

**CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

**CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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**CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

Trustees and Members	Philip Beckerlegge, Chair of Trustees (resigned 31 August 2015) ¹ Chiquita Henson, Headteacher ^{1,2,3,4} Simon Bellamy (resigned 16 October 2015) ^{3,4} Jo Chisholm ³ Christina Craig ¹ Peter Edison ^{3,4} Margaret Edney ^{2,4} Leon Heward-Mills (resigned 28 February 2015) ² Jane Macmillan ³ Fiona Moss ² Claire Mould ² Deryck Nash ^{1,4} Graham Russell, Chair of Trustees (from 1 September 2015) ¹ Neil Smith (resigned 16 October 2015) ¹ Kevin Snowball ^{2,3,4} Charles Woodd ¹
	1 Resources and Audit Committee 2 Curriculum Committee 3 Personnel Committee 4 Admissions and Marketing Committee
Company registered number	07524811
Principal and registered office	Stroud Road Cirencester Gloucestershire GL7 1XB
Company secretary	Martin Doidge
Accounting Officer	Chiquita Henson
Strategic Leadership Team	Chiquita Henson, Headteacher Chris Francis, Deputy Head (Retired 31 August 2015) Jon Gibson, Deputy Head (Resigned 31 August 2015) Helen Charlesworth, Assistant Head Liz Norman, Assistant Head (Deputy Head from 1 September 2015) James Johnson, Assistant Head Cath Brace, Associate Assistant Head (Temporary to 31 August 2015) Martin Doidge, Director of Finance and Administration
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT
Bankers	Lloyds Bank Plc 29 High Street Chippenham SN15 3HA

**CIRENCESTER DEER PARK 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)

Solicitors	Harrison Clark Rickerbys Limited Ellenborough House Wellington Street Cheltenham GL50 1YD
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**CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2015. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an Academy for pupils aged 11 to 16 in south Cirencester and surrounding villages. It has a pupil capacity of 1,045 and had a roll of 973 in the Academy census on 2 October 2014.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy 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.

The Trustees of Cirencester Deer Park School are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' liability

Each member of the charitable company and the group 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 they cease to be a member.

Trustees' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim.

TRUSTEES

Method of recruitment and appointment or election of Trustees

The management of the Academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Trustees are appointed for a term of four years and retire on the expiration of their office but may be eligible for re-election at the meeting at which they retire. New Parent Trustees are recruited by a ballot of all parents. Other Trustees are recruited through the existing Governing Body, taking into account the skills and experience which the Governing Body feel are most useful at the time of recruitment, and are subject to approval of the full Governing Body.

Policies and Procedures adopted for the Induction and Training of Trustees

The Governing Body has appointed one of the members to be responsible for the training and induction of new Trustees.

The training and induction provided for Trustees joining the Governing Body will depend on their existing experience. Where necessary, induction is provided on charity and educational, legal and financial matters. All new Trustees meet with the Headteacher and are given a tour of the Academy and the chance to meet with staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, strategic plans and other documents that they will need to undertake their role as Trustees.

Members of the full Governing Body are expected to attend up to three training evenings per year which will cover relevant topics such as safeguarding procedures, use of assessment data and Academy finances. These training sessions may be conducted by a member of the Academy's leadership team or by an external specialist as required. There is also an informal seminar held annually with all Trustees and members of the Academy's strategic leadership team which will also cover topics of relevance to Trustees.

Organisational Structure

In accordance with the Articles of Association the company has adopted a "Scheme of Governance" approved by the Secretary of State for Education. This specifies, amongst other things, the basis for admitting pupils to the Academy and that the curriculum should comply with the substance of the national curriculum.

During the period the Governing Body had a number of established committees (Resources and Audit, Personnel, Curriculum, Admissions and Marketing) to review policies and performance of the Academy in all areas. Every member of the Governing Body sat on at least one committee. The Headteacher also attended every committee meeting along with other members of the Academy's strategic leadership team as appropriate. Reports from each of the committees were received and discussed at every meeting of the full Governing Body.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets, audit reports and key performance indicators and making major decisions about the direction of the Academy, future capital expenditure and senior staff appointments. Trustees also sit on pupil exclusion panels and staff disciplinary panels although these are rarely required.

With effect from 1 September 2015 the Governing Body will be adopting a revised committee structure, reflecting the smaller size of the body (reduced from 20 to 16 between 2013 and 2015). This will remove all of the existing committees and, with the exception of an Audit Committee, all business of the Governing Body will be conducted at full Governing Body (or Board) meetings.

During the 2014/15 academic and financial year the Strategic Leadership Team of the Academy comprised the Headteacher, two Deputy Heads, two Assistant Heads, two temporary Associate Assistant Heads and the Director of Finance and Administration. With effect from 1 September 2015 this team has been reduced to the Headteacher, one Deputy Head, two Assistant Heads and the Director of Finance and Administration. This team control the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group the leadership team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, although appointment panels for management posts always include a Trustee. Some spending control is devolved to members of the extended leadership team (generally Heads of a Faculty or Key Stage) who each have budgets, with limits above which a senior manager must countersign.

The extended leadership team includes the strategic leadership team and pastoral and curriculum heads. These managers are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and pupils.

The Headteacher is the Accounting Officer.

Connected Organisations, including Related Party Relationships

Cirencester Deer Park School does not have a sponsoring organisation.

The Academy works closely with the Cirencester Deer Park School Enrichment Fund, an independent charity that provides funding for enrichment activities. The following Directors of Cirencester Deer Park School were also Trustees of the Enrichment Fund during 2014/15: Philip Beckerlegge, Margaret Edney and Graham Russell. In 2014/15 the Enrichment Fund donated £16,038 to the Academy.

The Academy also benefits from being one of the objects of the Powells Educational Foundation and in 2014/15 the Academy received grants of £10,135 from the Foundation.

**CIRENCESTER DEER PARK SCHOOL
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Cirencester Deer Park School owns 100% of the share capital of Deer Park Enterprises Limited (company number 07957129) which is registered in the UK and carries out trading activities linked to the Academy, mainly short term lettings of facilities. Each year the company donates to the Academy, by Gift Aid, any surplus taxable income from trading activities. In 2014/15 the income received from Deer Park Enterprises Limited was £69,978.

Chiquita Henson is a director of Gloucestershire Association of Secondary Heads Limited (GASH Limited) and also Chair of the Gloucestershire Initial Teacher Training Partnership.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is the operation of the Cirencester Deer Park School to advance, for the public benefit, education for pupils of different abilities between the ages of 11 and 16 in Cirencester and the surrounding areas.

The Academy aims to "Create Futures" by providing high quality education and an enriching pupil experience.

The main aims of the Academy 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 conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

The Academy's Strategic Plan for the period 2013-2015 identified three key priorities for the Academy:

- To improve the quality of learning and teaching so that more is outstanding and none is less than good by making sure that all lessons are set at the right level and provide consistently high levels of challenge for all pupils.
- To raise the progress of all pupils across all subjects by ensuring that activities are more closely matched to pupils' learning needs and build effectively on their prior attainment.
- To ensure Cirencester Deer Park is consistently positioned as the school of choice in the area

The first two of these objectives arose directly out of the June 2013 Ofsted Inspection, which rated the Academy as "Good", but identified that both teaching and progress could be improved in an aspiration to achieve an "Outstanding" rating. The third objective reflects a desire that the Academy should optimise its performance by operating as close to its full capacity as possible during a period where the number of pupils in the area has reduced.

We have some successes with these objectives during the year as described in the Achievements and Performance section below.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

STRATEGIC REPORT

Achievements and Performance

The examination results for 2015 reflect the excellent progress made by the cohort of our pupils graduating from the Academy this year, and the value added by the education they have received. Once again GCSE results across nearly all subjects were significantly above the national average, reflecting the strong academic tradition of the Academy. 21% of grades awarded across all subjects were at A* or A (2014: 26%), in line with national averages. 26% achieved the English Baccalaureate (A*-C passes in English, Maths, two Sciences, a Humanity and a Foreign Language) (2014: 36%). However the underlying ability profile was lower than normal, and for this reason the results are generally slightly lower than in previous years. 64% of pupils achieved the key benchmark of 5 or more GCSE's at A*-C including English and Maths (2014: 68%). English results remained strong at 76% (2014: 80%) although Maths fell back slightly to 70% of pupils achieving an A*-C grade (2014: 78%).

Pupil attendance was maintained at 94.8% during 2014/15 which is around the national average level but we intend to keep pushing on this and aim to further improve attendance to be at above national average level in 2015/16 as we recognise the clear link between attendance at Academy and pupil attainment.

After welcoming a full year of 207 pupils in our September 2014 intake we are disappointed that a smaller group of only 175 pupils will be joining us in September 2015. We know this dip is due to the historically low number of pupils of secondary school age in our catchment area, and we are aware that other local secondary schools have suffered even larger gaps in their admission numbers. It is therefore essential that we continue to focus on and invest in positioning the Academy as the "school of choice" in Cirencester and we have therefore employed innovative marketing campaigns to get this message across to local parents including advertising at Kemble railway station, and Tesco and Waitrose stores in Cirencester. Due to the smaller 2015 intake overall pupil numbers have fallen from 977 a year ago to 956 in September 2015. The outlook for pupil numbers remains challenging with no immediate improvement in overall pupil numbers in the area and local selective schools implementing expansion plans, which will inevitably have a detrimental impact on other schools.

The Academy was successful in bidding for capital improvement funding from the DfE for external improvements to the Science block although the funds provided were modest. The Academy continues to invest from its own reserves in other improvements to the fabric and facilities of the Academy to ensure these provide a modern and effective learning environment and undertook the complete refurbishment of a number of classrooms and ICT suites during the year as well as creating a new dedicated parent drop off/pick up point at the rear of the Academy.

We continue to work with external architects to develop firm proposals for longer term site development and to identify sources of finance to achieve these developments.

Key Performance Indicators

Operational Performance (all figures at the start of the relevant academic year)	2015/16	2014/15	2013/14
Pupils on roll	956	977	969
5 or more A*-C GCSEs including English and Maths	n/a	63%	68%
% of pupils making Expected Progress in English	n/a	79%	77%
% of pupils making Expected Progress in Maths	n/a	72%	74%
% of pupils achieving the EBAC qualifications	n/a	26%	36%
Value Added (as measured by the DfE)	n/a	n/a	1,020
Pupil attendance Terms 1-4	n/a	94.8%	94.8%

The data for value added for 2014/15 is not yet available from the Department for Education.

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

Financial Performance (all figures for the relevant financial year)	2014/15	2013/14
% of income from Government funds	90.8%	87.6%
Total income per student	£5,685	£5,810
Teachers pay as % of income	59.3%	59.1%
Other staff pay as % of income	28.5%	23.7%
Total staff pay as % of income	87.7%	82.8%
Working capital as % of total reserves	10.8%	11.9%
Cash and bank balance as % of annual spending	17.0%	19.5%

Going Concern

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

FINANCIAL REVIEW

Financial Review

The vast majority of the Academy's income is obtained from the DfE via the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular educational purposes. The grants received from the DfE during the year ended 31 August 2015 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for capital expenditure from the EFA from time to time. This funding amounted to £79,817 in 2014/15. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2015, total expenditure (excluding depreciation) of £5,679,524 was covered by recurrent grant funding from the EFA of £4,854,362, together with other incoming resources of £629,762. The excess of expenditure over income for the year (excluding restricted fixed asset funds) was £195,400 which is acceptable given the level of reserves which the Academy enjoys.

The Academy made two bids for capital maintenance funding to the DfE during 2014/15, the smaller of which was successful enabling us to replace the external cladding of the Science block. It remains the case that there is very strong competition for the available capital funds from the DfE with total bids made in 2014/15 amounting to 4 times the funding available. This bidding process and the relative scarcity of funds presents uncertainty about capital funding for future development projects.

At 31 August 2015 the net book value of fixed assets was £9,045,557 and movements in tangible fixed assets are shown in note 15 of the financial statements. The assets were used exclusively for providing education and the associated support services to pupils of the Academy.

The Academy operates a defined benefits pension scheme for support staff and is therefore required to recognise the assets and liabilities of the pension fund on its balance sheet. The company has obtained a valuation report from its actuaries, Hymans Robertson LLP, which shows that at 31 August 2015 the scheme has assets of £1,632,000 and liabilities of £3,135,000 with a pension deficit of £1,503,000. The deficit has increased significantly from the £1,353,000 reported at the end of the last financial year due to actuarial losses, which are future projections on the fund's worth based on actuarial assumptions. Despite this increase in the liability the Trustees do not consider this to be a significant issue as the scheme has only three current pensions in payment, 11 deferred members and 66 active and contributing members. This liability is therefore expected to reduce in the longer term as scheme member contributions continue.

The Trustees would like to publicly acknowledge receipt of funding from both the Cirencester Deer Park School Enrichment Fund and the Powells Educational Foundation (which is a local charity dedicated to raising educational standards). Grants of £16,038 from the Enrichment Fund and £10,135 from Powells Education fund were used to support additional enrichment activities for pupils.

Reserves Policy

The Trustees review the reserve levels of the Academy regularly. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees continue to maintain sufficient reserves to ensure the sustainability of the Academy or to cope with any foreseeable emergency situation. As at 31 August 2015 the Academy held free reserves of £892,629 available.

Investment Policy

The Academy may from time to time have surplus cash balances which are not required for immediate use. Subject to preparation of a cash flow statement which indicates that the cash will not be required for a determinable period of time, this surplus cash may be invested in low risk cash or near cash investments to improve the return to the Academy through interest.

A minimum of one month's normal expenditure plus £100,000 will always be kept in the main current account and only balances in excess of this figure will be considered for investment. Any decision to move money onto deposit is authorised by the Accounting Officer based on the advice of the Director of Finance and Administration.

The time period for which money is placed on deposit must provide adequate flexibility and where possible a range of time periods will be adopted to enhance flexibility. Flexibility of access will be the over-riding consideration in placing money on deposit. Money is only placed with financial institutions who are considered to be "safe" having good credit ratings and in countries known to be stable. Consideration is also given to spreading the risk of any individual bank defaulting by spreading deposits across more than one financial institution wherever possible.

Regular reporting of cash balances and disposition of the cash to Trustees is undertaken.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk Management

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Trustees have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of Academy grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover through the DfEs Risk Pooling Arrangement. They are satisfied that these systems are consistent with guidelines issued by the Charity Commission.

The Academy has an effective system of internal financial controls and this is explained in more detail in the following statement. The Academy continues to undertake work to further develop systems of internal control, including financial, operational and risk management designed to protect the Academy's assets and reputation.

Outlined below is a description of the principal risk factors that may affect the Academy. Not all the factors are within the Academy's control. Other factors besides those listed below may also adversely affect the Academy:

1. Fire, Flood etc.

This is the highest identified risk (taking into account both the likelihood and impact of each type of risk) on the Academy's risk register. All reasonable precautions are taken to minimise the likelihood of an occurrence of such an incident and control measures such as alarm systems and firefighting equipment are in place. Ultimately the Academy ensures that adequate insurance is in place (including business interruption cover) to repair or replace any damage caused by such an incident.

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

2. Government funding

The Academy has considerable reliance on continued government funding through the EFA. In the period under review 91% of the Academy's revenue was ultimately public funded and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

This risk is mitigated in a number of ways:

- Funding is derived through a number of direct and indirect contractual arrangements such as lettings of facilities to derive additional income streams
- By ensuring that the Academy achieves value for money in all purchasing decisions so that the most effective possible use is made of the funding
- By ensuring the Academy is rigorous in delivering high quality education and training, thus attracting additional pupils over and above those in the Academy's catchment area
- Continuing to monitor government funding proposals and make provision accordingly

3. Pupil Numbers

Pupil numbers are currently falling due to local demographics and this has a direct impact on funding which is based on pupils on roll. Trustees monitor data on pupil numbers from local primary schools and systems and procedures are in place to ensure that reductions in pupil roll are also reflected in reduced levels of resources, both staffing and goods and services. Our excellent exam results continue to attract pupils from outside our catchment area.

4. Academic performance

The Academy's academic performance continues to be strong with exam results consistently above the national average. The emphasis of government (and therefore of Ofsted) is moving more strongly towards progress measures and particularly the performance of disadvantaged groups for whom the government is currently providing additional funding by way of the "Pupil Premium". Close attention is paid to teacher forecasts of both grades and progress which are regularly updated and any adverse movement in forecast performance is investigated and remedial measures put in place to support pupils and staff to ensure that results remain consistently good. The Governors' Curriculum committee is responsible for monitoring academic performance.

5. Safeguarding

The Academy has a strong track record on safeguarding and has been judged "Outstanding" by Ofsted for pupil behaviour and safety in the last three inspections. We mitigate any risk that may arise by:

- Ensuring we meet all relevant legislative requirements for child protection
- Having a member of the Strategic Leadership Team who is Designated Safeguarding Lead for the Academy with an experienced assistant
- Having a nominated Trustee with responsibility for safeguarding
- Undertaking regular staff training in both safeguarding and safer recruitment
- Carrying out regular audits of our safeguarding policies and procedures

PLANS FOR FUTURE PERIODS

The Trustees and Strategic Leadership Team are committed to embedding ambition and driving improvement: Cirencester Deer Park School aspires to be an 'outstanding' school. Consequently the community of the Academy will remain fully focused on its core purpose.

**CIRENCESTER DEER PARK SCHOOL
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The Academy's existing Strategic Plan focuses on three key priorities:

- To improve the quality of learning and teaching so that more is outstanding and none is less than good by making sure that all lessons are set at the right level and provide consistently high levels of challenge for all pupils.
- To raise the progress of all pupils across all subjects by ensuring that activities are more closely matched to pupils' learning needs and build effectively on their prior attainment.
- To ensure Cirencester Deer Park is consistently positioned as the school of choice in the area

This Strategic Plan is due to be completed in 2015 so we are developing a new strategic plan for 2016-2018, although we anticipate the core strategic objectives for this period will remain the same as they are now (as set out above).

The Academy is also committed to working in partnership with others, including providing school to school support. This is likely to be another significant theme in the new Strategic Plan.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy does not hold any funds on behalf of other parties.

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable group's auditors are 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 auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Governing Body, as company directors, on 3 December 2015 and signed on the board's behalf by:

Graham Russell
Chair of Trustees



GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Governing Body has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Cirencester Deer Park School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The Governing Body has formally met 4 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
Philip Beckerlegge	4	4
Chiquita Henson	4	4
Simon Bellamy	3	4
Jo Chisholm	3	4
Christina Craig	4	4
Peter Edison	4	4
Margaret Edney	4	4
Leon Heward-Mills	2	2
Jane Macmillan	4	4
Fiona Moss	4	4
Claire Mould	4	4
Deryck Nash	3	4
Graham Russell	4	4
Neil Smith	3	4
Kevin Snowball	4	4
Charles Woodd	2	4

During the 2014/15 financial year the Governing Body had a number of committees (Resources and Audit, Personnel, Curriculum, Admissions and Marketing) to review policies and performance of the Academy in all areas. Every member of the Governing Body sat on at least one committee. The Headteacher also attended every committee meeting along with other members of the Academy's strategic leadership team as appropriate. Reports from each of the committees were received and discussed at every meeting of the full Governing Body.

Governance reviews:

The Governing Body was awarded the externally accredited "Governor Mark" in 2012. Trustees undertake regular self-evaluation of their effectiveness, the latest review being carried out in September 2014. Actions to further improve effectiveness identified as part of this review were being taken forward by the appropriate committees of the Governing Body.

The Governing Body also carries out regular reviews of the skills contained within the Governing Body and believes it currently has a good spread of skills and abilities in its current membership

The Resources and Audit Committee was a committee of the main Governing Body. Its purpose was to ensure the establishment and maintenance of proper financial procedures and control including preparation of budgets and longer term financial plans, monitoring expenditure against budget, working with the internal audit function to review controls, appointing an external auditor and responding to their reports, oversight of property and asset management including capital investment schemes and development of long term site development plan, risk management and monitoring, and health and safety requirements.

**CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Charles Woodd	5	5
Christina Craig	5	5
Chiquita Henson	5	5
Deryck Nash	3	5
Graham Russell	4	5
Neil Smith	3	5

There were no significant changes of Trustees on the Committee apart from a small number of annual rotational moves designed to increase Trustees overall experience across the committee structure.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy 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 Academy'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 has delivered improved value for money during the year by:

- Delivering strong educational results for all learners with results in nearly all subjects above national averages and a strong track record of delivering value added which is significantly above the national average, making the Academy one of the best non-selective schools in Gloucestershire.
- Keeping our staffing structure and level of resource continually under review to balance the needs of providing excellent quality learning and teaching and the financial resources available. This includes undertaking a full review of the Academy staffing structure during 2015 resulting in the withdrawal of a number of posts from the structure.
- Having in place robust governance and financial controls validated by excellent internal control and internal audit reports for the past few years and running a generally balanced budget enabling secure levels of reserves to be maintained for future capital investment.
- Having robust procedures in place for placing of contracts and purchasing of goods and services to ensure best value for money. These include undertaking tendering exercises for major items of spending such as audit and capital investment projects in 2015. We also collaborate with other schools locally to jointly procure services and offer additional curriculum options where possible.
- Routinely using benchmarking data to ensure that our resource usage is consistent with other schools and to challenge ourselves where we appear to be out of line with others
- Generating significant additional income through a subsidiary company which manages the hiring out of our facilities to local sports and other organisations and this has been an expanding area of our activities over the past few years.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

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

GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Resources and Audit 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 Governing Body has considered the need for a specific internal audit function and decided not to appoint an internal auditor, instead engaging a suitably qualified and experienced consultant to act as Internal Control Officer, reporting direct to the Resources and Audit Committee. Their role and responsibilities include giving advice on financial matters and performing a range of checks on the Academy's financial systems including payroll, purchasing and cash and banking. The Internal Control Officer has reported on a regular basis to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. No material control issues have been identified during the period covered by this report or during previous review periods.


REVIEW OF EFFECTIVENESS

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

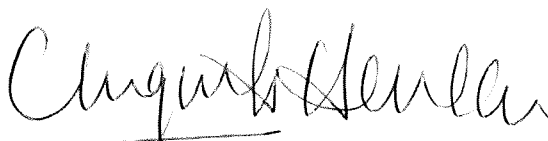
- the work of the external auditors;
- the work of the Internal Control Officer;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Resources 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 Governing Body on 3 December 2015 and signed on its behalf, by:



**Graham Russell
Chair of Trustees**



**Chiquita Henson
Accounting Officer**

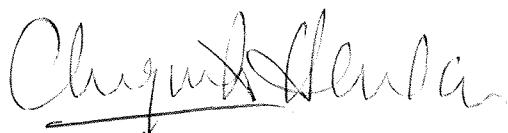
**CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Cirencester Deer Park School I have considered my responsibility to notify the Academy Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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



**Chiquita Henson
Accounting Officer**

Date: 3 December 2015

**CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees (who act as governors of Cirencester Deer Park School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Group strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the 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 the group 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group 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 and the group 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 group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Governing Body and signed on its behalf by:



**Graham Russell
Chair of Trustees**

Date: 3 December 2015

**CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CIRENCESTER DEER PARK SCHOOL

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

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

**CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CIRENCESTER DEER PARK 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:

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



Joseph Scaife FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants
Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date:

14/12/15

**CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
CIRENCESTER DEER PARK SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 1 October 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 Cirencester Deer Park 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 Cirencester Deer Park School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Cirencester Deer Park 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 Cirencester Deer Park School and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF CIRENCESTER DEER PARK SCHOOL'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Cirencester Deer Park School's funding agreement with the Secretary of State for Education dated 1 April 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.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
CIRENCESTER DEER PARK SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

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.



Joseph Scaife FCA DChA (Reporting Accountant)

Bishop Fleming LLP

Chartered Accountants
Statutory Auditors

16 Queen Square
Bristol
BS1 4NT

Date: 14/12/15

CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	16,847	23,412	-	40,259	51,252
Activities for generating funds	3,4	85,875	-	-	85,875	79,765
Investment income	5	3,313	-	-	3,313	3,522
Incoming resources from charitable activities	6	341,434	5,013,243	79,817	5,434,494	5,676,655
TOTAL INCOMING RESOURCES		447,469	5,036,655	79,817	5,563,941	5,811,194
RESOURCES EXPENDED						
Costs of generating funds	4	44,704	-	-	44,704	16,780
Charitable activities		500,165	5,119,632	413,913	6,033,710	6,133,692
Governance costs	10	-	15,023	-	15,023	14,929
TOTAL RESOURCES EXPENDED	7	544,869	5,134,655	413,913	6,093,437	6,165,401
NET RESOURCES EXPENDED BEFORE TRANSFERS		(97,400)	(98,000)	(334,096)	(529,496)	(354,207)
Transfers between Funds	21	25,687	(133,454)	107,767	-	-
NET EXPENDITURE FOR THE YEAR		(71,713)	(231,454)	(226,329)	(529,496)	(354,207)
Actuarial gains and losses on defined benefit pension schemes		-	(52,000)	-	(52,000)	(442,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		(71,713)	(283,454)	(226,329)	(581,496)	(796,207)
Total funds at 1 September		964,342	(1,219,546)	9,296,384	9,041,180	9,837,387
TOTAL FUNDS AT 31 AUGUST		892,629	(1,503,000)	9,070,055	8,459,684	9,041,180

All activities relate to continuing operations.

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

The notes on pages 24 to 43 form part of these financial statements.

**CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07524811**

**CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2015**

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	15		9,045,557		9,293,526
CURRENT ASSETS					
Stocks		6,805		5,861	
Debtors	19	169,562		123,024	
Cash at bank		1,037,244		1,159,917	
		<u>1,213,611</u>		<u>1,288,802</u>	
CREDITORS: amounts falling due within one year	20	(296,484)		(188,148)	
NET CURRENT ASSETS			<u>917,127</u>		<u>1,100,654</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,962,684</u>		<u>10,394,180</u>
Defined benefit pension scheme liability	27		<u>(1,503,000)</u>		<u>(1,353,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>8,459,684</u></u>		<u><u>9,041,180</u></u>
FUNDS OF THE GROUP					
Restricted funds:					
General funds	21	-		133,454	
Fixed asset funds	21	9,070,055		9,296,384	
		<u>9,070,055</u>		<u>9,429,838</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(1,503,000)</u>		<u>(1,353,000)</u>	
Total restricted funds			<u>7,567,055</u>		<u>8,076,838</u>
Unrestricted funds	21		<u>892,629</u>		<u>964,342</u>
TOTAL FUNDS			<u><u>8,459,684</u></u>		<u><u>9,041,180</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 3 December 2015 and are signed on their behalf, by:

Graham Russell
Chair of Trustees



The notes on pages 24 to 43 form part of these financial statements.

**CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07524811**

**ACADEMY BALANCE SHEET
AS AT 31 AUGUST 2015**

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	15		9,045,557		9,293,526
Investments	16		1		1
			9,045,558		9,293,527
CURRENT ASSETS					
Stocks		6,805		5,861	
Debtors	19	238,280		110,399	
Cash at bank		966,078		1,140,435	
		1,211,163		1,256,695	
CREDITORS: amounts falling due within one year	20	(294,037)		(188,148)	
NET CURRENT ASSETS			917,126		1,068,547
TOTAL ASSETS LESS CURRENT LIABILITIES			9,962,684		10,362,074
Defined benefit pension scheme liability	27		(1,503,000)		(1,353,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			8,459,684		9,009,074
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	21	-		130,069	
Restricted fixed asset funds	21	9,070,055		9,290,878	
Restricted funds excluding pension asset		9,070,055		9,420,947	
Pension reserve		(1,503,000)		(1,353,000)	
Total restricted funds			7,567,055		8,067,947
Unrestricted funds	21		892,629		941,127
TOTAL FUNDS			8,459,684		9,009,074

The financial statements were approved by the Trustees, and authorised for issue, on 3 December 2015 and are signed on their behalf, by:

Graham Russell
Chair of Trustees



The notes on pages 24 to 43 form part of these financial statements.

CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	23	(97,755)	(113,037)
Returns on investments and servicing of finance	24	3,313	3,522
Capital expenditure and financial investment	24	(28,231)	81,036
DECREASE IN CASH IN THE YEAR		(122,673)	(28,479)

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

	2015 £	2014 £
Decrease in cash in the year	(122,673)	(28,479)
MOVEMENT IN NET FUNDS IN THE YEAR	(122,673)	(28,479)
Net funds at 1 September	1,159,917	1,188,396
NET FUNDS AT 31 AUGUST	1,037,244	1,159,917

The notes on pages 24 to 43 form part of these financial statements.

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, with the exception of investments which are included at market value. 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.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the Academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Academy alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

The income and expenditure account for the year dealt with in the accounts of the Academy was £549,390 - loss (2014: £795,550 - loss).

In some instances the comparative figures for income and expenditure have been reclassified to ensure that the financial statements are consistent with the Academies Accounts Direction.

1.2 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 Education Funding Agency.

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.

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

1. ACCOUNTING POLICIES (continued)

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

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 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. The Trustees conclude that it is appropriate to prepare accounts on the going concern basis for the year ended 31 August 2015.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Consolidated 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 Consolidated 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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

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

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:

Freehold property	-	25 years straight line
Plant and equipment	-	5 years straight line
Computer equipment	-	4 years straight line

1.7 INVESTMENTS

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

1.8 OPERATING LEASES

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

1.9 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.

1.10 TAXATION

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

1.11 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 27, 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.

**CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

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 settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	16,847	23,412	40,259	51,252

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Property rental	3,300	-	3,300	9,849

4. TRADING ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
CHARITY TRADING INCOME				
Deer Park Enterprises Limited	82,575	-	82,575	69,916
TRADING EXPENSES				
Deer Park Enterprises Limited	44,704	-	44,704	16,780
	44,704	-	44,704	16,780
Net income from trading activities	37,871	-	37,871	53,136

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5. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	3,313	-	3,313	3,522

6. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants				
Capital Grants	-	79,817	79,817	26,179
General Annual Grant	-	4,576,184	4,576,184	4,763,194
Other DfE/EFA grants	-	278,178	278,178	185,110
	-	4,934,179	4,934,179	4,974,483
Other government grants				
High Needs	-	158,881	158,881	112,212
	-	158,881	158,881	112,212
Other funding				
Internal catering income	157,721	-	157,721	158,387
Income for hosting trainee teachers	23,756	-	23,756	21,666
Sales to students	87,256	-	87,256	-
Trips	44,527	-	44,527	217,030
Music tuition	28,174	-	28,174	30,573
Wages recharged	-	-	-	123,697
Sundry income	-	-	-	38,607
	341,434	-	341,434	589,960
	341,434	5,093,060	5,434,494	5,676,655

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7. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure		Total	Total
	2015	Premises	Other	2015	2014
	£	2015	2015	£	£
		£	£		
Trading expenses	43,454	-	1,250	44,704	16,780
COSTS OF GENERATING FUNDS	43,454	-	1,250	44,704	16,780
Direct costs	3,791,390	333,975	426,184	4,551,549	4,496,939
Support costs	929,191	183,126	369,844	1,482,161	1,688,344
Profit on sale of land	-	-	-	-	(51,591)
CHARITABLE ACTIVITIES	4,720,581	517,101	796,028	6,033,710	6,133,692
GOVERNANCE	3,950	-	11,073	15,023	14,929
	4,767,985	517,101	808,351	6,093,437	6,165,401

8. DIRECT COSTS

	Total	Total
	2015	2014
	£	£
Pension finance costs	10,000	26,000
Educational supplies	196,597	202,914
Examination fees	72,365	71,214
Staff development	18,328	20,393
Trips, music tuition and other direct costs	110,646	254,523
Supply teachers	52,108	24,774
Technology costs	19,784	20,088
Wages and salaries	2,992,500	3,143,497
National insurance	238,735	242,482
Pension cost	508,047	444,119
Depreciation	332,439	46,935
	4,551,549	4,496,939

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9. SUPPORT COSTS

	Total 2015 £	Total 2014 £
Pension finance costs	16,000	-
Recruitment and support	52,494	58,197
Maintenance of premises and equipment	61,700	97,306
Cleaning	14,617	14,527
Rent and rates	22,334	18,720
Energy costs	89,037	85,571
Insurance	32,067	36,896
Security and transport	4,083	3,305
Catering	74,544	80,430
Technology costs	41,514	38,209
Office overheads	59,507	64,526
Legal and professional	3,599	-
(Profit) / loss on disposal of fixed assets	-	(51,591)
Wages and salaries	723,910	668,581
National insurance	39,873	37,648
Pension cost	165,408	127,142
Depreciation	81,474	357,286
	<u>1,482,161</u>	<u>1,636,753</u>

10. GOVERNANCE COSTS

	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	8,500	6,000
Auditors' non audit costs	2,000	1,500
Legal and Professional	573	3,523
Wages and salaries	3,950	3,906
	<u>15,023</u>	<u>14,929</u>

11. NET RESOURCES EXPENDED

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	413,913	404,221
Auditors' remuneration	8,500	6,000
Auditors' remuneration - non-audit	2,000	1,500
Operating lease rentals:		
- other operating leases	10,832	-
	<u>435,245</u>	<u>412,721</u>

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12. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	3,751,814	3,832,764
National insurance	278,608	280,130
Pension costs	673,455	571,261
	<u>4,703,877</u>	<u>4,684,155</u>
Supply teacher costs	52,108	24,774
Staff restructuring costs	12,000	-
	<u><u>4,767,985</u></u>	<u><u>4,708,929</u></u>

b. Staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £12,000 (2014: £nil). Individually, the payments were £6,000 and £6,000.

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	67	65
Administration	41	47
Management	8	7
	<u>116</u>	<u>119</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	4	4
In the band £90,001 - £100,000	1	1
	<u><u>5</u></u>	<u><u>5</u></u>

Of the above employees 4 participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these members amounted to £39,401 (2014: 4 employees, £39,641). Of the above staff 1 member contributed to the Local Government Pension Scheme £13,326 (2014: 1 employee, £11,961).

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 4 Trustees (2014: 4) in respect of defined benefit pension schemes.

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: C Henson: Remuneration £90,000 - £95,000 (2014: £90,000 - £95,000), Employer's pension contributions £10,000 - £15,000 (2014: £10,000 - £15,000), S Bellamy: Remuneration £45,000 - £50,000 (2014: £45,000 - £50,000), Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000), N Smith £25,000 - £30,000 (2014: £25,000 - £30,000), Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000), F Moss: Remuneration £40,000 - £45,000 (2014: £40,000 - £45,000), Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000).

During the year, no Trustees received any benefits in kind (2014: £NIL).

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

Other related party transactions involving the trustees are set out in note 29.

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim. For the year ended 31 August 2015 the cover was provided through the Education Funding Agency's Risk Protection Arrangement. Accordingly, the cost of the trustee indemnity element is not separately identifiable (2014: £1,500).

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15. TANGIBLE FIXED ASSETS

GROUP AND ACADEMY	Freehold property £	Plant and equipment £	Computer equipment £	Total £
COST				
At 1 September 2014	10,217,912	125,554	259,419	10,602,885
Additions	119,047	6,821	40,076	165,944
At 31 August 2015	<u>10,336,959</u>	<u>132,375</u>	<u>299,495</u>	<u>10,768,829</u>
DEPRECIATION				
At 1 September 2014	1,069,056	62,440	177,863	1,309,359
Charge for the year	333,975	32,840	47,098	413,913
At 31 August 2015	<u>1,403,031</u>	<u>95,280</u>	<u>224,961</u>	<u>1,723,272</u>
NET BOOK VALUE				
At 31 August 2015	<u>8,933,928</u>	<u>37,095</u>	<u>74,534</u>	<u>9,045,557</u>
At 31 August 2014	<u>9,148,856</u>	<u>63,114</u>	<u>81,556</u>	<u>9,293,526</u>

Included in freehold property is freehold land at valuation of £1,868,537 (2014: £1,868,537) which is not depreciated.

16. FIXED ASSET INVESTMENTS

ACADEMY	Shares in group undertakings £
MARKET VALUE	
At 1 September 2014 and 31 August 2015	<u>1</u>

17. PRINCIPAL SUBSIDIARIES

Company name	Percentage Shareholding	Description
Deer Park Enterprises Limited	100	Operates sports and meeting facilities for the wider community

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18. RESULTS OF TRADING SUBSIDIARY

	17 months ended 31 August 2015 £	2014 £
Turnover	108,120	71,198
Administrative expenses	(38,142)	(65,924)
Gift aid donation	(124,046)	-
	<u>(54,068)</u>	<u>5,274</u>
	2015 £	2014 £
Assets	83,973	55,516
Liabilities	(83,972)	(1,448)
Net assets	<u>1</u>	<u>54,068</u>

19. DEBTORS

	GROUP		ACADEMY	
	2015 £	2014 £	2015 £	2014 £
Trade debtors	39,579	41,476	26,773	28,851
Amounts owed by group undertakings	-	-	81,524	-
Other debtors	-	1,491	-	1,491
Prepayments and accrued income	105,812	57,300	105,812	57,300
Tax recoverable	24,171	22,757	24,171	22,757
	<u>169,562</u>	<u>123,024</u>	<u>238,280</u>	<u>110,399</u>

20. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		ACADEMY	
	2015 £	2014 £	2015 £	2014 £
Trade creditors	59,548	23,142	59,548	23,142
Other taxation and social security	77,492	-	77,492	-
Other creditors	29,462	-	28,015	-
Accruals and deferred income	129,982	165,006	128,982	165,006
	<u>296,484</u>	<u>188,148</u>	<u>294,037</u>	<u>188,148</u>

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20. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

	<u>GROUP</u>	<u>ACADEMY</u>
	£	£
DEFERRED INCOME		
Deferred income at 1 September 2014	89,975	89,975
Resources deferred during the year	45,448	45,448
Amounts released from previous years	(67,968)	(67,968)
Deferred income at 31 August 2015	<u>67,455</u>	<u>67,455</u>

Deferred income represents income received from the DfE/EFA in advance for the following academic year, and also music tuition fees received in advance for the Autumn term 2015.

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21. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General funds	964,342	447,469	(544,869)	25,687	-	892,629
RESTRICTED FUNDS						
General Annual Grant (GAG)	-	4,576,184	(4,576,184)	-	-	-
High needs funding	-	158,881	(158,881)	-	-	-
Pupil premium	-	233,156	(233,156)	-	-	-
Other non DfE Funds	133,454	-	-	(133,454)	-	-
Other DfE/EFA grants	-	45,022	(45,022)	-	-	-
Donations	-	23,412	(23,412)	-	-	-
Pension reserve	(1,353,000)	-	(98,000)	-	(52,000)	(1,503,000)
	<u>(1,219,546)</u>	<u>5,036,655</u>	<u>(5,134,655)</u>	<u>(133,454)</u>	<u>(52,000)</u>	<u>(1,503,000)</u>
RESTRICTED FIXED ASSET FUNDS						
Restricted fixed asset funds	9,296,384	-	(413,913)	107,767	-	8,990,238
DfE/EFA Capital grants	-	79,817	-	-	-	79,817
	<u>9,296,384</u>	<u>79,817</u>	<u>(413,913)</u>	<u>107,767</u>	<u>-</u>	<u>9,070,055</u>
Total restricted funds	<u>8,076,838</u>	<u>5,116,472</u>	<u>(5,548,568)</u>	<u>(25,687)</u>	<u>(52,000)</u>	<u>7,567,055</u>
Total of funds	<u><u>9,041,180</u></u>	<u><u>5,563,941</u></u>	<u><u>(6,093,437)</u></u>	<u><u>-</u></u>	<u><u>(52,000)</u></u>	<u><u>8,459,684</u></u>

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

RESTRICTED FUNDS

General Annual Grant - represents income from the EFA which is to be used for the normal running costs of the Academy, including education and support costs.

High Needs - represents funding received by the Local Authority to fund further support for students with additional needs.

Pupil Premium - represents funding received from the EFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Other DfE/EFA Grants - represents funding received from the EFA in respect of a year 7 catch up grant, Summer school grant, and contributions toward the cost of the Academy's rates.

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21. STATEMENT OF FUNDS (continued)

Other non-DfE funds - the balance brought forward represents amounts received over a considerable period of time (the majority before the school became an academy) from general fundraising events etc. This fund has previously been treated as restricted, but during the year it has been identified that there are no restrictions on the money and therefore the fund has been transferred to unrestricted.

Pension reserve - represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme.

RESTRICTED FIXED ASSET FUND

Restricted fixed asset funds - represents the buildings and equipment donated to the Academy from the Local Authority on conversion to an academy and assets previously purchased from GAG, DFC and ACMF funding received from the EFA. In previous years there have been fixed assets purchased, that have not been adequately represented in the fixed asset fund. The transfer from unrestricted to restricted fixed asset funds represents the additional funds needed to make up the shortfall.

DfE/Capital grants - represents Devolved Formula Capital (DFC) funding from the EFA to cover the purchase of the Academy's assets. These also represent Capital Improvement Funding (CIF) received from the EFA for direct expenditure on fixed asset projects.

OTHER INFORMATION

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.

22. 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	-	-	9,045,557	9,045,557	9,293,526
Current assets	921,708	187,502	104,401	1,213,611	1,288,802
Creditors due within one year	(29,079)	(187,502)	(79,903)	(296,484)	(188,148)
Pension reserve	-	(1,503,000)	-	(1,503,000)	(1,353,000)
	<u>892,629</u>	<u>(1,503,000)</u>	<u>9,070,055</u>	<u>8,459,684</u>	<u>9,041,180</u>

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23. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	(529,496)	(354,207)
Returns on investments and servicing of finance	(3,313)	(3,522)
Depreciation of tangible fixed assets	413,913	404,221
Capital grants from DfE	(79,817)	(48,181)
(Increase)/decrease in stocks	(944)	925
(Increase)/decrease in debtors	(46,538)	37,528
Increase/(decrease) in creditors	50,440	(193,801)
Defined benefit pension scheme adjustments	98,000	44,000
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	(97,755)	(113,037)

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

	2015 £	2014 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	3,313	3,522
	2015 £	2014 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(108,048)	(162,313)
Sale of tangible fixed assets	-	195,168
Capital grants from DfE	79,817	48,181
NET CASH (OUTFLOW)/INFLOW FROM CAPITAL EXPENDITURE	(28,231)	81,036

25. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	31 August 2015 £
Cash at bank and in hand:	1,159,917	(122,673)	1,037,244
NET FUNDS	1,159,917	(122,673)	1,037,244

26. 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.

NOTES TO THE FINANCIAL STATEMENTS
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27. PENSION COMMITMENTS

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

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

Contributions amounting to £26,016 were payable to the scheme at 31 August 2015 (2014: £nil) and are included within creditors.

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 pension costs paid to TPS in the period amounted to £373,166 (2014: £370,926).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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27. PENSION COMMITMENTS (continued)

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £279,000, of which employer's contributions totalled £216,000 and employees' contributions totalled £63,000. The agreed contribution rates for future years are 25.8% for employers and 5.5% - 9.9% 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 group'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	3.70	1,126,000	6.30	942,000
Bonds	3.70	359,000	3.20	275,000
Property	3.70	131,000	4.50	79,000
Cash	3.70	16,000	3.30	13,000
Total market value of assets		<u>1,632,000</u>		<u>1,309,000</u>
Present value of scheme liabilities		<u>(3,135,000)</u>		<u>(2,662,000)</u>
(Deficit)/surplus in the scheme		<u><u>(1,503,000)</u></u>		<u><u>(1,353,000)</u></u>

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(3,135,000)	(2,662,000)
Fair value of scheme assets	<u>1,632,000</u>	<u>1,309,000</u>
Net liability	<u><u>(1,503,000)</u></u>	<u><u>(1,353,000)</u></u>

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27. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2015	2014
	£	£
Current service cost	(288,000)	(193,000)
Interest on obligation	(105,000)	(92,000)
Expected return on scheme assets	79,000	66,000
	<u> </u>	<u> </u>
Total	(314,000)	(219,000)
	<u> </u>	<u> </u>
Actual return on scheme assets	53,000	155,000
	<u> </u>	<u> </u>

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

	2015	2014
	£	£
Opening defined benefit obligation	2,662,000	1,877,000
Current service cost	288,000	193,000
Interest cost	105,000	92,000
Contributions by scheme participants	63,000	55,000
Actuarial Losses	26,000	453,000
Benefits paid	(9,000)	(8,000)
	<u> </u>	<u> </u>
Closing defined benefit obligation	3,135,000	2,662,000
	<u> </u>	<u> </u>

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

	2015	2014
	£	£
Opening fair value of scheme assets	1,309,000	1,010,000
Expected return on assets	79,000	66,000
Actuarial gains and (losses)	(26,000)	11,000
Contributions by employer	216,000	175,000
Contributions by employees	63,000	55,000
Benefits paid	(9,000)	(8,000)
	<u> </u>	<u> </u>
	1,632,000	1,309,000
	<u> </u>	<u> </u>

The cumulative amount of actuarial losses recognised in the Consolidated statement of total recognised gains and losses was £624,000 (2014: £572,000).

The group expects to contribute £264,000 to its Defined benefit pension scheme in 2016.

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

	2015	2014
Discount rate for scheme liabilities	3.70 %	3.90 %
Expected return on scheme assets at 31 August	3.70 %	5.50 %
Rate of increase in salaries	4.00 %	3.90 %
Rate of increase for pensions in payment / inflation	2.60 %	2.60 %

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27. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	22.5 years	22.5 years
Females	24.6 years	24.6 years
Retiring in 20 years		
Males	24.4 years	24.4 years
Females	27.0 years	27.0 years

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

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £	2011 £
Defined benefit obligation	(3,135,000)	(2,662,000)	(1,877,000)	(1,560,000)	(1,130,000)
Scheme assets	1,632,000	1,309,000	1,010,000	691,000	441,000
Deficit	<u>(1,503,000)</u>	<u>(1,353,000)</u>	<u>(867,000)</u>	<u>(869,000)</u>	<u>(689,000)</u>
Experience adjustments on scheme liabilities	(26,000)	(453,000)	(41,000)	(197,000)	28,000
Experience adjustments on scheme assets	<u>(26,000)</u>	<u>11,000</u>	<u>81,000</u>	<u>26,000</u>	<u>(27,000)</u>

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28. OPERATING LEASE COMMITMENTS

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

GROUP	2015	2014
EXPIRY DATE:	£	£
Within 1 year	1,253	2,720
Between 2 and 5 years	2,802	5,011
After more than 5 years	6,800	-
	<u><u>6,800</u></u>	<u><u>7,731</u></u>

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

ACADEMY		
EXPIRY DATE:		
Within 1 year	1,253	2,720
Between 2 and 5 years	2,802	5,011
After more than 5 years	6,800	-
	<u><u>6,800</u></u>	<u><u>7,731</u></u>

29. 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 Academy's financial regulations and normal procurement procedures. The following related party transactions took place in the year:

During the year the Academy has administered the payroll for two teachers who have been seconded to GASH Limited, a company of which the Headteacher Chiquita Henson is a director. Salary costs of £119,479 have been recharged in the year to GASH Limited and purchases of £730 have been made from GASH Limited. At the year end there was a balance owing to the Academy of £20,654.

During the year the Academy made sales of £2,053 to Glos. Initial Teacher Training Partnership, an organisation of which the Headteacher Chiquita Henson is the Chair. At the year end there were no amounts outstanding.

During the year the Academy made purchases of £120 from Openhouse, a company which Claire Mould, a Trustee of the Academy, is the Chief Executive Officer for respite education. At the year end there were no amounts outstanding.