11,797,241

6. OTHER RESOURCES EXPENDED

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Sports centre costs	293,474	-	293,474	285,780

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

7. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure Other costs	Total	Total
	2015	2015	2015	2014
	£	£	£	£
Direct costs - Activities	6,120,762	1,219,140	7,339,902	7,254,040
Support costs - Activities	2,419,635	1,358,533	3,778,168	3,807,102
Charitable activities	8,540,397	2,577,673	11,118,070	11,061,142
Governance	-	18,925	18,925	16,500
Other resources expended	-	293,474	293,474	285,780
	8,540,397	2,890,072	11,430,469	11,363,422

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

	Total £	Reason
Compensation payments	6,734	Accident at work

The legal authority to make the compensation payment was in compliance with the Academies Financial Handbook, being delegated authority from the Education Funding Agency.

FEATHERSTONE HIGH SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

8. CHARITABLE ACTIVITIES

	Total funds 2015 £	Total funds 2014 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	4,737,917	4,641,924
National insurance	428,031	420,055
Pension cost	604,391	594,784
Depreciation	422,771	376,724
Staff costs	350,423	347,240
Educational supplies	589,339	666,292
Examination fees	139,607	135,615
Staff development	41,778	43,112
Curriculum transport	25,645	28,294
	7,339,902	7,254,040
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	1,874,983	1,964,330
National insurance	124,849	131,827
Pension cost	419,803	439,604
Repairs and maintenance	241,118	235,654
Other operational costs	89,059	54,801
Cleaning costs	16,852	17,523
Water and rates	63,251	61,781
Energy	208,304	210,154
Insurance	64,050	62,278
Security and transport	31,240	31,626
Special facilities	98,521	100,966
Catering	135,168	230,154
Administrative costs	104,410	116,851
Legal and professional costs	306,560	149,553
	3,778,168	3,807,102
	11,118,070	11,061,142

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

9. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Accountancy fees	1,000	1,000	2,000	2,450
Audit fees	3,000	10,900	13,900	11,800
Responsible officer audit	775	2,250	3,025	2,250
	<u>4,775</u>	<u>14,150</u>	<u>18,925</u>	<u>16,500</u>

10. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned by the charitable group	422,771	376,724
Auditors' remuneration	13,900	11,800
Auditors' remuneration - non-audit	2,000	2,450
	<u>438,671</u>	<u>390,974</u>

The academy has taken exemption from presenting its unconsolidated income and expenditure account under S408 of Companies Act 2006. The surplus of income over expenditure in the academy for the year was £157,609 (2014: £668,297). The subsidiary company, Featherstone Sports Centre, donated £31,901 (2014: £50,846) to the academy in the year under gift aid.

11. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	6,577,435	6,593,641
Social security costs	552,880	551,881
Other pension costs	1,024,194	1,034,388
	<u>8,154,509</u>	<u>8,179,910</u>
Supply teacher costs	350,423	347,240
Staff restructuring costs	35,465	12,613
	<u>8,540,397</u>	<u>8,539,763</u>

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

11. STAFF (continued)

b. Staff severance payments

Included in staff restructuring costs are three non-statutory severance payments totalling £35,465 (2014: £12,613). Individually the payments were: £16,752, £6,464 and £12,249.

c. 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.
Teachers	94	95
Administration and support	72	80
Management	11	12
	<u>177</u>	<u>187</u>

d. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	7	6
In the band £70,001 - £80,000	4	2
In the band £80,001 - £90,000	0	1
In the band £100,001 - £110,000	1	1
	<u>1</u>	<u>1</u>

Eleven of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £104,021 (2014: £93,269). The other employee participated in the Local Government Pension Scheme and pension contributions for this member amounted to £9,241 (2014: £11,271).

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12. TRUSTEES' REMUNERATION AND EXPENSES

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

	2015	2014
	£'000	£'000
Salary Amounts - Mr Gerry Wadwa (Headteacher)	105-110	105-110
Mrs I Kaur	55-60	55-60
Ms J Spreadbury	55-60	50-55
Mrs S Kaur Bangar	30-35	25-30
Pension Amounts - Mr Gerry Wadwa (Headteacher)	15-20	10-15
Mrs I Kaur	5-10	5-10
Ms J Spreadbury	5-10	5-10
Mrs S Kaur Bangar	0-5	5-10

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

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,846 (2014 - £1,854). The cost of this insurance is included in the total insurance cost.

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

14. TANGIBLE FIXED ASSETS

Group	Leasehold property £	Fixtures and fittings £	Computer equipment £	Assets under construction £	Total £
Cost					
At 1 September 2014	17,180,881	201,660	426,704	218,066	18,027,311
Additions	392,179	58,501	85,490	66,992	603,162
Transfer between classes	218,066	-	-	(218,066)	-
At 31 August 2015	17,791,126	260,161	512,194	66,992	18,630,473
Depreciation					
At 1 September 2014	640,555	53,498	176,417	-	870,470
Charge for the year	259,838	45,317	117,616	-	422,771
At 31 August 2015	900,393	98,815	294,033	-	1,293,241
Net book value					
At 31 August 2015	16,890,733	161,346	218,161	66,992	17,337,232
At 31 August 2014	16,540,326	148,162	250,287	218,066	17,156,841
Academy	Leasehold property £	Fixtures and fittings £	Computer equipment £	Assets under construction £	Total £
Cost					
At 1 September 2014	17,172,431	164,489	426,704	218,066	17,981,690
Additions	392,179	58,501	85,490	66,992	603,162
Transfer between classes	218,066	-	-	(218,066)	-
At 31 August 2015	17,782,676	222,990	512,194	66,992	18,584,852
Depreciation					
At 1 September 2014	640,372	43,388	176,417	-	860,177
Charge for the year	259,669	37,883	117,616	-	415,168
At 31 August 2015	900,041	81,271	294,033	-	1,275,345
Net book value					
At 31 August 2015	16,882,635	141,719	218,161	66,992	17,309,507
At 31 August 2014	16,532,059	121,101	250,287	218,066	17,121,513

The additions to leasehold property in the year related to a roofing project.

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NOTES TO THE FINANCIAL STATEMENTS
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15. FIXED ASSET INVESTMENTS

Subsidiary undertakings

The following were subsidiary undertakings of the Academy:

	Investments in subsidiary companies £
Academy	
Cost or valuation	
At 1 September 2014 and 31 August 2015	1
Net book value	
At 31 August 2015	1
At 31 August 2014	1

The Academy's 100% shareholding in the wholly owned subsidiary, Featherstone Sports Centre Limited, is included in the balance sheet at the cost of the share capital owned, being one share of £1. The principal activity of the company is to provide sports facilities for the general public. Featherstone Sports Centre Limited is incorporated in the UK. The Sports Centre had turnover of £330,149 in the year, and a loss of £7,603 after the gift aided donation of £31,901 to the academy. Total reserves at 31 August 2015 were £13,387, (2014: £20,990)

16. DEBTORS

	Group		Academy	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	5,324	20,886	5,324	20,886
Other debtors	178,561	209,455	178,563	209,455
Prepayments and accrued income	122,903	85,330	122,903	85,330
	306,788	315,671	306,790	315,671

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

17. CREDITORS:
Amounts falling due within one year

	Group		Academy	
	2015	2014	2015	2014
	£	£	£	£
Other taxation and social security	167,418	170,987	167,418	170,987
Other creditors	167,416	244,869	152,125	226,144
	334,834	415,856	319,543	397,131
	334,834	415,856	319,543	397,131

	Group		Academy	
	£		£	
Deferred income				
Deferred income at 1 September 2014		37,053		37,053
Resources deferred during the year		24,933		24,933
Amounts released from previous years		(37,053)		(37,053)
Deferred income at 31 August 2015		24,933		24,933
		24,933		24,933

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

18. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General unrestricted funds	185,272	431,092	(458,509)	-	-	157,855
Restricted funds						
General Annual Grant (GAG)	820,603	9,591,363	(9,443,909)	(133,631)	-	834,426
Other DfE/EFA grants	22,621	760,247	(718,967)	-	-	63,901
Other restricted funds	307,812	360,144	(338,314)	-	-	329,642
Pension reserve	(3,321,000)	-	(48,000)	-	(61,000)	(3,430,000)
	<u>(2,169,964)</u>	<u>10,711,754</u>	<u>(10,549,190)</u>	<u>(133,631)</u>	<u>(61,000)</u>	<u>(2,202,031)</u>
Restricted fixed asset funds						
DfE/EFA capital grant	1,072,545	469,530	(26,429)	-	-	1,515,646
Capital expenditure from GAG	986,826	-	(24,317)	133,631	-	1,096,140
Assets on conversion	15,097,470	-	(372,024)	-	-	14,725,446
	<u>17,156,841</u>	<u>469,530</u>	<u>(422,770)</u>	<u>133,631</u>	<u>-</u>	<u>17,337,232</u>
Total restricted funds	<u>14,986,877</u>	<u>11,181,284</u>	<u>(10,971,960)</u>	<u>-</u>	<u>(61,000)</u>	<u>15,135,201</u>
Total of funds	<u><u>15,172,149</u></u>	<u><u>11,612,376</u></u>	<u><u>(11,430,469)</u></u>	<u><u>-</u></u>	<u><u>(61,000)</u></u>	<u><u>15,293,056</u></u>

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

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

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant. This includes pupil premium and other Local Authority funding for which income received is used to cover costs associated with these activities.

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme. An amount of £3,479,000 was transferred to the Academy Trust in respect of the deficit on this pension scheme at the date of conversion to an Academy.

The transfer between the GAG restricted funds and restricted fixed asset funds represents amounts

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

18. STATEMENT OF FUNDS (continued)

capitalised during the year.

The restricted fixed asset fund was funded predominately by the funds inherited on conversion from Ealing local authority.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	17,337,232	17,337,232	17,156,841
Current assets	157,855	1,562,803	-	1,720,658	1,752,164
Creditors due within one year	-	(334,834)	-	(334,834)	(415,856)
Provisions for liabilities and charges	-	(3,430,000)	-	(3,430,000)	(3,321,000)
	<u>157,855</u>	<u>(2,202,031)</u>	<u>17,337,232</u>	<u>15,293,056</u>	<u>15,172,149</u>

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources	181,907	1,024,525
Returns on investments and servicing of finance	-	(2,059)
Depreciation of tangible fixed assets	422,771	383,412
Decrease/(increase) in debtors	8,881	(135,807)
Decrease in creditors	(81,020)	(184,269)
FRS 17 pension costs less payment	(66,000)	(63,000)
FRS 17 adjustments	114,000	173,000
Net cash inflow from operations	<u>580,539</u>	<u>1,195,802</u>

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NOTES TO THE FINANCIAL STATEMENTS
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21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	-	2,059
	-	2,059
 Capital expenditure and financial investment		
Purchase of tangible fixed assets	(603,162)	(1,156,250)
	(603,162)	(1,156,250)

22. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	1,436,493	(22,623)	-	1,413,870
Net funds	1,436,493	(22,623)	-	1,413,870

23. COMPANY LIMITED BY GUARANTEE

The Academy Trust is a company limited by guarantee and does not have share capital.

24. 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

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25. CONTINGENT LIABILITIES

Before the former school, Featherstone High School, converted to an academy, the school had entered into various leases for capital equipment with the London Borough of Ealing. These leases have subsequently been identified as finance leases.

As neither the former school nor Featherstone academy were empowered to enter into such leases, the lease payments were suspended and the lessors were invited to collect their equipment, as agreed under the terms of the leases.

Following legal advice, the Governors do not consider any further payments should be made and no provision has been made for such payments in these accounts. The full contracted amount outstanding at 31 August 2015 were the lease agreements not deemed to be null and void is £328,000. This amount has not been included as a liability as the governors consider that the likelihood of the academy having to make such a payment or to pay any other penalty is remote.

26. PENSION COMMITMENTS

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

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

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 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:

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NOTES TO THE FINANCIAL STATEMENTS
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26. PENSION COMMITMENTS (continued)

- 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 £604,391 (2014: £594,783).

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 group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The group has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £506,000, of which employer's contributions totalled £391,000 and employees' contributions totalled £115,000. The agreed contribution rates for future years are 13.7% for employers and 5.5-12.5% for employees.

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

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26. PENSION COMMITMENTS (continued)

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

	Expected return at 1 March 2015 %	Fair value at 1 March 2015 £	Expected return at 1 March 2014 %	Fair value at 1 March 2014 £
Equities	6.50	1,218,000	7.00	967,000
Bonds	3.60	461,000	3.80	375,000
Property	6.10	195,000	-	-
Other	6.50	62,000	6.20	98,000
Cash	0.50	10,000	0.50	1,000
Total market value of assets		<u>1,946,000</u>		<u>1,441,000</u>
Present value of scheme liabilities		<u>(5,376,000)</u>		<u>(4,762,000)</u>
Deficit in the scheme		<u><u>(3,430,000)</u></u>		<u><u>(3,321,000)</u></u>

The amounts recognised in the Balance Sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(5,376,000)	(4,762,000)
Fair value of scheme assets	<u>1,946,000</u>	<u>1,441,000</u>
Net liability	<u><u>(3,430,000)</u></u>	<u><u>(3,321,000)</u></u>

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

	2015 £	2014 £
Current service cost	(325,000)	(290,000)
Interest on obligation	(199,000)	(240,000)
Expected return on scheme assets	<u>85,000</u>	<u>67,000</u>
Total	<u><u>(439,000)</u></u>	<u><u>(463,000)</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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26. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening defined benefit obligation	4,762,000	4,808,000
Current service cost	325,000	290,000
Interest cost	199,000	240,000
Contributions by scheme participants	115,000	111,000
Actuarial Gains	-	(677,000)
Benefits paid	(25,000)	(10,000)
	<u>5,376,000</u>	<u>4,762,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	1,441,000	947,000
Expected return on assets	85,000	67,000
Actuarial gains and (losses)	(61,000)	(27,000)
Contributions by employer	391,000	353,000
Contributions by employees	115,000	111,000
Benefits paid	(25,000)	(10,000)
	<u>1,946,000</u>	<u>1,441,000</u>

The cumulative amount of actuarial gains recognised in the Consolidated Statement of Financial Activities was £757,000 (2014 - £818,000).

The group expects to contribute £400,000 to its Defined Benefit Pension Scheme in 2016.

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

	2015	2014
Discount rate for scheme liabilities	4.00 %	4.00 %
Expected return on scheme assets at 31 August	5.41 %	5.78 %
Rate of increase in salaries	3.95 %	3.95 %
Rate of increase for pensions in payment / inflation	2.20 %	2.20 %
Inflation assumption (CPI)	2.20 %	2.20 %

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26. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	23.0	22.9
Females	25.5	25.4
Retiring in 20 years		
Males	25.2	25.1
Females	27.9	27.8

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

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	(5,376,000)	(4,762,000)	(4,808,000)	(4,238,000)
Scheme assets	1,946,000	1,441,000	947,000	451,000
Deficit	<u>(3,430,000)</u>	<u>(3,321,000)</u>	<u>(3,861,000)</u>	<u>(3,787,000)</u>
Experience adjustments on scheme liabilities	-	677,000	-	251,000
Experience adjustments on scheme assets	<u>(61,000)</u>	<u>(27,000)</u>	<u>69,000</u>	<u>14,000</u>

Sensitivity analysis

The following show how the sensitivity measurement of scheme liabilities would have been affected by changes in the relevant assumption that were reasonably possible at the balance sheet date:

	£000s	+0.1% p.a. Disc Rate	+0.1% p.a. Inflation	1 year increase in life expectancy
Liabilities	5,376	5,229	5,527	5,470
Assets	(1,946)	(1,946)	(1,946)	(1,946)
Deficit/(Surplus)	3,430	3,283	3,581	3,524
Projected service cost for next year	325	312	338	333
Projected expected return on assets for next year	(106)	(106)	(106)	(106)
Projected interest cost for next year	223	223	230	227

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27. OPERATING LEASE COMMITMENTS

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

Group	Land and buildings		2015	Other
	2015	2014		
Expiry date:	£	£	£	£
Within 1 year	-	-	7,362	-
Between 2 and 5 years	-	-	-	7,362
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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

Academy	Land and buildings		2015	Other
	2015	2014		
Expiry date:	£	£	£	£
Within 1 year	-	-	7,362	-
Between 2 and 5 years	-	-	-	7,362
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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28. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a 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.

During the year the Academy paid £nil (2014: £22,080) to EBSI (UK) Limited, a business which is related to a teacher's wife, for work experience services.

During the year the Academy paid £nil (2014: £400) to Simply Scrummy Limited, a business which is related to a teacher's wife, for catering services.

During the year the Academy paid £855 (2014: £nil) to Ambassadors of Sound, a business which is owned by the husband of Mrs Jyoti Subharwal who is a Governor.

During the year the Academy paid £60 (2014: £nil) to Kallha Bros Building Merchants, a business which is owned by Mr Kewal Kallha who is a Governor, for building supplies.

All of the above transactions were on an arms length basis and there were no outstanding balances at the year end in respect of the transactions, (2014: £nil).

During the year the Academy received £3,500 (2014: £nil) for the Schools Sports Partnership Provision from Wolf Fields Primary School, a school at which Mr Kewal Kallha is also a Governor. This transaction was on the same terms as those that apply to all schools participating in the Schools Sports Partnership Provision. Mr Kewal Kallha was not involved in any discussions relating to this transaction.

During the year the Academy paid £11,945 (2014: £8,718) to Mr Kewal Kallha's daughter-in-law, who is employed by the school as a receptionist. Mr Kewal Kallha is a Governor of the school.

During the year £5,994 (2014: £9,718) was paid to Mrs Fay Haras-Gummer's daughter, who is employed by the Featherstone Sports Centre, a subsidiary of the academy. Mrs Fay Haras-Gummer is a Governor of the academy.

These two employments were on the same terms of employment as all other employees. The Governors, Mrs Fay Haras-Gummer and Mr Kewal Kallha, do not take part in discussions relating directly to the appointment, employment or remuneration of employees mentioned above.

Details of income and expenditure allocation of the subsidiary are included in accounting policies.

Details of the gift aided donation from the subsidiary company, Featherstone Sports Centre, to the academy trust are detailed in note 15.

Advantage is taken of FRS 8 exemption from disclosure of all other intra group transactions between the academy and its subsidiary, Featherstone Sports Centre Limited.

29. CONTROLLING PARTY

There is no ultimate controlling party.