

QUEEN ELIZABETH'S GIRLS' SCHOOL
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

QUEEN ELIZABETH'S GIRLS' SCHOOL
(A Company Limited by Guarantee)

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QUEEN ELIZABETH'S GIRLS' SCHOOL
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members

Mrs H Chamberlain, Chair of Trustees¹
Prof B Barrett¹
Mr P Kotecha¹
Mrs K Longman, Vice Chair
Mrs K Webster, Head Teacher and Accounting Officer (retired 31 August 2015)¹
Mrs D Lane¹
Mrs V Walker, Head Teacher and Accounting Officer (appointed 1 September 2015)

Trustees

Mrs K Excell¹
Mr R Gothelf
Mrs K Levine¹
Mr J Killip¹
Mrs S Johnstone
Ms E Aarons (resigned 22 February 2015)
Mrs V Berkson
Mr A Jenner (appointed 24 October 2014)
Ms J Hart (appointed 20 October 2014)¹
Ms B Dodhia (appointed 20 October 2014)

¹ Member of the Finance and Premises Committee

Company registered number

07698875

Principal and registered office

High Street, Barnet, Hertfordshire, England, EN5 5RR

QUEEN ELIZABETH'S GIRLS' 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 J Lawson

Senior leadership team

Mrs K Webster, Head teacher (retired 31 August 2015)
Mr D Jones, Deputy Headteacher
Ms G Gibson, Deputy Headteacher (resigned 16 August 2015)
Mrs J Cooke, Assistant Headteacher (resigned 31 August 2015)
Mr J Haines, Assistant Headteacher
Mrs T Parker, Assistant Headteacher
Mr K Laing, Associate Assistant Headteacher
Ms L Southwell, Assistant Headteacher
Mrs J Lawson, Business Manager
Mrs V Walker, Head teacher (appointed 1 September 2015)

Independent auditors

MHA MacIntyre Hudson, Euro House, 1394 High Road, London, N20 9YZ

Bankers

National Westminster Bank Plc, 120 High Street, Barnet, EN5 5FF

Solicitors

Winkworth Sherwood LLP, Minerva House, 5 Montague Close, London, SE1 9BB

QUEEN ELIZABETH'S GIRLS' SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The trustees who are also the directors of Queen Elizabeth's Girls' School present their annual report together with the financial statements and auditors' reports of the charitable company for the year ended to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law. The trustees confirm that the Annual Report and Financial Statements of the Academy comply with the current statutory requirements, the requirements of the Academy'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 girls aged 11 to 19 serving a catchment area in Barnet, North London. It has a pupil capacity of 1200 and had a roll of 1131 in the school census on 23rd October 2014.

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 Trustees of Queen Elizabeth's Girls' School (Barnet) are also the directors of the charitable company for the purposes of company law. The charitable company is known as Queen Elizabeth's Girls' School (Barnet).

Details of the trustees who served throughout the year except as noted 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. 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 Academy became a scheme member of the Risk Protection Arrangement with the Department for Education (RPA). There is no 'premium' paid as such for the RPA, purely a cost per pupil, and there is not a way of providing an individual cost for each section of the RPA.

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

In accordance with the articles of association, the School Governing Body can be made up of: up to 7 Community Governors; 3 Staff Governors (two teaching staff and one support staff) elected by employees of the School; 7 Parent Governors elected by the parents of registered students at the school; and the Headteacher. The Governing Body may appoint up to 7 Co-opted Governors.

All governors serve for a period of 4 years in the first instance. Parent and Staff Governors are elected by secret ballot of their electorates. Community Governors are selected by the governing body. Where necessary, applications will be sought by advertising in the school newsletter and using the national "one stop shop" for governors. The governing body does a regular skills audit to identify areas where skills are needed to inform their recruitment strategy and tries to ensure that the governors are representative of the school and wider community as possible.

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

All governors are assigned to one of the following 3 sub committees:

Achievement and Behaviour
Leadership Management and Resources (this includes Finance and Premises)
General Purposes

The terms of reference for each committee are agreed at the first committee meeting of each academic year. At the start of 2014-15 financial and academic year the number of committees was streamlined, however separate Finance and Premises and Staffing Committees will be reinstated in 2015-16 to reflect the amount of business to be covered.

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

All Governors are provided with an induction and training programme appropriate for their skills and experience. New governors are also allocated a mentor who will be an experienced governor to support their induction. All new governors will be given a tour of the Academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors. As there are normally only two or three new governors a year, induction tends to be done informally and is tailored specifically to the individual.

Provision is made for governor training in the school's Staff Development budget. The governing body buys into the Barnet local authority-training programme for school governors so that individuals are able to select training appropriate to their needs and responsibilities. Some training is also commissioned for the whole governing body on key areas such as exclusions.

The governing body is a member of the National Governors' Association and all members have access to their literature. Other external training courses are used as appropriate.

f. ORGANISATIONAL STRUCTURE

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy, by use of budgets and reports to committees. They make major policy decisions about the direction of the Academy, capital expenditure and senior staff appointments. The governing body has Achievement and Behaviour, General Purposes and Leadership Management and Resources committees that oversee and scrutinise the work of the Academy.

The Senior Leadership Team consists of the Headteacher, two Deputy Headteachers five Assistant Headteachers, and one Associate Headteacher) and the School Business Manager. These managers control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. The Senior Leadership Team are responsible for the day-to-day operation of the Academy, in particular, curriculum delivery, deployment and quality assurance of teaching, well-being of students and oversight of budget and premises and facilities. Each member of the team has a range of delegated responsibilities for which they are accountable to the Headteacher.

As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff. Appointment boards for Deputy Headteacher and above will include several governors and external expertise if required. Substantive middle leadership roles will normally also include a governor. Some spending control is devolved to members of the Middle Leadership Team, however spending is according to budgets agreed as part of the annual development planning process and approved by members of Senior Leadership Team.

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

g. KEY RELATIONSHIPS

The school continued to develop relationships with the local community and beyond, partly through outreach activities and partly through membership of a range of different groups.

The school has continued to work with other local primary and secondary schools. This has included:

- Outreach in a range of schools in media related activities
- A number of departments have worked with departments in other schools to share good practice in teaching and learning. We have also hosted staff from other schools as part of their professional development
- Several departments have hosted PGCE students during school placements. We have also provided school experience placements for people interested in entering teaching as a career.
- Kenneth Laing, Head of ICT is a Fronter champion within the London Grid for Learning and the school has had Fronter Champion Gold status since September 2013.
- The school hosts the Barnet School Sports Partnership and the manager of the Partnership is based at Queen Elizabeth's Girls' School and line-managed by the Headteacher. The Headteacher is also a member of the Management Committee of the Partnership.
- We are members of and have contributed to planning and research for the National Training School hub based at The Compton School in Finchley.
- The school is also a member of Challenge Partners, a nationwide grouping of schools working together to provide peer support, challenge and review, as well as a range of other school improvement strategies such as subject specific support and training, training in teaching and learning. Several members of SLT are trained reviewers and have undertaken reviews in other schools.
- We continue to be members of the Association of State Girls' Schools and participate in their networks.

The retiring Head was on the Management Committee of the Pavilion Pupil Referral Unit. She also served on a number of other committees and working groups related to Borough schools.

h. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Queen Elizabeth's Girls' School is not part of any academy chains or federations as the governing body believe that it is important for the school to maintain its independence to ensure it best serves the needs of the community.

The school is the main hub for the Barnet Partnership for School Sports as the Manager of this Partnership is based at the school (she is also the School Games Organiser). The Partnership is independent of the school (although the school is a member and the Headteacher is a member of the management committee).

The school is also a member of Challenge Partners. This is a group of schools which work together to enable access to peer view and challenge and to school improvement strategies, such as access to staff training and external subject related input. Challenge Partners is a membership organisation.

The school also benefits from a Trust (The Trust of the Barnet Grammar Schools). The trust provides a small income to the school as well as grants to pupils who are in financial need to participate in school activities.

QEGSA (the Queen Elizabeth's Girls' School Association) is the school's PTA. It is a registered charity and its main aims are to raise money for the school and to provide events for pupils and parents.

None of the Trustees or governors has either community roles or business relationships with the school.

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

Objectives and Activities

a. OBJECTS AND AIMS

The principal object and activity of the charitable company is the operation of the Queen Elizabeth's Girls' School (Barnet) to provide education for pupils of different abilities between the ages of 11 and 19.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The main objectives of the Academy during the year 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 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 comply with all appropriate statutory and curriculum requirements;
- To maintain close links with industry and commerce; and
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Specific objectives for the period included:

Ensuring that as many girls as possible reach the national benchmark for GCSEs of 5 A* - C including English and Maths (we set aspirational targets of 80% in 2015 to achieve this) and maximising the numbers making expected and good progress.

Improve the tracking and monitoring of pupils at all levels to ensure that where necessary there are appropriate interventions.

Continue to develop effective differentiation strategies to enable all pupils to access the curriculum and with the aim of "closing the gap" with groups which traditionally achieve less well nationally,

Keep the curriculum under review to reflect national changes in the examination regime and to offer as much breadth as possible with reducing funding.

Continue to deliver training and opportunities for the sharing of good practice to ensure consistently high quality of teaching and learning and examination outcomes.

Seek to maintain investment in the fabric of the building, despite reduced funding, in particular reinvesting lettings income in sports and other facilities.

Following the Ofsted inspection of March 2014, the school has been focused on addressing issues raised, in particular closing the gap in performance between advantaged and disadvantaged pupils (according to national definitions) and completing and delivering an action plan to ensure that all aspects of attainment, teaching and learning and leadership and management are consistently at least good or better. Indications from monitoring HMI and examination outcomes have been positive.

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

c. REVIEW OF ACTIVITIES

The school undertook a range of educational activities and programmes in 2014-15

Once again, excellent progress was made towards the aspirational targets set for GCSE. The percentage achieving 5 A*-C including English and Mathematics equalled the highest ever achieved (78%). The previous occasion was prior to the abolition of modular examinations and other reforms to the examinations system, so these results are arguably the best ever. Final national figures are not available at the time of writing, but it is expected that the percentage achieving the 5 A*-C benchmark will be well above the national average. Similarly, progress measures for English and Mathematics were very strong compared with the national picture and showed further improvement. The percentage of the cohort achieving the English Baccalaureate (EBacc) was again very high and considerably above the national average at 24%.

The school has continued to make better and more informed use of pupil performance data to drive interventions. The further developments of SISRA Analytics has enabled both middle and senior leaders to scrutinise progress against targets with greater confidence. There has also been on-going training of governors in the interpretation of pupil performance data to support a high level of monitoring and challenge.

The Sports Centre has continued to flourish under the direct control of the school and has enabled it to be managed to the benefit of both the school and community users. It is hoped to apply funding from QEGSA, Trustees, Project 125, as well as some funding from the school to improve the Fitness suite and the usefulness of accommodation on the upper floor of the Sports Centre towards the end of the 2015-16 academic and financial year.

Early in the year, alterations were made in the dining area to provide additional study space for 6th formers, particularly during the supervised '11th hour'. During the year, major changes to IT provision and the school's Management Information System have been planned, with conversion taking place over the summer. These should result in a better performance, more effective use of technician time and a more flexible and user-friendly MIS system, which will in turn benefit tracking of pupil progress.

d. PUBLIC BENEFIT

The Governors of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. The activities undertaken to further the Academy Trust's purpose for the Public Benefit include promoting education for the benefit of the local community in Barnet. In addition to the education activities for pupils, the Academy Trust also offers recreational and other facilities to a variety of local community groups outside of school hours for the benefit of the general public. Community based projects are also undertaken during the year by staff and students which further enhances the public benefit.

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

Strategic Report

Achievements and performance

a. ACHIEVEMENTS AND PERFORMANCE

During the last academic and financial year, and for the first time the Academy was undersubscribed. We had a shortfall of 7 students in Year groups 7 - 11 with a total of 1131 students on roll, of which 238 were in the 6th Form. There is now a much greater competition for all year groups, reflecting the creation of increased places and a temporary dip in pupil numbers. Examination results for 2015 were again very good overall:

At A and AS level, results were good and in line with national figures. Benchmark figures were similar to 2014. The overall pass rate at A Level (A2) was 97%. More than 20% of grades were A*/A 49% were A*-B and 72% were A*-C.

- The destinations list of A Level students was again very good, with the majority going to university. One candidate has a place at Cambridge and there are at least two girls going to medical school.
- GCSE outcomes were again excellent and the percentage achieving 5 A*-C including English and Maths (78%) is the school's best ever performance. This follows two years of sustained strong outcomes at 74%. Once again, effective interventions and the hard work of both pupils and staff ensured that all girls achieved as well as possible. As expected, the percentage achieving 5 or more A*-C passes recovered to 85%, as most girls gained a full GCSE qualification in Religious Studies and IT as part of their core curriculum. 45% of pupils achieved the EBacc which is well above the national figure. Once again the more able did very well with over a third of entries achieving A*/A and 36% of the cohort achieving 5 or more passes at A*/A grade.
- Progress demonstrated by the year group was very good in relation to national figures and was even better than in 2014. 84% achieved expected progress in English (80% at QEGS and 72% nationally in 2014) and 83% in Maths (85% at QEGS and 65% nationally in 2014). The percentages achieving good progress also rose to 58% (45% in 2014) and 60% (53% in 2014) respectively. These are outstanding figures compared with the national picture.

The school offers a wide programme of extra-curricular activities and programme of visits and journeys to destinations in the UK and elsewhere. There is also an extensive sporting programme in school and in competition with other schools in the Borough. The Duke of Edinburgh programme has become well established.

- Girls are also involved in a wide range of charitable fundraising with each form choosing their own charities. Girls also raised considerable sums for QEGSA (the school's PTA) and to fund participation in Rock Challenge. All Y8 pupils undertake a module as part of their PSHCE programme which looks at active citizenship. As part of this, they undertake a project to raise awareness and funding for a charity of their choice. The school continues to support Lindani High School in South Africa.

b. KEY FINANCIAL PERFORMANCE INDICATORS

The Academy Trust uses a number of financial key performance indicators to monitor financial success of the Academy Trust and progress/improvement against the targets set.

Staffing costs are monitored as a percentage of income received from government funding. For the year ended 31 August 2015 staffing costs amounted to 83% of GAG.

The Academy Trust also monitors its net surplus or deficit as a percentage of total income. For the year ended 31 August 2015 the net deficit was £357,294 (2014: £482,034 surplus).

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TRUSTEES' REPORT (continued)
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The Academy Trust also uses a number of non-financial key performance indicators to monitor its performance. These include:

- GCSE and A level pass rates and percentage of A*-C passes (see above)
- Staff retention and turnover rates – the Academy Trust is pleased to report that it has retained 92% of staff for the forthcoming year, and of the 8% staff turnover, 5% relate to staff retiring. Staff retention from 2013 to 2014 was 76%
- Student attendance rates – for the year ended 31 August 2015 student attendance was 95.10% (2014 - 94.98%)

c. GOING CONCERN

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements in respect of a period of one year from the date of approval.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

a. FINANCIAL REVIEW

Most of the School's income is obtained from the Department for Education (DfE) in the form of recurrent grants disbursed via the Education Funding Agency (EFA), the use of which is restricted to particular purposes. The grants received from the DfE and other governing bodies during the year ended 31st August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The School also received grants for fixed assets from the EFA and other funding bodies. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting Charities' (SORP 2005), such grants are 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 year ended 31 August 2015 total expenditure was £7,711,802. The school generated income of £7,354,508 including General Annual Grant of £6,225,190 (see note 18).

The period ending 31st August 2015 the net book value of fixed assets was £16,900,746 and movements in tangible fixed assets are 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 excess of expenditure over income for the year, excluding the restricted fixed assets fund and the pension reserve, was £200,544.

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TRUSTEES' REPORT (continued)
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b. RESERVES POLICY

The governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The 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.

During the coming year, the Governing Body will adopt a policy on the appropriate level of free reserves to reflect revenue income and future commitments. The governors have plans in place to reduce the pension deficit of £933,000 over a period of years.

At 31 August 2015 the total funds comprised:

Unrestricted:		719,662
Restricted:	Fixed asset funds	16,900,746
	Restricted funds	730,396
	Pension reserve	(933,000)
		<u>17,417,804</u>

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 25. The deficit can be met in the longer term from any combination of increased employer or employee contributions, 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 months' worth of Academy expenditure. The aim of the Governors is to increase this reserve to meet future working capital requirements.

c. INVESTMENT POLICY AND PERFORMANCE

In accordance with the School's Financial Procedures, the Headteacher and Chair of the Leadership Management and Resources committee make recommendations to the Governing Body on the use of surplus funds. In the interim, surplus funds are held within the treasury deposit account, which is maintained in addition to the balance held within the current account.

d. PRINCIPAL RISKS AND UNCERTAINTIES

Through the Academy's risk management procedures, it has considered its principal risks and uncertainties and planned mitigating action wherever possible.

The Academy Trust main activities are to provide secondary education with a broad and balanced curriculum and the principal risks facing the Academy are:

Reputational risks:

- Insufficient demand for the school services,
- Unfavourable Ofsted report
The Headteacher and Governors worked very hard to communicate with parents following the disappointing Ofsted of 2014. They also pursued a complaint which was partially successful in confirming that English outcomes were above the national average as the school contended. The Headteacher and

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Governors have also maintained communication in relation to the school's continuing strong achievements, especially in relation to examination results which has enabled parental satisfaction and enrolments to remain high

- Failure to comply with legislation.
- These risks are mitigated by the Trustees having a number of systems in place ensuring regular review of the school's self-evaluation and Head teacher's targets. To maintain and manage the Admissions policy and to ensure good publicity of what we do best placed on the website and to continue to maintain a good relationship with all stakeholders.
- To ensure good preparation for inspection and to maintain a high standard of Teaching and Learning throughout to ensure QEGS remains the school of choice. By having an experienced and active Governing Body and SLT with all stakeholders taking an active role in the operation of the school.
- In the event of an unfavourable Ofsted report to actively pursue any complaints, ensure that stakeholders are fully informed of issues and take any necessary remedial actions.
- Regular reviews and assessments by the Finance & Premises committee to ensure the Trustees comply with all DfE legal and other requirements.

Performance risk – This could be:

- Headteacher absence risk
- Competition Risk – Other organisations completing for the same resource.

Litigation risk

- Insurance risk - inadequate insurance cover

These risks are mitigated by:

- the Academy ensuring succession planning so that SLT members can deputise for each other's roles. This is kept under review and regular discussion item for the governors.
- To continue looking for ways of improving and maintaining high standards in all aspects of the School's activities.
- In order to minimise risks the Academy has the appropriate levels of insurance cover reviewed annually and used cost effectively to manage the risks accordingly.

Financial Risk – The principal financial risks are:

- A reduction in pupil numbers,
- Reduction in central government funding,
- Unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs.

The risks presented are mitigated by:

- Continue the high quality of teaching and learning to keep QEGS a school of choice.

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- Regular reviews by the SLT and Governing Body to identify ways of improving further and managing financial control. Monthly budget monitoring and reconciliations and timely reports to the SLT and Governing Body
- Finance & Premises committee to monitor the budgets and careful planning of reserves and produce a 5 year plan. Review budget after any national changes. Apply the Academy's Financial Handbook and School's internal controls rigorously to minimise / control risks.

Risks associated with personnel are:

- The Employment laws – risks that legislative requirements are not known or complied with.
- Health & Safety risks
- Employing unsuitable staff

These risks are mitigated by:

- Making full use of the School's Capita HR/Payroll provider knowledge and expertise for all personnel and difficult issues. Nominated staff attends HR training by Capita HR and follow instructions/advice from the DfE.
- To regularly review the Health & Safety policy and risk assessments are applied thoroughly with internal monitoring.
- The vetting of all new staff and visitors and to follow the safeguarding procedures and maintain the SCR register constantly whenever there are staff changes.
- High expectations of all staff and early intervention when this is not the case.

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 senior executive officers.

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TRUSTEES' REPORT (continued)
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Plans for future periods

a. FUTURE DEVELOPMENTS

The School will continue to strive to improve the levels of performance of its students at all levels and will continue its efforts to ensure its students are able to progress to appropriate further/higher education, training or to the workplace when they leave.

The new incoming Headteacher Mrs Violet Walker reported the school's development plan for 2015/2016 is as follows:

Core purpose

To accelerate the rate of improvement in outcomes at all Key Stages

Key aims

- To raise attainment and rates of progress and close the gaps between groups of students at all Key Stages
- To ensure that the quality of teaching promotes rapid and sustained progress and a love of learning
- To ensure students are safe, attend regularly and have a consistently positive attitude to learning
- To ensure leaders at all levels pursue excellence and model professional standards.

The development plan will be achieved by applying early intervention strategies, within the classroom and from Year 7. These will include matching learning and teaching activities with individual student needs, based on close monitoring of progress data. A bespoke CPD programme for staff will ensure high quality teaching and sharing of best practice to support a consistent and innovative pedagogy, across the curriculum, at all key stages.

DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the trustees are aware:

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

This report, incorporating the Strategic Report, was approved by order of the board of trustees, as the company directors, on 8/12/15 and signed on the board's behalf by:



Mrs H Chamberlain
Chair of Trustees

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Queen Elizabeth's Girls' School Barnet and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Trustees' Responsibilities Statement. The board of trustees has formally met 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs H Chamberlain, Chair of Trustees	7	7
Prof B Barrett, Vice Chair	7	7
Mr P Kotecha	5	7
Mrs K Longman, Vice Chair	5	6
Mrs K Webster, Head Teacher and Accounting Officer, (retired August 2015)	6	7
Mrs D Lane	7	7
Mrs K Excell	6	7
Mr R Gothelf	5	7
Mrs K Levine	0	7
Mr J Killip	6	7
Mrs S Johnstone	4	7
Ms E Aarons (resigned February 2015)	0	3
Mrs V Berkson	6	7
Mr A Jenner (appointed 20th October 2014)	6	6
Ms J Hart (appointed 20th October 2014)	5	6
Ms B Dodhia (appointed 20th October 2014)	5	6

The most significant change this year has been the retirement of our Headteacher, Mrs K Webster. She has been succeeded by Mrs Violet Walker whom we welcomed to the school in September 2015. In the summer 2014, following our governance review, we took the opportunity of governor resignations to reduce the size of our governing body by one community governor and one parent governor. Other changes included two new teacher governors being elected, Ms Binde Dodhia and Mrs Jennifer Ford (nee Hart) both appointed 20th October 2014 and one parent governor being elected, Mr Alan Jenner also in October 2014. Mr Killip had to declare an interest though in fact there was no occasion when there was a conflict.

Governance reviews:

The governors commissioned an external review of governance in line with the recommendations of the Ofsted inspection of March 2014. This was completed in July 2014.

This found that considerable areas of strength, particularly in relation to vision, ambition and priorities for the improvement of the school, financial control and reporting and meeting statutory duties. However, the governors also felt that there was scope to strengthen the areas of monitoring and challenge. The following targets were identified:

QUEEN ELIZABETH'S GIRLS' SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

- committee structure to be reviewed in the context of improving governors' monitoring role.
- review link governor roles, possibly linking governors more to key development areas and to clearly to monitoring the SEF and SDP.
- reformat head's report to report progress under each of the sections of the Ofsted action plan and the School Development Plan.
- revive and refresh the existing induction procedure and code of conduct so that governors are fully aware of the importance of their monitoring role.
- add succession planning as agenda item for full governing body meeting.
- chairs, clerk and all governors share responsibility to ensure that minutes record challenge.
- governors to seek and analyse more comparison data.
- Data drops showing pupil progress and any external reviews should be summarised into a usable format and reviewed by governors termly and action points recorded.
- the head's review panel to report more explicitly to governing body on the process and summarise, with due regard to confidentiality, top line targets that relate to school improvement.
- Implement the decision already taken to engage a professional clerk for all meetings, including committees.
- build the monitoring and review of parent, staff and pupil views into committee terms of reference and committee calendars.
- governors to focus on analysing the evidence of the impact of Pupil Premium and add to calendar of work.

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to:

- Provide guidance and assistance to the Headteacher and the board of trustees in all matters relating to budgeting and finance.
- To assist the decision making of the board of trustees, by enabling more detailed consideration to be given to the best means of fulfilling the board of trustees' responsibilities to ensure sound management of the academy's finances and resources including proper planning, monitoring and probity.
- To make appropriate comments and recommendations on such matters to the board of trustees on a regular basis. Major issues will be referred to the board of trustees for ratification.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs H Chamberlain	5	5
Prof B Barrett, Chair	5	5
Mrs D Lane	3	5
Ms B Dodhia	1	4
Mrs K Excell	4	5
Mrs K Levine	2	5
Mr J Killip, Vice Chair	3	5
Mr P Kotecha	3	5
Mrs K Webster, Head Teacher and Accounting Officer (retired 31 August 2015)	5	5
Mrs J Ford (nee Hart) (appointed October 2014)	3	4

QUEEN ELIZABETH'S GIRLS' SCHOOL
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GOVERNANCE STATEMENT (continued)

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:

-The Literacy and Numeracy Catch Up

Overview

The Literacy and Numeracy Catch Up was introduced by the government in March 2013 to support year 7 pupils who did not achieve at least level 4 in reading and/or Mathematics at the end of key stage 2. Schools receive an additional premium of £500 for each Year 7 student who has not achieved these levels (maximum £500 per pupil). The funding is used to help those students "catch-up" to their peers in the first year of their secondary education. QEGS is committed to ensuring that the additional funding is used in order to make a significant impact on their education and lives.

-Strategies 2014-15

The strategies for the current year are as follows:

1. The literacy intervention was provided by an outside agency last year and it was felt that it did not meet the needs of our students as well as we would like. Therefore, this year we have employed a specialist literacy teacher who has worked with us on a continuous basis. Students in Year 7 have been taken off timetable to receive extra literacy sessions for three sessions per week over a 6-week period.
2. In Mathematics we have continued with Peer Tutoring with A Level Mathematics students, as this was successful last year.
3. Paired Reading has started again in the summer term.

-Evidence of impact (May 2015)

Students who have taken part have fed back the following information:

- 100% of students found the catch up sessions helpful in terms of supporting them in Mathematics and English.
- 100% of students asked felt that the catch up sessions had a direct impact on their achievement.

In terms of student achievement, the Year 7 students who receive English catch up have achieved the following:

- 95% of students who have received catch up have now achieved at least a 4c if not higher by the mid-point of the year.
- in addition 16% of students have already met their End of Year 7 target and a further 16% have surpassed their end of Year target (May).

Students who received catch up for Mathematics have achieved the following:

- 33% of students have met their Year 7 target and a further 41% have exceeded their Year 7 target at Data Drop 2 (May).
- 91% of students have reached at least a level 4c if not higher on Data Drop 2.

In both English and Mathematics, the students who have not yet reached a level 4 or are still working towards their end of year target will continue to receive support until at least the end of the academic year.

QUEEN ELIZABETH'S GIRLS' SCHOOL
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GOVERNANCE STATEMENT (continued)

-Lessons learned

The school has identified the register of contracts and services, an area for continuing development and reviewing to ensure we have appropriate equipment etc. that is fit for purpose for the tasks intended and to improve the monitoring to ensure best value across the whole school.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

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

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Leadership Management and Resources 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 has decided not to appoint an internal auditor. However, the Trustees have appointed Mr P Harding MSc MCMA, a parent, as Responsible Officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

On a termly basis, the RO reports to the board of trustees, through the finance and premises committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

QUEEN ELIZABETH'S GIRLS' SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

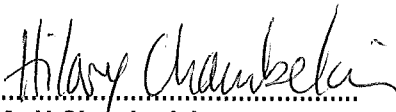
REVIEW OF EFFECTIVENESS

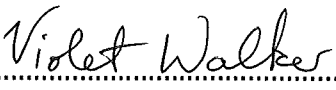
As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Responsible Officer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 8/12/15 and signed on its behalf, by:


.....
Ms H Chamberlain
Chair of Trustees


.....
Mrs V Walker
Accounting Officer

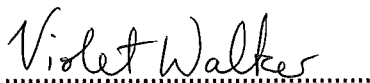
QUEEN ELIZABETH'S GIRLS' SCHOOL
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Queen Elizabeth's Girls' School Barnet I have considered my responsibility to notify the Academy Trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

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



Mrs V Walker
Accounting Officer

Date: 8/12/15

QUEEN ELIZABETH'S GIRLS' SCHOOL
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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees (who act as governors of Queen Elizabeth's Girls' School (Barnet) and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

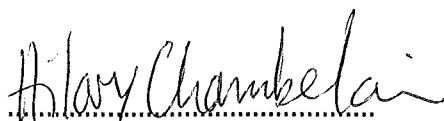
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 8/12/15 and signed on its behalf by:



Mrs H Chamberlain
Chair of Trustees

QUEEN ELIZABETH'S GIRLS' SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF QUEEN ELIZABETH'S GIRLS' SCHOOL

We have audited the financial statements of Queen Elizabeth's Girls' School for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the 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.

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 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 academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

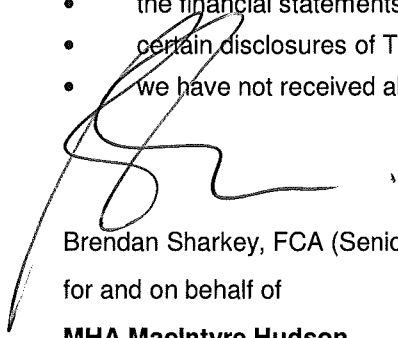
QUEEN ELIZABETH'S GIRLS' SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF QUEEN ELIZABETH'S GIRLS' SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



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 2014

QUEEN ELIZABETH'S GIRLS' SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO QUEEN
ELIZABETH'S GIRLS' 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 Queen Elizabeth's Girls' 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 Queen Elizabeth's Girls' School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Queen Elizabeth's Girls' 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 Queen Elizabeth's Girls' School and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF QUEEN ELIZABETH'S GIRLS' SCHOOL'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Queen Elizabeth's Girls' School's funding agreement with the Secretary of State for Education dated 01 August 2011, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the 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;
- Testing a sample of payroll payments to staff;

QUEEN ELIZABETH'S GIRLS' SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO QUEEN ELIZABETH'S GIRLS' SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)

- Testing 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, 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

QUEEN ELIZABETH'S GIRLS' SCHOOL
(A Company Limited by Guarantee)

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	31,188	226,789	-	257,977	233,989
Activities for generating funds	3	146,125	12,867	-	158,992	130,551
Investment income	4	8,863	-	-	8,863	16,754
Incoming resources from charitable activities	5	-	6,857,559	25,296	6,882,855	7,425,133
Other incoming resources	6	22,762	23,059	-	45,821	155,313
TOTAL INCOMING RESOURCES		208,938	7,120,274	25,296	7,354,508	7,961,740
RESOURCES EXPENDED						
Charitable activities	8	84,350	7,298,987	299,654	7,682,991	7,456,898
Governance costs	9	-	28,811	-	28,811	22,809
TOTAL RESOURCES EXPENDED	7	84,350	7,327,798	299,654	7,711,802	7,479,707
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		124,588	(207,524)	(274,358)	(357,294)	482,033

QUEEN ELIZABETH'S GIRLS' SCHOOL
(A Company Limited by Guarantee)

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	-	(117,608)	117,608	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		124,588	(325,132)	(156,750)	(357,294)	482,033
Actuarial gains and losses on defined benefit pension schemes		-	(23,000)	-	(23,000)	117,000
NET MOVEMENT IN FUNDS FOR THE YEAR		124,588	(348,132)	(156,750)	(380,294)	599,033
Total funds at 1 September 2014		595,074	145,528	17,057,496	17,798,098	17,199,065
TOTAL FUNDS AT 31 AUGUST 2015		719,662	(202,604)	16,900,746	17,417,804	17,798,098

All activities relate to continuing operations. The Statement of Financial Activities includes all gains and losses recognised in the year.


The notes on pages 29 to 49 form part of these financial statements.

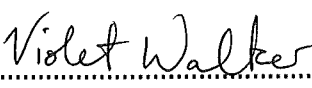
QUEEN ELIZABETH'S GIRLS' SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07698875

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	2014 £
FIXED ASSETS				
Tangible assets	14		16,900,746	17,057,496
CURRENT ASSETS				
Stocks	15	1,563		1,155
Debtors	16	261,867		375,521
Cash at bank and in hand		2,449,610		1,802,092
		<u>2,713,040</u>		<u>2,178,768</u>
CREDITORS: amounts falling due within one year	17	(1,262,982)		(581,166)
NET CURRENT ASSETS			<u>1,450,058</u>	<u>1,597,602</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>18,350,804</u>	<u>18,655,098</u>
Defined benefit pension scheme liability	25		<u>(933,000)</u>	<u>(857,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>17,417,804</u></u>	<u><u>17,798,098</u></u>
FUNDS OF THE ACADEMY				
Restricted funds:				
Restricted funds	18	730,396		1,002,528
Restricted funds - pension deficit	18	(933,000)		(857,000)
Restricted fixed asset funds	18	16,900,746		17,057,496
Total restricted funds			<u>16,698,142</u>	<u>17,203,024</u>
Unrestricted funds	18		<u>719,662</u>	<u>595,074</u>
TOTAL FUNDS			<u><u>17,417,804</u></u>	<u><u>17,798,098</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 8/12/15 and are signed on their behalf, by:


.....
Ms H Chamberlain
Chair of Trustees


.....
Mrs V Walker
Accounting Officer

The notes on pages 29 to 49 form part of these financial statements.

QUEEN ELIZABETH'S GIRLS' SCHOOL
(A Company Limited by Guarantee)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	20	781,559	703,486
Returns on investments and servicing of finance	21	8,863	16,754
Capital expenditure and financial investment	21	(142,904)	(723,894)
INCREASE/(DECREASE) IN CASH IN THE YEAR		647,518	(3,654)

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

	2015 £	2014 £
Increase/(Decrease) in cash in the year	647,518	(3,654)
MOVEMENT IN NET FUNDS IN THE YEAR	647,518	(3,654)
Net funds at 1 September 2014	1,802,092	1,805,746
NET FUNDS AT 31 AUGUST 2015	2,449,610	1,802,092

The notes on pages 29 to 49 form part of these financial statements.

QUEEN ELIZABETH'S GIRLS' 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 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.

1.3 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.

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.

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1. ACCOUNTING POLICIES (continued)

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

1.4 Resources expended

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

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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.

1.5 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and 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.

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

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

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1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Land	-	Not depreciated
Leasehold property	-	2% straight line
Motor vehicles	-	7% straight line
Fixtures and fittings	-	10-15 years straight line
Computer equipment	-	20% straight line

1.6 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.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

1.9 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 25, 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.

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1. ACCOUNTING POLICIES (continued)

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

1.10 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 Education Funding Agency.

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

1.11 Agency arrangements

The academy trust acts as an agent in receiving payments for meals and refreshments supplied by London Borough of Barnet. Payments received by the academy are excluded from the Statement of Financial Activities as the academy does not have any control over the funds, which are paid over monthly to London Borough of Barnet. The funds received and paid and any balances retained at 31 August 2015 are disclosed in note 28.

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	31,188	226,789	257,977	233,989

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3. COST OF ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Rental Income	146,125	-	146,125	119,957
Other Income	-	12,867	12,867	10,594
	<u>146,125</u>	<u>12,867</u>	<u>158,992</u>	<u>130,551</u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest receivable	8,863	-	8,863	16,754
	<u>8,863</u>	<u>-</u>	<u>8,863</u>	<u>16,754</u>

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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)	-	6,225,190	6,225,190	6,320,565
Other DfE/EFA grants	-	27,141	27,141	27,158
Pupil Premium	-	238,303	238,303	247,510
SEN allocation	-	148,842	148,842	143,054
Devolved capital formula grant	-	25,296	25,296	462,117
	-	6,664,772	6,664,772	7,200,404
Other government grants				
Other grants	-	1,700	1,700	8,759
	-	1,700	1,700	8,759
Other funding				
Trip income	-	163,103	163,103	172,834
Catering income	-	53,280	53,280	43,136
	-	216,383	216,383	215,970
	-	6,882,855	6,882,855	7,425,133

6. OTHER INCOMING RESOURCES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Other income	22,762	23,059	45,821	155,313

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7. RESOURCES EXPENDED

	Staff costs	Depreciation	Other costs	Total	Total
	2015	2015	2015	2015	2014
	£	£	£	£	£
Direct costs	4,816,531	299,654	609,098	5,725,283	5,448,393
Support costs	607,109	-	1,350,599	1,957,708	2,008,505
Charitable activities	5,423,640	299,654	1,959,697	7,682,991	7,456,898
Governance	-	-	28,811	28,811	22,809
	5,423,640	299,654	1,988,508	7,711,802	7,479,707

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**NOTES TO THE FINANCIAL STATEMENTS
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8. CHARITABLE ACTIVITIES

	Total funds 2015 £	Total funds 2014 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	3,853,394	3,605,695
National insurance	317,953	293,237
Pension cost	554,841	508,422
Depreciation	299,654	289,314
Supply staff costs	90,343	168,492
Educational supplies	36,608	44,594
Examination fees	118,064	105,480
Staff development	25,123	35,576
Other direct costs	390,562	358,136
Staff Insurance	38,741	39,447
	<u>5,725,283</u>	<u>5,448,393</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	468,605	458,667
National insurance	23,590	30,522
Pension cost	114,914	105,055
Bank charges	2,445	4,958
Other administrative costs	353,980	364,430
Other support costs	7,809	8,741
Rates	25,992	26,624
Bursary	22,533	21,894
Professional services	117,176	96,390
Maintenance of premises & equipment	407,248	466,200
Utilities	150,097	140,878
Cleaning	125,756	131,209
Insurance	23,969	52,820
Security & transport	11,829	13,353
Catering	101,765	86,764
	<u>1,957,708</u>	<u>2,008,505</u>
	<u><u>7,682,991</u></u>	<u><u>7,456,898</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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9. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Accountancy fees	-	6,987	6,987	4,210
Audit fees	-	8,300	8,300	8,200
Financial advice	-	-	-	3,000
Legal and professional fees	-	11,824	11,824	7,399
Support costs	-	1,700	1,700	-
	<u>-</u>	<u>28,811</u>	<u>28,811</u>	<u>22,809</u>

10. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	299,654	289,312
Auditors' remuneration	8,300	8,200
Financial advice	-	3,000
Auditors' remuneration- non audit	6,987	4,210
Operating lease rentals:		
- plant and machinery	28,587	25,324

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11. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	4,286,887	4,061,576
Social security costs	341,543	323,759
Other pension costs	669,755	613,477
	<u>5,298,185</u>	<u>4,998,812</u>
Supply teacher costs	90,343	168,492
Compensation payments	35,112	2,785
	<u><u>5,423,640</u></u>	<u><u>5,170,089</u></u>

b. Staff severance payments

Included in compensation payments are non-statutory/non-contractual severance payments totalling £35,112 (2014: £2,785). Individually, the payments were: £5,415 and £29,697.

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	68	69
Administration and support	41	38
Management	9	7
	<u>118</u>	<u>114</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	2	2
In the band £100,001 - £110,000	1	1

Two (2014: three) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £16,176 (2014: £25,176).

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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:

Mrs K Webster (Headteacher and trustee):

Salary £105,074 (2014: £101,572)

Employer's pension contributions £Nil (2014: £9,547)

Miss B Dodhia (staff trustee):

Remuneration £40,00 - 45,000 (2014: £Nil)

Employer's pension contributions £5,000 - 10,000 (2014: £Nil)

Mrs K Excell (staff trustee):

Remuneration £15,000 - 20,000 (2014: £15,000 - 20,000)

Employer's pension contributions £0 - 5,000 (2014: £0 - 5,000)

Mrs J Ford (staff trustee):

Remuneration £40,00 - 45,000 (2014: £Nil)

Employer's pension contributions £5,000 - 10,000 (2014: £Nil)

Staff Governor 1 (staff trustee- prior year only):

Remuneration £20,00 - 25,000

Employer's pension contributions £0 - 5,000

Staff Governor 4 (staff trustee- prior year only):

Remuneration £15,00 - 20,000

Employer's pension contributions £0 - 5,000

During the period ended 31 August 2015, expenses totalling £330 (2014: £Nil) were reimbursed to one trustee.

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 governors' liability cover up to £5,000,000 on any one loss in any one membership year. The cost of the insurance for the year ended 31 August 2015 is included in the total insurance cost of £29,150 paid under the Department for Education's Risk Protection Arrangement, (RPA). The RPA is not an insurance scheme but is a mechanism through which the cost of risks that materialise from 1 September 2014 are covered by government funds.

In the previous year the Academy purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provided cover of up to £5,000,000 on any one claim and the cost for the year was £1,607 and included in total insurance cost.

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**NOTES TO THE FINANCIAL STATEMENTS
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14. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2014	17,404,558	29,150	352,748	87,652	17,874,108
Additions	-	13,250	57,645	72,009	142,904
At 31 August 2015	17,404,558	42,400	410,393	159,661	18,017,012
Depreciation					
At 1 September 2014	688,553	10,878	66,012	51,169	816,612
Charge for the year	242,779	4,917	36,287	15,671	299,654
At 31 August 2015	931,332	15,795	102,299	66,840	1,116,266
Net book value					
At 31 August 2015	16,473,226	26,605	308,094	92,821	16,900,746
At 31 August 2014	16,716,005	18,272	286,736	36,483	17,057,496

Included in land and buildings is freehold land at valuation of £5,265,168 (2014 - £5,265,168) which is not depreciated.

15. STOCKS

	2015 £	2014 £
School equipment	1,563	1,155

16. DEBTORS

	2015 £	2014 £
Trade debtors	1,130	10,928
VAT	71,507	105,784
Other debtors	-	5,028
Prepayments and accrued income	189,230	253,781
	261,867	375,521

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17. CREDITORS:
Amounts falling due within one year

	2015 £	2014 £
Trade creditors	658,396	337,711
Other creditors	22,048	19,957
Accruals and deferred income	582,538	223,498
	<u>1,262,982</u>	<u>581,166</u>

Deferred income

Deferred income at 1 September 2014	42,764
Resources deferred during the year	34,323
Amounts released from previous years	(42,764)
	<u>34,323</u>
Deferred income at 31 August 2015	<u>34,323</u>

Deferred income held at 31 August 2015 represents funds received in advance for the following purposes:

	2015 £	2014 £
School trips	18,525	26,241
EFA capital funding	-	-
EFA funding	13,883	-
Other income	1,915	2,640
School games organiser fund	-	13,883
	<u>34,323</u>	<u>42,764</u>
Total	<u>34,323</u>	<u>42,764</u>

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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	595,074	208,938	(84,350)	-	-	719,662
Restricted funds						
General Annual Grant (GAG)	356,249	6,225,190	(6,690,361)	108,922	-	-
Other DfE/EFA grants	115,750	415,986	(373,042)	(158,694)	-	-
Defined benefit pension scheme	(857,000)	-	(53,000)	-	(23,000)	(933,000)
Other income	530,529	315,995	(48,292)	(67,836)	-	730,396
Trip income	-	163,103	(163,103)	-	-	-
	145,528	7,120,274	(7,327,798)	(117,608)	(23,000)	(202,604)
Restricted fixed asset funds						
DfE/EFA capital grant	182,966	25,296	(56,874)	117,608	-	268,996
Assets on conversion	16,047,598	-	(226,031)	-	-	15,821,567
Other EFA capital grant	826,932	-	(16,749)	-	-	810,183
	17,057,496	25,296	(299,654)	117,608	-	16,900,746
Total restricted funds	17,203,024	7,145,570	(7,627,452)	-	(23,000)	16,698,142
Total of funds	17,798,098	7,354,508	(7,711,802)	-	(23,000)	17,417,804

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 mainly includes Barnet Partnership Sports and trips.

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme. An amount of £646,000 was transferred to the Academy in respect of the deficit on this pension scheme at the date of conversion to the Academy.

The transfer between the restricted General Annual Grant fund and restricted fixed asset funds represents amounts capitalised in the year.

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**NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS (continued)

The restricted fixed asset fund was funded predominantly by the funds inherited on conversion to an Academy from the local authority following the transfer of the land and buildings.

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	-	-	16,900,746	16,900,746	17,057,496
Current assets	719,662	1,993,378	-	2,713,040	2,178,769
Creditors due within one year	-	(1,262,982)	-	(1,262,982)	(581,166)
Pension Scheme Liability	-	(933,000)	-	(933,000)	(857,000)
	<u>719,662</u>	<u>(202,604)</u>	<u>16,900,746</u>	<u>17,417,804</u>	<u>17,798,098</u>

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources	(357,294)	482,033
Returns on investments and servicing of finance	(8,863)	(16,754)
Depreciation of tangible fixed assets	299,654	289,312
Increase in stocks	(408)	(1,156)
Decrease/(increase) in debtors	113,654	(112,104)
Increase in creditors	681,816	18,155
FRS 17 Pension cost less contributions payable	41,000	12,000
FRS 17 pension finance income	12,000	32,000
Net cash inflow from operations	<u>781,559</u>	<u>703,486</u>

21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	<u>8,863</u>	<u>16,754</u>

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21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	<u>(142,904)</u>	<u>(723,894)</u>

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:	1,802,092	647,518	-	2,449,610
Net funds	<u>1,802,092</u>	<u>647,518</u>	<u>-</u>	<u>2,449,610</u>

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

25. PENSION COMMITMENTS

The academy'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 Barnet. Both are multi employer defined benefit schemes.

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

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

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25. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £405,192 (2014: £402,796).

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

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25. PENSION COMMITMENTS (continued)

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 £242,000, of which employer's contributions totalled £191,000 and employees' contributions totalled £51,000. The agreed contribution rates for future years are 23.8% 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.

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	5.90	820,000	7.00	664,000
Bonds	5.90	391,000	3.60	316,000
Cash	5.90	8,000	2.90	5,000
Gilts	5.90	1,000	3.00	1,000
Total market value of assets		<u>1,220,000</u>		<u>986,000</u>
Present value of scheme liabilities		-		(1,843,000)
Surplus/(deficit) in the scheme		<u>1,220,000</u>		<u>(857,000)</u>

The expected return of 5.9% represents the average expected return on the above assets.

The amounts recognised in the Balance Sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(2,153,000)	(1,843,000)
Fair value of scheme assets	<u>1,220,000</u>	<u>986,000</u>
Net liability	<u>(933,000)</u>	<u>(857,000)</u>

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25. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Current service cost	(232,000)	(189,000)
Interest on obligation	(77,000)	(81,000)
Expected return on scheme assets	65,000	49,000
Total	<u>(244,000)</u>	<u>(221,000)</u>

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

	2015 £	2014 £
Opening defined benefit obligation	1,843,000	1,631,000
Current service cost	232,000	189,000
Interest cost	77,000	81,000
Employee contributions	51,000	44,000
Actuarial losses	(45,000)	(71,000)
Benefits paid	(5,000)	(31,000)
At 31 August 2015	<u>2,153,000</u>	<u>1,843,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	986,000	701,000
Expected return on assets	65,000	49,000
Actuarial gains	(68,000)	46,000
Contributions by employer	191,000	177,000
Contributions by employees	51,000	44,000
Benefits paid	(5,000)	(31,000)
	<u>1,220,000</u>	<u>986,000</u>

The cumulative amount of actuarial losses recognised in the Statement of Financial Activity was a loss of £134,000 (2014 - £111,000).

The academy expects to contribute £175,000 to its Defined Benefit Pension Scheme in 2016.

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25. PENSION COMMITMENTS (continued)

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

	2015	2014
Discount rate for scheme liabilities	4.00 %	3.90 %
Expected return on scheme assets at 31 August	5.90 %	5.90 %
Rate of increase in salaries	4.40 %	4.40 %
Rate of increase for pensions in payment / inflation	2.60 %	2.60 %
Inflation assumption (CPI)	2.60 %	2.60 %

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	22.1	22.0
Females	24.4	24.3
Retiring in 20 years		
Males	24.2	24.1
Females	26.8	26.7

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

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	(2,153,000)	(1,843,000)	(1,631,000)	(1,305,000)
Scheme assets	1,220,000	986,000	701,000	502,222
Deficit	(933,000)	(857,000)	(930,000)	(802,778)
Experience adjustments on scheme liabilities	45,000	71,000	(88,000)	-
Experience adjustments on scheme assets	(68,000)	46,000	8,000	11,000

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:

	£000's	£000's	£000's
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	2,109	2,153	2,198
Projected service cost	225	230	235
Adjustment to mortality age rating assumption	+1 Year	None	-1 Year
Present value of total obligation	2,210	2,153	2,098
Projected service cost	236	230	224

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26. OPERATING LEASE COMMITMENTS

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

	Land and buildings			Other
	2015	2014	2015	2014
	£	£	£	£
Expiry date:				
Within 1 year	-	-	20,327	10,690
Between 2 and 5 years	-	-	27,062	11,115
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

27. 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.

No related party transactions took place in the period of account other than disclosed in note 12.

28. AGENCY ARRANGEMENTS

The academy trust collects amounts paid by students for lunches and refreshments as an agent for The London Borough of Barnet (LBB), which supplies all of the products sold. In the accounting period ended 31 August 2015 the academy received £53,280 from the students and paid over £31,632 to LBB. An amount of £21,648 is included in other creditors relating to outstanding funds payable to LBB at the year end.