

Company Registration No. 07650609 (England and Wales)

**QUEENS' SCHOOL (BUSHEY)**

**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2015**

# QUEENS' SCHOOL (BUSHEY)

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# QUEENS' SCHOOL (BUSHEY)

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Trustees

G Butler \*  
M Charles  
K Evans \*  
D Hall  
T James (Headteacher and Accounting Officer) \*  
D Lock \*  
S Purbrick (Resigned 4 December 2014)  
M Purdasy  
S Reynolds (Responsible Officer) \*  
J Sowerbutts (Chair of Governors) \*  
K Cook  
V Foweraker  
R Townley \*  
N Richland \*  
A Fretwell  
B Austin \*  
J Raybould  
R Ash  
D Poultney (Resigned 26 March 2015) \*  
S Gorton  
D Raghwani (Appointed 27 November 2014) \*  
E Jackson (Appointed 18 June 2015) \*  
L Park (Appointed 18 September 2015)

\* members of the Finance and General Purpose Committee

### Members

J Sowerbutts  
D Lock  
R Townley

### Senior management team

- Headteacher	T James
- Deputy Headteacher	K Clarke
- Deputy Headteacher	T Sutherland
- Assistant Headteacher	I Sudbery
- Assistant Headteacher	P Vekaria
- Assistant Headteacher	M Taylor
- Assistant Headteacher (Head of Sixth Form)	K Antcliffe

### Company secretary

J A James

### Company registration number

07650609 (England and Wales)

### Registered office

Aldenham Road  
Bushey  
Herts  
WD23 2LX

# QUEENS' SCHOOL (BUSHEY)

## REFERENCE AND ADMINISTRATIVE DETAILS

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**Independent auditor** UHY Hacker Young (East) Limited  
PO Box 501  
The Nexus Building  
Broadway  
Letchworth Garden City  
Herts  
SG6 9BL

**Bankers** Allied Irish Bank (GB)  
Business Direct  
PO Box 73306  
London  
W5 9PB

**Surveyors** Synergy CPC LLP  
8/9 Faraday Road  
Guildford  
Surrey  
GU1 1EA

**Solicitors** Penman Sedgwick LLP  
5 George Street  
Watford  
Herts  
WD18 0SQ

# QUEENS' SCHOOL (BUSHEY)

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2015

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

#### **Structure, governance and management**

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

The trustees of Queens' School (Bushey) are also the directors of the charitable company for the purposes of company law. The charitable company is known as Queens' School (Bushey).

The Governors, who are also the directors for the purpose of the Companies Act 2006 and trustees for the purpose of charity legislation, and who served during the period were:

K Evans  
S Reynolds  
R Townley  
D Hall  
J Sowerbutts  
M Purdasy  
T James  
S Purbrick (Resigned 4 December 2014)  
M Charles  
D Lock  
G Butler  
K Cook  
V Foweraker  
N Richland  
R Ash  
J Raybould  
D Poultney (Resigned 26 March 2015)  
B Austin  
A Fretwell  
S Gorton  
D Raghwani (Appointed 27 November 2014)  
E Jackson (Appointed 18 June 2015)

#### 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.

#### Trustees' indemnities

The Academy Trust maintains Governors' and officers' liability insurance which gives appropriate cover for any legal action brought against its Governors. The Academy Trust has also granted indemnities to each of its Governors and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the Governors or other officers may incur to third parties in the course of acting as Governors or officers of the Academy Trust.

Details of the insurance cover are provided in note 10 to the financial statements.

#### Principal activities

The principal activity of the Charitable Company is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy").

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# QUEENS' SCHOOL (BUSHEY)

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

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### Method of recruitment and appointment or election of trustees

Under the terms of its Articles, the Academy Trust shall have the following Governors:

- Up to 7 Community Governors, appointed by the Members
- Three Staff Governors, elected by the Staff of the school, who shall be made up of two members of the teaching staff and one member of the non-teaching staff. Staff Governors shall serve for a period of four years and may stand for re-election.
- Seven Parent Governors, elected by parents of registered pupils of the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when s/he is elected. Parent Governors shall serve for a period of four years and may stand for re-election
- The Head Teacher (ex officio)
- The Governors may appoint up to three Co-opted Governors

### Policies and procedures adopted for the induction and training of trustees

The training and induction for new Governors is usually informal and tailored specifically to the individual, depending on their existing experience. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new governors are given a tour of the academy and the chance to meet with staff and students. All governors are provided with an induction pack including copies of policies, procedures, minutes, accounts, budgets, plans and other documents deemed necessary for them to undertake their role as trustees and directors of the Charitable Company.

### Organisational structure

The organisational structure consists of three levels: the Governors, the Senior Leadership Team and the Middle Management Team, consisting of Heads of Department and Heads of House. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

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

The Senior Leadership Team comprises the Headteacher, Deputy Headteachers and Assistant Headteachers. These managers control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the Senior Leadership Team are responsible for the authorisation of spending up to a level delegated to them within agreed budgets and the appointment of staff, although appointment boards for posts in the Senior Leadership Team always contain a Governor. Some spending control is devolved to members of the Middle Management Team, with limits above which a member of the Senior Leadership Team must countersign.

The Middle Management Team includes Curriculum Area Leaders and Heads of Year. Along with the Senior Management Team these managers are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students.

# QUEENS' SCHOOL (BUSHEY)

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2015**

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### Risk management

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and the operation of the Academy, and the finances. The Governors have systems to assess risks and introduced measures to minimise any of these risks. Where the remaining risk is deemed to be significant they have ensured there is adequate insurance cover.

The Governors identified a risk for the Academy Trust of insufficient funding, partly due to the reduction in sixth form funding. Careful budgeting for the two years ended 31st August 2015 has helped to reduce the impact of this risk together with an increase in sixth form numbers. They continue to monitor the funding implications with medium term financial planning and due consideration for all major expenditure, and this year undertook an additional review of reserves and the potential risk of the LGPS liability.

The Governors have identified risks of insufficient lighting on the south side. Some work has been done to improve this. Further work will be completed to minimise the risk further. The Governors identified a need for the southside building to be re-clad and double glazed in order to improve the working and learning environment and also to reduce heat loss. This has been done following a successful capital bid. They have also identified a need to re-furbish and extend the north dining hall to increase seating capacity. This has also been done. The Estates Manager continues to inform the Governors of other potential risks and the progress being made to minimise these. The school has also put into place a Business Continuity Plan to take into account risks identified.

### Connected organisations and related party relationships

The Academy is not part of any federation.

There is a parents' association, "The Queens' Parents Association", (QPA), who make small donations to individual curriculum areas.

### **Objectives and activities**

The Academy's objectives for this year are:

- To further improve the quality of Teaching and Learning to enable headline achievement figures to be significant. There will need to be a continuing focus on English and Maths as well as on in school variances. In particular ICT and science need to be addressed.
- To further develop Attitude to Learning, Assessment and Challenge in KS3
- To embed a new Behaviour for Learning policy.
- To implement A' Level Reform into an effective Post 16 Curriculum ready for September 2016

# QUEENS' SCHOOL (BUSHEY)

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2015*

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### Objectives, strategies and activities

The principal object and activity of the Charitable Company is to provide education for pupils of different abilities between the ages of 11 and 19. In accordance with the Articles of Association the Charitable Company has adopted a Transfer Agreement approved by the Secretary of State for Education, which specifies, amongst other things, the basis for admitting students and that the curriculum should comply with the substance of the national curriculum.

Our vision for the future has, for many years, been underpinned by and inextricably linked to our Specialist College status and our aspiration for PE and Science to enable Queens' to develop as a centre for community learning and focal point of good practice and innovative thinking, with student learning and well-being at the heart of our ethos.

We also aim to continue to support the ECM agenda. The key statutory target for this year as agreed with our HIP (Hertfordshire Improvement Partners) is that students reached their aggregated performance targets.

Other operational objectives for this year and strategies for achieving them are included in the Whole School Plan 2014-17. The Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The Governors recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy aims to establish equal opportunities in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued. Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Academy. The policy of the Academy is to support recruitment and retention of students and employees with disabilities. The Academy does this by adapting the physical environment, by making support resources available and through training and career development.

### Public benefit

Queens' School is an Academy converter catering for children aged 11 to 18 and strives to promote and support the advancement of education within the Watford and Bushey area. The school provides an extensive programme of educational and recreational activity - all designed to contribute to the overall education of our students in areas such as academic distinction, music, the arts and sport.

Wherever possible the school also aims to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities. For example the schools offers "school to school" support to a number of other schools.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees believe that the Academy Trust's aims, together with the activities outlined above, are demonstrably to the public benefit.

### **Strategic Report**

#### Achievements in the year

During the past year 80% of students achieved 5 A\*- C GCSE's including English and Maths. These were the school's best ever results and an improvement of 7% on the previous year.

At A' level the 2015 results showed "added value" at both AS and A2, with both achieving Alps ratings of 3, (out of 9).

In a November 2014 one day pilot Ofsted inspection Her Majesty's Inspector reported that the school continues to be a good school and that further progress has been made since the 2012 inspection. Her Majesty's Inspector has suggested that the school should further develop systems for gathering key stage 2 information from primary schools and should continue to seek out best practise in providing high quality feedback and marking for students in all subjects.



## QUEENS' SCHOOL (BUSHEY)

### TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2015*

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#### Going concern

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

#### Key performance indicators

The Governors consider that the following are key performance indicators for the Academy Trust :

- Pupil Numbers – ensuring sufficient applications for each new year of entry and that all school years 7 to 11 have maximum numbers, taking students from the waiting list as appropriate
- General Financial Stability – aiming for income to match expenditure or, where expenditure exceeds income, that it is planned and supported by levels of reserves.
- Staff Costs – that staff costs are approximately 80% to 85% of EFA income and where in excess of this, that short to medium term plans are in place to reduce staff costs.
- Good parental feedback – that the feedback form parents, established in an independent parental survey, is good, and that action taken from previous surveys have resulted in an improvement.
- Ofsted inspection results – that any Ofsted inspections result in a good or outstanding outcome.
- The premises are sufficient to meet the accommodation needs of the school and in good condition, with plans in place for known risks and for redecoration and refurbishment programmes.

The Governors have been pleased that expectations for all key performance indicators listed have been successfully met during the period.

# QUEENS' SCHOOL (BUSHEY)

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2015**

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### **Financial review**

Most of the Academy's recurrent income is obtained from the EFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2015, total expenditure of £9,908,470 was more than covered by recurrent grant funding from the EFA together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds) was £136,148.

At 31 August 2015, the net book value of fixed assets was £38,253,313 and movements in tangible fixed assets are shown in note 11 to the financial statements. During the period the assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

### Financial and risk management objectives and policies

The Academy Trust does not use complex financial instruments. It manages its activities using cash and various items such as trade debtors and trade creditors that arise directly from its operations.

The existence of these financial instruments exposes the Academy Trust to a number of financial risks which are described in more detail below. The main risks arising from the Trust's financial instruments are liquidity risk and cash flow interest rate risk.

Liquidity risk - The Trust manages its cash resources, including sufficient working capital, so that all its operating needs are met without the need for short-term borrowing.

Interest rate risk - the Trust earns interest on cash deposits. With interest rates currently low, the trustees will consider action to increase the income from these deposits, provided it does not jeopardise the liquidity or security of the Trust's assets.

Credit risk arises from the possibility that amounts owed to the Trust will not be repaid. The Trust does not undertake credit activities so it is only exposed to credit risk as it arises from normal business. Credit risk is managed through the use of approved banks and the prompt collection of amounts due.

### Principal risks and uncertainties

The main risks that the Academy is exposed to are summarised below. For each of these risks the probability, impact and seriousness have been considered together with appropriate action and management plans:

Operational and reputational - this covers risks to the running of the Academy (including the capacity of staff and buildings to meet the needs of pupils) and its performance in delivering the curriculum.

Financial - covering risks to the Academy Trust's financial position, including revenue streams, cost control and cash management.

The risks to which the Academy Trust is exposed arise both internally and externally. External risks include those in respect of future funding levels, competition, changes to rules and regulations, and the financial position of the staff pension schemes.

### Reserves policy

The Governing Body of Queens' School wishes to maintain a level of cash reserves which will ensure the stability of the Academy's day to day operational needs in the short to medium term, plan for capital investment in the medium to longer term, and still be able to respond quickly to unbudgeted financial needs. Governors regularly review the level of reserves and aims to maintain it between an adequate minimum and maximum level.

# QUEENS' SCHOOL (BUSHEY)

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2015**

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### Investment policy and powers

The Governing Body aim to maximise investment income from long term investments, but with consideration to the potential need to access these funds at short notice. They have a rolling programme of short and longer term investments which provides access to invested funds every two months.

Governors are disappointed that the return on medium to long term investments fell during the year, and continues to fall in the current economic climate. Future budgets will reflect this downward trend.

### Disabled employees

The policy of the Academy Trust is to support recruitment and retention of students and employees with disabilities. The Academy Trust does this by adapting the physical environment, by making support resources available. Lifts, ramps and disabled toilets have been installed and door widths are adequate to enable wheelchair access to all the main areas of the Academy.

### Equal opportunities

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

### **Plans for the future**

Plans for future periods are focussed around meeting the school's objectives, but whilst still maintaining the key performance indicators. Plans are also made with due regards for the financial limitations the Academy faces and bearing in mind the need for a balanced budget in future years.

Plans include :

- Continued improvement of the buildings, including replacement of the roof on south side and refurbishment of the technology block.
- Review of staffing with the aim of reducing staff costs.
- Sufficient funding for the A' Level reform to ensure we have an effective Post 16 Curriculum ready for September 2016
- Use of Pupil Premium funding to maximise the opportunities and achievements of these students.
- Continued review of the income and expenditure to achieve a balanced budget.

### **Funds held as custodian trustee**

Queens' School does not hold at funds as a custodian trustee on behalf of others.

# QUEENS' SCHOOL (BUSHEY)

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

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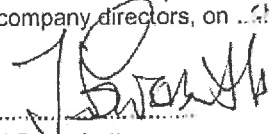
### Auditor

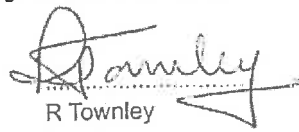
In so far as the trustees are aware:

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

A resolution proposing that UHY Hacker Young (East) Limited be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 31.8.15 and signed on its behalf by:

  
.....  
J Sowerbutts  
Chair of Governors

  
.....  
R Townley  
Trustee

# QUEENS' SCHOOL (BUSHEY)

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2015**

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### Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the principal 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 Queens' School (Bushey) and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
G Butler	5	6
M Charles	3	6
K Evans	0	6
D Hall	4	6
T James (Headteacher and Accounting Officer)	6	6
D Lock	5	6
S Purbrick (Resigned 4 December 2014)	1	1
M Purdasy	5	6
S Reynolds (Responsible Officer)	3	6
J Sowerbutts (Chair of Governors)	6	6
K Cook	3	6
V Foweraker	3	6
R Townley	3	6
N Richland	5	6
A Fretwell	2	3
B Austin	5	6
J Raybould	6	6
R Ash	4	6
D Poultney (Resigned 26 March 2015)	3	3
S Gorton	5	6
D Raghwani (Appointed 27 November 2014)	3	5
E Jackson (Appointed 18 June 2015)	1	1
L Park (Appointed 18 September 2015)	0	0

There have been no changes in the composition of the board of trustees this year.

The Governing Body reviews the effectiveness of the board of trustees and consider the appropriateness of the knowledge and expertise on each sub-committee. Where necessary, the Trustees undertake additional training or change sub-committees.

# QUEENS' SCHOOL (BUSHEY)

## GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

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The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to be responsible, on behalf of the Governing Body, for establishing, maintaining and operating a system of control, monitoring and reviewing procedures which meet the EVA's requirements on Financial and HS&E issues and to provide a safe and satisfactory environment for learning. One of the Committee's responsibilities is routine budget setting and monitoring.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
G Butler	0	1
K Evans	3	6
T James (Headteacher and Accounting Officer)	6	6
D Lock	3	6
S Reynolds (Responsible Officer)	5	6
J Sowerbutts (Chair of Governors)	5	6
R Townley	3	6
N Richland	0	1
B Austin	4	6
D Poultney (Resigned 26 March 2015)	1	3
D Raghwani (Appointed 27 November 2014)	2	5
E Jackson (Appointed 18 June 2015)	1	1

The audit committee is made up of the Finance Liaison Governor and the School Business Manager who meet termly to review the work of the Auditors both in terms of year-end audit and of the termly reviews. Its purpose is also to investigate any matters raised by Governors and to check on the internal controls and the day to day running of the school finances.

### Review of value for money

As accounting officer the Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by, for example, :

Robustly reviewing the staffing levels in all areas of both curriculum delivery and school support. Like for like replacements are not necessarily being made and the quantity of classes and lessons in each subject has been reviewed to ensure maximum delivery with minimal costs.

Revision and booster classes have been provided across of a levels of year 11 students with the aim of maximising student achievement at GCSE and A'Level. An outside agency was used to deliver English and Maths Easter revision classes with a comprehensive analysis of the subsequent results and therefore value for money of this provision.

The introduction of new courses has required financial investment in certain departments and the Head's of Department were asked to consider fully their needs and options available to them, and then to submit a bid for funding. These bids were reviewed to ensure maximum value for money for the funds that were then distributed.

# QUEENS' SCHOOL (BUSHEY)

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2015**

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

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

### **Capacity to handle risk**

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

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

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However the trustees have appointed Simon Reynolds, a trustee, as responsible officer (RO); and
- the trustees have appointed UHY Hacker Young (East) Limited, the external auditor, to perform additional checks

The auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the RO reviews the auditor's findings and reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. No material control issues have been identified.

### **Review of effectiveness**

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

- the work of the responsible officer
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

**QUEENS' SCHOOL (BUSHEY)**

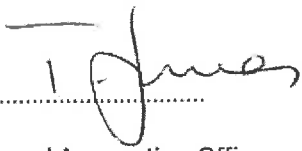
**GOVERNANCE STATEMENT (CONTINUED)**

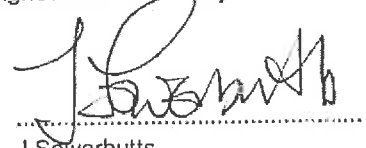
**FOR THE YEAR ENDED 31 AUGUST 2015**

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The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit committee and Finance and General Purposes Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 01.12.15 and signed on its behalf by:

  
.....  
T James  
Headteacher and Accounting Officer

  
.....  
J Sowerbutts  
Chair of Governors



## QUEENS' SCHOOL (BUSHEY)

### STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2015

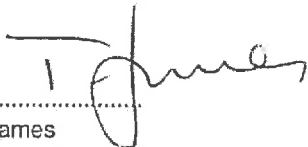
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As accounting officer of Queens' School (Bushey) I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

Approved on ...01/12/15... and signed by:



.....  
T James  
Accounting Officer

# QUEENS' SCHOOL (BUSHEY)

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The trustees (who also act as governors for Queens' School (Bushey) and are also the directors of Queens' School (Bushey) for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts 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 accounts for each financial year. Under company law the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the trustees are required to:

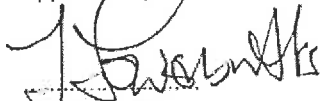
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the board of trustees on 01.12.15 and signed on its behalf by:



J Sowerbutts

Chair of Governors

# QUEENS' SCHOOL (BUSHEY)

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF QUEENS' SCHOOL (BUSHEY)

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We have audited the accounts of Queens' School (Bushey) for the year ended 31 August 2015 set out on pages 21 to 41. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

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

#### **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 16, the trustees, who are also the directors of Queens' School (Bushey) for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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 accounts**

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

In our opinion the accounts:

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

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

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

## QUEENS' SCHOOL (BUSHEY)

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF QUEENS' SCHOOL (BUSHEY)

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#### Matters on which we are required to report by exception

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

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

  
James Price FCA (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young (East) Limited

Chartered Accountants  
Statutory Auditor  
PO Box 501  
The Nexus Building  
Broadway  
Letchworth Garden City  
Herts  
SG6 9BL

Dated: 16/12/15

## **QUEENS' SCHOOL (BUSHEY)**

### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO QUEENS' SCHOOL (BUSHEY) AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 10 June 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Queens' School (Bushey) during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Respective responsibilities of Queens' School (Bushey)'s accounting officer and the reporting accountant**

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

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

#### **Approach**

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

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

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

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

## QUEENS' SCHOOL (BUSHEY)

### INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO QUEENS' SCHOOL (BUSHEY) AND THE EDUCATION FUNDING AGENCY (CONTINUED)

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#### Conclusion

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



James Price FCA  
Reporting Accountant  
UHY Hacker Young (East) Limited

Dated: 16/12/15

# QUEENS' SCHOOL (BUSHEY)

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	Unrestricted funds £	Restricted funds £	Fixed Asset fund £	Total 2015 £	Total 2014 £
<b>Incoming resources</b>						
<i>Resources from generated funds</i>						
- Voluntary income	2	25,638	-	-	25,638	41,797
- Activities for generating funds	3	243,730	402,005	-	645,735	583,505
- Investment income	4	4,641	-	-	4,641	10,978
<i>Resources from charitable activities</i>						
- Funding for educational operations	5	-	8,670,976	836,722	9,507,698	8,772,677
<b>Total incoming resources</b>		<b>274,009</b>	<b>9,072,981</b>	<b>836,722</b>	<b>10,183,712</b>	<b>9,408,957</b>
<b>Resources expended</b>						
<i>Costs of generating funds</i>						
- Relating to voluntary income	6	26,249	399,037	-	425,286	460,412
<i>Charitable activities</i>						
- Educational operations	7	-	8,641,141	697,628	9,338,769	9,259,322
Governance costs	8	-	144,415	-	144,415	168,193
<b>Total resources expended</b>	6	<b>26,249</b>	<b>9,184,593</b>	<b>697,628</b>	<b>9,908,470</b>	<b>9,887,927</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>247,760</b>	<b>(111,612)</b>	<b>139,094</b>	<b>275,242</b>	<b>(478,970)</b>
Gross transfers between funds		-	(72,702)	72,702	-	-
<b>Net income/(expenditure) for the year</b>		<b>247,760</b>	<b>(184,314)</b>	<b>211,796</b>	<b>275,242</b>	<b>(478,970)</b>
<b>Other recognised gains and losses</b>						
Actuarial gains/(losses) on defined benefit pension scheme	17	-	(43,000)	-	(43,000)	(95,000)
Revaluation of fixed assets	11	-	-	9,723,306	9,723,306	-
<b>Net movement in funds</b>		<b>247,760</b>	<b>(227,314)</b>	<b>9,935,102</b>	<b>9,955,548</b>	<b>(573,970)</b>
Fund balances at 1 September 2014		708,963	(236,766)	28,318,211	28,790,408	29,364,378
<b>Fund balances at 31 August 2015</b>		<b>956,723</b>	<b>(464,080)</b>	<b>38,253,313</b>	<b>38,745,956</b>	<b>28,790,408</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from continuing operations during the two financial periods above.

# QUEENS' SCHOOL (BUSHEY)

## BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015		2014	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		38,253,313		28,318,211
<b>Current assets</b>					
Debtors	12	302,604		396,686	
Cash at bank and in hand		2,352,057		2,213,298	
		<u>2,654,661</u>		<u>2,609,984</u>	
Creditors: amounts falling due within one year	13	<u>(1,027,666)</u>		<u>(1,096,331)</u>	
<b>Net current assets</b>			1,626,995		1,513,653
<b>Total assets less current liabilities</b>			<u>39,880,308</u>		<u>29,831,864</u>
Creditors: amounts falling due after more than one year	14		<u>(27,352)</u>		<u>(29,456)</u>
<b>Net assets excluding pension liability</b>			39,852,956		29,802,408
Defined benefit pension liability	17		<u>(1,107,000)</u>		<u>(1,012,000)</u>
<b>Net assets</b>			<u><u>38,745,956</u></u>		<u><u>28,790,408</u></u>
<b>Funds of the academy trust:</b>					
<b>Restricted income funds</b>	15				
- Fixed asset funds			38,253,313		28,318,211
- General funds			642,920		775,234
- Pension reserve			<u>(1,107,000)</u>		<u>(1,012,000)</u>
<b>Total restricted funds</b>			<u>37,789,233</u>		<u>28,081,445</u>
<b>Unrestricted funds</b>	15		<u>956,723</u>		<u>708,963</u>
<b>Total funds</b>			<u><u>38,745,956</u></u>		<u><u>28,790,408</u></u>

The accounts were approved by order of the board of trustees and authorised for issue on ...01.12.15..

  
 T James  
 Headteacher and Accounting Officer

Company Number 07650609



# QUEENS' SCHOOL (BUSHEY)

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Net cash inflow/(outflow) from operating activities	18	208,923	251,572
<b>Returns on investments and servicing of finance</b>			
Investment income		4,641	10,978
<b>Net cash inflow/(outflow) from returns on investments and servicing of finance</b>		4,641	10,978
		213,564	262,550
<b>Capital expenditure and financial investments</b>			
Capital grants received		836,722	194,588
Payments to acquire tangible fixed assets		(909,423)	(276,756)
<b>Net cash flow from capital activities</b>		(72,701)	(82,167)
<b>Net cash inflow/(outflow) before financing</b>		140,863	180,383
<b>Financing</b>			
Loans received		-	33,664
Repayment of long term loan		(2,104)	-
<b>Net cash inflow/(outflow) from funding</b>		(2,104)	33,664
<b>Increase/(decrease) in cash</b>	19	138,759	214,047
<b>Reconciliation of net cash flows to movement in net funds</b>			
Net funds at 1 September 2013		2,213,298	1,999,251
Net funds at 31 August 2014		2,352,057	2,213,298

# QUEENS' SCHOOL (BUSHEY)

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

---

### 1 Accounting policies

#### 1.1 Basis of preparation

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

#### 1.2 Going Concern

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

#### 1.3 Incoming resources

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

#### Grants receivable

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

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

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable, where there is certainty of receipt and the value of the donation is measurable.

#### Donations

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

#### Other income

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

#### Donated services and gifts in kind

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



# QUEENS' SCHOOL (BUSHEY)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

### 1 Accounting policies

(Continued)

#### 1.7 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 17, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

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

#### 1.8 Fund accounting

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

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

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

### 2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Donations	25,638	-	25,638	41,797

# QUEENS' SCHOOL (BUSHEY)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

### 3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Hire of facilities	174,460	-	174,460	160,404
Music tuition	-	65,131	65,131	63,600
Other income	69,270	336,874	406,144	359,501
	<u>243,730</u>	<u>402,005</u>	<u>645,735</u>	<u>583,505</u>

### 4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Short term deposits	4,641	-	4,641	10,978
	<u>4,641</u>	<u>-</u>	<u>4,641</u>	<u>10,978</u>

### 5 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
<b>DfE / EFA grants</b>				
General annual grant (GAG)	-	8,254,587	8,254,587	8,176,285
Capital grants	-	296,864	296,864	-
Other DfE / EFA grants	-	416,389	416,389	401,804
	<u>-</u>	<u>8,967,840</u>	<u>8,967,840</u>	<u>8,578,089</u>
<b>Other government grants</b>				
Local authority grants	-	66,708	66,708	17,097
Other grants	-	473,150	473,150	177,491
	<u>-</u>	<u>539,858</u>	<u>539,858</u>	<u>194,588</u>
<b>Total funding</b>	<u>-</u>	<u>9,507,698</u>	<u>9,507,698</u>	<u>8,772,677</u>

All resources expended are inclusive of irrecoverable VAT.

# QUEENS' SCHOOL (BUSHEY)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

6 Resources expended	Staff costs £	Premises & equipment £	Other costs £	Total 2015 £	Total 2014 £
<b>Academy's educational operations</b>					
- Direct costs	6,408,322	592,984	677,426	7,678,732	7,455,800
- Allocated support costs	716,832	274,750	668,455	1,660,037	1,803,522
	<u>7,125,154</u>	<u>867,734</u>	<u>1,345,881</u>	<u>9,338,769</u>	<u>9,259,322</u>
<b>Other expenditure</b>					
Costs of generating voluntary income	26,249	-	399,037	425,286	460,412
Governance costs	126,499	-	17,916	144,415	168,193
	<u>152,748</u>	<u>-</u>	<u>416,953</u>	<u>569,701</u>	<u>628,605</u>
<b>Total expenditure</b>	<u><u>7,277,902</u></u>	<u><u>867,734</u></u>	<u><u>1,762,834</u></u>	<u><u>9,908,470</u></u>	<u><u>9,887,927</u></u>
<b>Net income/(expenditure) for the year includes:</b>				<b>2015</b>	<b>2014</b>
				£	£
Fees payable to auditor					
- Audit				9,550	9,550
- Other services				2,091	13,075
				<u>11,641</u>	<u>22,625</u>

# QUEENS' SCHOOL (BUSHEY)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

### 7 Charitable activities - the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
<b>Direct costs</b>				
Teaching and educational support staff costs	-	6,408,322	6,408,322	6,298,915
Depreciation	-	592,984	592,984	509,712
Educational supplies and services	-	203,099	203,099	216,740
Examination fees	-	163,376	163,376	159,890
Staff development	-	46,638	46,638	52,676
Other direct costs	-	264,313	264,313	217,867
	-	7,678,732	7,678,732	7,455,800
<b>Allocated support costs</b>				
Support staff costs	-	716,832	716,832	695,158
Depreciation	-	104,644	104,644	89,949
Technology costs	-	173,641	173,641	183,620
Maintenance of premises and equipment	-	170,106	170,106	222,993
Cleaning	-	38,585	38,585	34,262
Energy costs	-	156,669	156,669	168,887
Rent and rates	-	68,526	68,526	63,976
Insurance	-	55,506	55,506	69,458
Security and transport	-	18,967	18,967	19,757
Catering	-	50,539	50,539	79,952
Other support costs	-	106,022	106,022	175,510
	-	1,660,037	1,660,037	1,803,522
<b>Total costs</b>	-	9,338,769	9,338,769	9,259,322

### 8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Legal and professional fees	-	6,275	6,275	24,326
Auditor's remuneration	-	11,641	11,641	22,625
Support staff costs	-	126,499	126,499	121,242
	-	144,415	144,415	168,193

# QUEENS' SCHOOL (BUSHEY)

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

9 Staff costs	2015	2014
	£	£
Wages and salaries	5,829,951	5,549,453
Social security costs	438,682	437,686
Other pension costs	891,821	839,513
	<u>7,160,454</u>	<u>6,826,652</u>
Supply teacher costs	117,448	31,191
	<u>7,277,902</u>	<u>6,857,843</u>

The average number of persons (including senior management team) employed by the academy trust during the year expressed as full time equivalents was as follows:

	2015	2014
	Number	Number
Teachers	119	126
Administration and support	91	90
Management	9	9
	<u>219</u>	<u>225</u>

The number of employees whose annual remuneration was £60,000 or more was:

	2015	2014
	Number	Number
£60,000 - £70,000	3	2
£110,000 - £120,000	1	1
	<u>4</u>	<u>3</u>

Of the employees above, the number participating in pension schemes and the employers' contributions paid on their behalf were as follows:

		2015	2014
Teachers' and Local Government Pension Scheme	Numbers	3	3
	£	34,899	25,667
		<u>3</u>	<u>3</u>
		<u>34,899</u>	<u>25,667</u>



# QUEENS' SCHOOL (BUSHEY)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

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### 10 Trustees' remuneration and expenses

The head teacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of head teacher and staff, and not in respect of their services as trustees. Other trustees did not receive any payments during the year.

The value of trustees' remuneration and other benefits was as follows:

#### Head Teacher:

Remuneration £110,001- £115,000 (2014: £115,001 - £120,000)  
Employer's pension contributions £10,001 - £15,000 (2014: £10,001- £15,000)

#### Staff Governor 1:

Remuneration £35,001 - £40,000 (2014: £15,001 - £20,000)  
Employer's pension contributions £1 - £5,000 (2014: £1 - £5,000)

#### Staff Governor 2:

Remuneration £15,001 - £20,000 (2014: £30,001 - £35,000)  
Employer's pension contributions £1 - £5,000 (2014: £1 - £5,000)

#### Staff Governor 3 (current year only):

Remuneration £25,001 - £30,000  
Employer's pension contributions £1 - £5,000

#### Employed Governor 1:

Remuneration £20,001 - £25,000 (2014: £1 - £5,000)  
Employer's pension contributions £1 - £5,000 (2014: £1 - £5,000)

During the year, no expenses were reimbursed to the trustees.

Other related party transactions involving the trustees are set out within the related parties note.

#### Trustees' and officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,700 (2014: £1,700).

# QUEENS' SCHOOL (BUSHEY)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

### 11 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2014	29,101,301	205,562	786,892	30,093,755
Additions	801,931	56,491	51,001	909,423
Revaluation	8,371,698	-	-	8,371,698
At 31 August 2015	38,274,930	262,053	837,893	39,374,876
<b>Depreciation</b>				
At 1 September 2014	1,351,608	132,148	291,788	1,775,544
Revaluation	(1,351,608)	-	-	(1,351,608)
Charge for the year	546,778	47,897	102,952	697,626
At 31 August 2015	546,778	180,045	394,740	1,121,563
<b>Net book value</b>				
At 31 August 2015	37,728,152	82,008	443,153	38,253,313
At 31 August 2014	27,749,693	73,414	495,104	28,318,211

### 12 Debtors

	2015	2014
	£	£
Trade debtors	48,168	148,862
VAT recoverable	101,206	153,563
Prepayments and accrued income	153,230	94,261
	302,604	396,686

# QUEENS' SCHOOL (BUSHEY)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

### 13 Creditors: amounts falling due within one year

	2015	2014
	£	£
Other loans	4,208	4,208
Trade creditors	432,052	302,194
Other creditors	286,245	282,352
Accruals and deferred income	305,161	507,577
	<u>1,027,666</u>	<u>1,096,331</u>

### Deferred Income

	2015	2014
	£	£
Deferred income is included within:		
Creditors due within one year	<u>205,831</u>	<u>264,131</u>
Total deferred income at 1 September 2013	264,131	31,648
Amounts credited to the statement of financial activities	(264,131)	(31,648)
Amounts deferred in the year	<u>205,831</u>	<u>264,131</u>
Total deferred income at 31 August 2015	<u>205,831</u>	<u>264,131</u>

At the balance sheet date the academy trust was holding funds received in advance for capital projects, music fees, lettings income, school trips and summer school.

### 14 Creditors: amounts falling due after more than one year

	2015	2014
	£	£
Other loans	<u>27,352</u>	<u>29,456</u>
Analysis of loans		
	2015	2014
	£	£
Wholly repayable within eight years	31,560	33,664
Less: included in current liabilities	(4,208)	(4,208)
Amounts included above	<u>27,352</u>	<u>29,456</u>
Loan maturity		
In more than two years but not more than five years	16,832	16,832
In more than five years	10,520	12,624
	<u>27,352</u>	<u>29,456</u>

# QUEENS' SCHOOL (BUSHEY)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

15 Funds	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2015 £
<b>Restricted general funds</b>					
General Annual Grant	(319,127)	8,254,586	(8,176,026)	240,567	-
Other DfE / EFA grants	-	415,640	(415,640)	-	-
Other restricted funds	1,094,361	402,755	(540,927)	(313,269)	642,920
	<u>775,234</u>	<u>9,072,981</u>	<u>(9,132,593)</u>	<u>(72,702)</u>	<u>642,920</u>
Funds excluding pensions	775,234	9,072,981	(9,132,593)	(72,702)	642,920
Pension reserve	(1,012,000)	-	(52,000)	(43,000)	(1,107,000)
	<u>(236,766)</u>	<u>9,072,981</u>	<u>(9,184,593)</u>	<u>(115,702)</u>	<u>(464,080)</u>
<b>Restricted fixed asset funds</b>					
Restricted fixed asset fund	28,318,211	296,864	(157,770)	9,796,008	38,253,313
Devolved Formula Capital (DFC)	-	66,708	(66,708)	-	-
Academies Capital Maintenance Fund (ACMF)	-	473,150	(473,150)	-	-
	<u>28,318,211</u>	<u>836,722</u>	<u>(697,628)</u>	<u>9,796,008</u>	<u>38,253,313</u>
<b>Total restricted funds</b>	<u>28,081,445</u>	<u>9,909,703</u>	<u>(9,882,221)</u>	<u>9,680,306</u>	<u>37,789,233</u>
<b>Unrestricted funds</b>					
General funds	708,963	274,009	(26,249)	-	956,723
	<u>708,963</u>	<u>274,009</u>	<u>(26,249)</u>	<u>-</u>	<u>956,723</u>
<b>Total funds</b>	<u>28,790,408</u>	<u>10,183,712</u>	<u>(9,908,470)</u>	<u>9,680,306</u>	<u>38,745,956</u>

# QUEENS' SCHOOL (BUSHEY)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

#### 15 Funds

(Continued)

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

##### General Annual Grant

The General Annual Grant (GAG) must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

##### Other DfE / EFA grants

This represents other funding for various purposes including pupil premium, sports funding, training and other pupil related activities.

##### Other restricted funds

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant.

##### Pensions Reserve

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme.

##### Restricted fixed asset fund

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

##### Devolved Formula Grant (DFG)

The academy is to use the Devolved Formula Grant allocation to maintain and improve its buildings and facilities.

##### Academies Capital Maintenance Fund (ACMF)

The academy is required to use the funding for the specific project as defined within the funding agreement.

#### 16 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
<b>Fund balances at 31 August 2015 are represented by:</b>				
Tangible fixed assets	-	-	38,253,313	38,253,313
Current assets	956,723	1,697,938	-	2,654,661
Creditors falling due within one year	-	(1,027,666)	-	(1,027,666)
Creditors falling due after one year	-	(27,352)	-	(27,352)
Defined benefit pension liability	-	(1,107,000)	-	(1,107,000)
	<u>956,723</u>	<u>(464,080)</u>	<u>38,253,313</u>	<u>38,745,956</u>

# QUEENS' SCHOOL (BUSHEY)

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

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### 17 Pensions and similar obligations

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

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

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

#### Teachers' Pension Scheme

##### Introduction

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

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

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

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

The key elements of the valuation and subsequent consultation are:

- 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 the TPS in the period amounted to £621,420 (2014: £615,809).

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

# QUEENS' SCHOOL (BUSHEY)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

#### 17 Pensions and similar obligations

(Continued)

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 25% for employers and 5.5% to 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £271,000.

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.

Contributions made	2015 £	2014 £
Employer's contributions	282,000	231,000
Employees' contributions	69,000	56,000
Total contributions	<u>351,000</u>	<u>287,000</u>
Principal actuarial assumptions	2015 %	2014 %
Rate of increase in salaries	3.90	3.90
Rate of increase for pensions in payment	2.60	2.60
Discount rate for scheme liabilities	3.70	3.70
Inflation assumption (CPI)	<u>5.40</u>	<u>5.40</u>

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

	2015 Years	2014 Years
Retiring today		
- Males	22	22
- Females	25	25
Retiring in 20 years		
- Males	24	24
- Females	<u>27</u>	<u>27</u>

# QUEENS' SCHOOL (BUSHEY)

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

### 17 Pensions and similar obligations

(Continued)

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

	2015 Expected return %	2015 Fair value £	2014 Expected return %	2014 Fair value £
Equities	3.70	1,478,000	6.30	1,324,000
Bonds	3.70	643,000	3.30	455,000
Property	3.70	167,000	4.50	138,000
Other assets	3.70	95,000	3.30	59,000
Total market value of assets		2,383,000		1,976,000
Present value of scheme liabilities - funded		(3,490,000)		(2,988,000)
Net pension liability		(1,107,000)		(1,012,000)

### Amounts recognised in the statement of financial activities

	2015 £	2014 £
<b>Operating costs/(income)</b>		
Current service cost (net of employee contributions)	332,000	264,000
Past service cost	-	-
Total operating charge	332,000	264,000
<b>Finance costs/(income)</b>		
Expected return on pension scheme assets	115,000	93,000
Interest on pension liabilities	(117,000)	(113,000)
Net finance costs/(income)	(2,000)	(20,000)
Total charge/(income)	330,000	244,000



# QUEENS' SCHOOL (BUSHEY)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

### 17 Pensions and similar obligations

(Continued)

#### Actuarial gains and losses recognised in the statement of financial activities

	2015 £	2014 £
Actuarial (gains)/losses on assets: actual return less expected	15,000	(185,000)
Experience (gains)/losses on liabilities	28,000	280,000
(Gains)/losses arising from changes in assumptions	-	-
	<u>43,000</u>	<u>95,000</u>
Total (gains)/losses	<u>43,000</u>	<u>95,000</u>
Cumulative (gains)/losses to date	<u>311,000</u>	<u>268,000</u>

#### Movements in the present value of defined benefit obligations

	2015 £	2014 £
Obligations at 1 September 2014	(2,988,000)	(2,315,000)
Current service cost	(332,000)	(264,000)
Interest cost	(117,000)	(113,000)
Contributions by employees	(69,000)	(56,000)
Actuarial gains/(losses)	(28,000)	(280,000)
Benefits paid	44,000	40,000
	<u>(3,490,000)</u>	<u>(2,988,000)</u>
At 31 August 2015	<u>(3,490,000)</u>	<u>(2,988,000)</u>

#### Movements in the fair value of scheme assets

	2015 £	2014 £
Assets at 1 September 2014	1,976,000	1,451,000
Expected return on assets	115,000	93,000
Actuarial gains/(losses)	(15,000)	185,000
Contributions by employers	282,000	231,000
Contributions by employees	69,000	56,000
Benefits paid	(44,000)	(40,000)
	<u>2,383,000</u>	<u>1,976,000</u>
At 31 August 2015	<u>2,383,000</u>	<u>1,976,000</u>

# QUEENS' SCHOOL (BUSHEY)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations	(Continued)			
History of experience gains and losses	2015	2014	2013	2012
	£	£	£	£
Present value of defined benefit obligations	(3,530,000)	(2,988,000)	(2,315,000)	(1,904,000)
Fair value of share of scheme assets	2,423,000	1,976,000	1,451,000	967,000
Surplus / (deficit)	<u>(1,107,000)</u>	<u>(1,012,000)</u>	<u>(864,000)</u>	<u>(937,000)</u>
Experience adjustment on scheme assets	(15,000)	185,000	(51,000)	(261,000)
Experience adjustment on scheme liabilities	<u>(28,000)</u>	<u>(280,000)</u>	<u>103,000</u>	<u>27,000</u>
18 Reconciliation of net income to net cash inflow/(outflow) from operating activities	2015	2014		
	£	£		
Net income	275,242	(478,970)		
Capital grants and similar income	(836,722)	(194,588)		
Investment income	(4,642)	(10,979)		
FRS17 pension costs less contributions payable	50,000	33,000		
FRS17 pension finance income	2,000	20,000		
Depreciation of tangible fixed assets	697,628	599,661		
(Increase)/decrease in debtors	94,082	(186,401)		
Increase/(decrease) in creditors	<u>(68,665)</u>	<u>469,848</u>		
Net cash inflow/(outflow) from operating activities	<u>208,923</u>	<u>251,571</u>		
19 Reconciliation of net cash flow to movement in net funds	2015	2014		
	£	£		
Increase/(decrease) in cash	138,759	214,046		
Movement of other loan	2,104	(33,664)		
Net funds at 1 September 2014	<u>2,179,633</u>	<u>1,999,252</u>		
Net funds at 31 August 2015	<u>2,320,496</u>	<u>2,179,634</u>		

## QUEENS' SCHOOL (BUSHEY)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

#### 20 Analysis of net funds

	At 1 September 2014	Cash flows	Non-cash changes	At 31 August 2015
	£	£	£	£
Cash at bank and in hand	2,213,297	138,759	-	2,352,056
Debt due within one year	(4,208)	2,104	(2,104)	(4,208)
Debt due after one year	(29,456)	-	2,104	(27,352)
	(33,664)	2,104	-	(31,560)
Net balances	2,179,633	140,863	-	2,320,496

#### 21 Controlling party

The academy trust is run by the management team on a day to day basis. Strategic decisions are made by the trustees. There is no ultimate controlling party.

#### 22 Related parties

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which trustees have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

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

#### 23 Members' liability

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