

Registered number: 07698859

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the academy, its trustees and advisers	1 - 2
Trustees' report	3 - 8
Governance statement	9 - 10
Statement on regularity, propriety and compliance	11
Trustees' responsibilities statement	12
Independent auditors' report	13 - 14
Independent reporting accountant's assurance report on regularity	15 - 16
Statement of financial activities	17 - 18
Balance sheet	19
Cash flow statement	20
Notes to the financial statements	21 - 38

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Trustees

Sir Pritpal Singh, Head Teacher^{1,2}
Ms Trish Eldrid, Governor²
Mr David Innes, Governor (resigned 5 December 2013)^{1,2}
Ms Christine Fortune, Chair^{1,2}
Mr Jonathan Eva, Governor^{1,2}
Dr Lee Richards, Vice Chair^{1,2}
Ms Clare Williamson, Governor (resigned 16 March 2014)¹
Ms Sandy Yates, Governor^{1,2}
Ms Juile Hadwin, Parent Governor¹
Mrs Helen Vogt, Parent Governor¹
Mr Eamonn Whelan, Staff Governor¹
Mrs Annette Gormally, Staff Governor¹
Mr Ian McDermott, Staff Governor¹
Dr Waljit Dhillon (appointed 13 March 2014)
Mrs Sahra Osman (appointed 10 July 2014)
Mrs Catherine Williamson (appointed 10 July 2014)
Mr Peter Lang²

¹ Directors of the Company

² Trust Members

Company registered number

07698859

Registered office

1 Ashley Road, Altringham, London, WA14 2DT

Principal operating office

Drayton Bridge Road, London, W7 1EU

Company secretary

Oakwood Corporate Services Ltd

Senior management team

Sir Pritpal Singh, Head Teacher
Mr Eamonn Whelan, Senior Deputy Head Teacher
Mrs Sian Dowden, Deputy Head Teacher
Mr Chris Killen, Assistant Deputy Head Teacher
Mr Stuart Burnaby, Senior Teacher (appointed 17 October 2013)
Ms Lindsay Patience, Senior Teacher
Ms Lisa Mills, Senior Teacher
Mr Chris Holbrook, Senior Teacher
Ms Karlene Dampha, Senior Teacher

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Administrative details (continued)

Independent auditors

Landau Baker Limited, Mountcliff House, 154 Brent Street, London , NW4 2DR

Bankers

Lloyds TSB plc, 25 Gresham Street, London, EC2V 7HN

Solicitors

Wrigleys Solicitors LLP, 19 Cookridge Street, Leeds, LS2 3AG

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014

The governors present their annual report together with the financial statements and auditors' report of the charitable company for the period ended 31 August 2014. The Governors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 in preparing the annual report and financial statements of the charity.

Structure, governance and management

a. CONSTITUTION

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

The governors act as the trustees for the charitable activities of Drayton Manor High School Academy Trust Limited and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Drayton Manor High School Academy.

Details of the governors who served throughout the period except as noted are included in the Reference and Administrative Details on page 1.

b. MEMBERS' LIABILITY

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

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The Members may appoint up to 14 Governors

The Members may appoint Staff Governors through such process as they may determine, provided that the total number of Governors (including the Principal) who are employees of the Academy Trust does not exceed one third of the total number of Governors.

The LA may appoint the LA Governor

The Principal shall be treated for all purposes as being an ex officio Governor.

Subject to Article 57, the Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he is elected.

The Governing Body shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Governors which is contested shall be held by secret ballot.

The arrangements made for the election of a Parent Governor shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the Academy Trust by a registered pupil at the Academy.

Where a vacancy for a Parent Governor is required to be filled by election, the Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

The number of Parent Governors required shall be made up by Parent Governors appointed by the Governing Body if the number of parents standing for election is less than the number of parents standing for election is less than the number of vacancies.

In appointing a Parent Governor the Governing Body shall appoint a person who is the parent of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

The Governors may appoint up to 3 Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if thereby the number of Governors who are employees of the Academy Trust would exceed one third of the total number of Governors (including the Principal).

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

All new governors receive a comprehensive induction package and are provided with the necessary information and support to fulfil their roles.

e. ORGANISATIONAL STRUCTURE

The governors of the Academy Trust are responsible for setting policy and form part of the Trust's six committees, Admissions, Curriculum and Student Welfare/Premises and Health and Safety, Discipline (students), Business and Finance, Head's Review, Governors and Staff Joint Committee. The Principal is the Accounting Officer and the Senior Leadership team and all staff implement the policies approved by Governors.

f. RISK MANAGEMENT

The Trustees have assessed the major risks to which the academy is exposed, in particular those related to the operations and finances of the academy, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

g. TRUSTEES' INDEMNITIES

The Governors of the Academy have made declaration that there were no third party indemnity provisions during the year or at the date of approval of the governor's report.

h. PRINCIPAL ACTIVITIES

The Academy Trust's principal activity is to advance for the public benefit, education in particular without prejudice to the generality of the forgoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Objectives and Activities

a. OBJECTS AND AIMS

The Academy Trust's principal activity is to advance for the public benefit, education in particular without prejudice to the generality of the forgoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

The Academy's curriculum aims, as stated by the Governing Body, are

- To promote the maximum possible development of individual students' talents and potential within a tolerant and caring community
- To help students to develop a lively, enquiring mind and the ability to question, to argue rationally and to apply themselves to tasks and physical skills
- To help students to acquire in all areas of the curriculum the knowledge, understanding and skills relevant to adult life, employment and leisure in a fast changing world
- To help students to use language and number effectively
- To promote equal opportunities for all, to counter racism, sexism and all other forms of discrimination whenever they occur
- To encourage respect for religious and moral values and tolerance of other races, religions and ways of life
- To help students to understand the world in which they live and the interdependence of individuals, groups and nations, including awareness of economic and environmental issues
- To help students in the development of their personal and social skills.

b. PUBLIC BENEFIT

Governors are clear that the Academy has the charitable purpose of the advancement of education. In exercising their power and duties Governors have taken due regard of the two clear principles of public benefit published by the Charities Commission and the major factors within those principles.

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

Achievements and performance

STUDENT PERFORMANCE 2013-2014

A LEVEL RESULTS SUMMARY 2014

SUMMARY OF THE LATEST AVAILABLE GCE A LEVEL RESULTS FOR STUDENTS AGED 16, 17 OR 18 AT THE END OF THEIR TWO YEARS OF ADVANCED LEVEL STUDY

GCE A Level	%
A* - A	30
A* - B	61
A* - C	86
A* - E	99

Average points score per candidate: 811.90*

Average points score per subject: 226.14*

*These figures are still provisional and are total average point scores for the cohort including their AS qualifications

GCSE RESULTS SUMMARY 2014

SUMMARY OF THE LATEST AVAILABLE GCSE AND EQUIVALENT RESULTS FOR STUDENTS AT THE END OF KEY STAGE 4

GCSE Level	%
5 A* - C	75
5 A* - C including English and Maths	64
E Baccalaureate	47

Average points score per candidate: 402.60*

Average points score per entry: 42.17*

*These figures are still provisional and are total average point scores for the cohort.

Strategic report

a. GOING CONCERN

After making appropriate enquiries, the governing body 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.

b. KEY FINANCIAL PERFORMANCE INDICATORS

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

The majority of the Academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the 12 months ending 31 August 2014 and the associated expenditure is shown as restricted funds in the statement of financial activities.

During the accounting period, all assets purchased over £1,000 will be depreciated on a straight-line basis over the following number of years at the following rates.

Category	years	%
Buildings	50	2
Furniture and equipment	10	10
Computer equipment	4	25

The Local Government Pension Scheme as at 31 August 2014 held a deficit of £ 1,553,000, a breakdown of which is detailed within note 23 to the Financial Statements.

Financial review

a. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The major risks to which the Academy is exposed have been identified and systems and procedures have been agreed and put in place to manage or mitigate those risks. Risk management is reviewed annually at each committee.

b. PRINCIPAL RISKS AND UNCERTAINTIES

The Companies Act 2006 s 417(3b) requires disclosure of the principal risks and uncertainties facing a company.

The Academy is exposed to a number of financial risks including credit, cashflow and liquidity risks. Given academies' exposure to financial instruments is limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The Drayton Manor High School Academy Trust system of internal controls ensures risk is minimal in these areas.

c. RESERVES POLICY

An amount between 3% to 5% of the Academy's revenue expenditure will be retained in the Reserves and reserves in excess of this may only be allocated to capital projects approved by the governing body.

d. MATERIAL INVESTMENTS POLICY

The school will not invest in the Stock Market or speculative investments without the approval of the full Governing Body.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

This report, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on 4 December 2014 and signed on the board's behalf by:



Ms Christine Fortune
Chair of Trustees

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

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 Drayton Manor High School Academy Trust for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the academy 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's significant risks, that has been in place for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

The academy'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 Business and Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The appointee's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a bi-annual basis, the appointee 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.

REVIEW OF EFFECTIVENESS

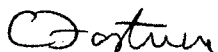
As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

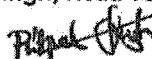
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Business and Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 4 December 2014 and signed on its behalf, by:

Ms Christine Fortune, Chairman
Chair of Trustees



Sir Pritpal Singh, Head Teacher
Trustee



DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Drayton Manor High School Academy Trust 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 Drayton Manor High School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
Sir Pritpal Singh, Head Teacher	6	6
Ms Trish Eldrid, Governor	6	6
Mr David Innes, Governor	1	1
Ms Christine Fortune, Chair	5	6
Mr Jonathan Eva, Governor	5	6
Dr Lee Richards, Vice Chair	6	6
Ms Clare Williamson, Governor	1	3
Ms Sandy Yates, Governor	2	6
Ms Juile Hadwin, Parent Governor	5	6
Mrs Helen Vogt, Parent Governor	6	6
Mr Eamonn Whelan, Staff Governor	6	6
Mrs Annette Gormally, Staff Governor	6	6
Mr Ian McDermott, Staff Governor	3	6
Dr Waljit Dhillon	2	3
Mrs Sahra Osman	0	0
Mrs Catherine Williamson	0	0

The Business and Finance Committee is a sub-committee of the main board of trustees. Its purpose is to make sure that the academy is following the EFA's financial regulations.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	
Sir Pritpal Singh	3	3
Ms C Fortune	3	3
Dr L Richards	2	3
Mr J Eva	3	3
Ms A Gormally	3	3

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

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Drayton Manor High School Academy Trust I have considered my responsibility to notify the academy 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 and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2013).

I confirm that I and the academy board of trustees 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 (2013).

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.



Sir Pritpal Singh, Head Teacher
Accounting Officer

Date: 4 December 2014

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

The Trustees (who act as governors of Drayton Manor High School Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 4 December 2014 and signed on its behalf by:



Ms Christine Fortune, Chairman
Chair of Trustees

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST

We have audited the financial statements of Drayton Manor High School Academy Trust for the year ended 31 August 2014 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the Drayton Manor High School Academy Trust'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 Drayton Manor High School Academy Trust'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 Drayton Manor High School Academy Trust's members for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST

BASIS FOR QUALIFIED OPINION ON FINANCIAL STATEMENTS

The company has not disclosed:

- a. the number of employees whose emoluments fell within bands over £60,000.
- b. the remuneration of staff governors, who were trustees during the period, in bands of £5,000.

We disagree with this accounting treatment because it is required by the Academies Accounts Direction 2013/14 and the Charities SORP (2005). The audit evidence to us was limited because we were not provided with this information.

QUALIFIED OPINION ON FINANCIAL STATEMENTS

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

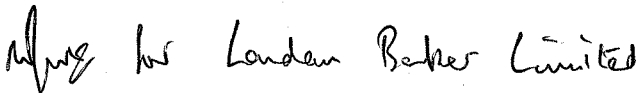
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

 Michael Durst

Michael Durst (Senior statutory auditor)

for and on behalf of

Landau Baker Limited

Mountcliff House
154 Brent Street
London
NW4 2DR
4 December 2014

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO DRAYTON
MANOR HIGH SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 31 October 2011 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Drayton Manor High School Academy Trust during the year 1 September 2013 to 31 August 2014 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 Drayton Manor High School Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Drayton Manor High School Academy Trust 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 Drayton Manor High School Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Drayton Manor High School Academy Trust's funding agreement with the Secretary of State for Education dated 01 August 2011, and the Academies Financial Handbook extant from 1 September 2013, 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 2013 to 2014. 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 2013 to 31 August 2014 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 2013 to 2014 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.

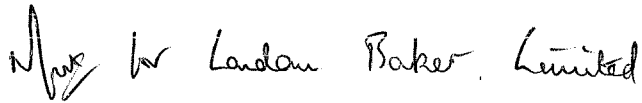
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

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 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

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

Handwritten signature of Michael Durst for Landau Baker Limited.

Michael Durst (Senior statutory auditor)

Landau Baker Limited

Mountcliff House
154 Brent Street
London
NW4 2DR

4 December 2014

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	30,315	-	-	30,315	41,202
Activities for generating funds	3	118,853	86,148	-	205,001	243,332
Incoming resources from charitable activities	4	-	10,505,224	2,121,493	12,626,717	10,815,204
TOTAL INCOMING RESOURCES		149,168	10,591,372	2,121,493	12,862,033	11,099,738
RESOURCES EXPENDED						
Charitable activities		-	9,539,340	343,060	9,882,400	9,638,720
Governance costs	5	-	59,937	-	59,937	34,592
TOTAL RESOURCES EXPENDED	8	-	9,599,277	343,060	9,942,337	9,673,312
NET INCOMING RESOURCES BEFORE TRANSFERS		149,168	992,095	1,778,433	2,919,696	1,426,426

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Transfers between Funds	18	-	(1,007,283)	1,007,283	-	-
NET INCOME FOR THE YEAR		149,168	(15,188)	2,785,716	2,919,696	1,426,426
Actuarial gains and losses on defined benefit pension schemes		-	(149,000)	-	(149,000)	28,000
NET MOVEMENT IN FUNDS FOR THE YEAR		149,168	(164,188)	2,785,716	2,770,696	1,454,426
<i>Total funds at 1 September 2013</i>		<i>321,577</i>	<i>524,966</i>	<i>23,269,088</i>	<i>24,115,631</i>	<i>22,661,205</i>
TOTAL FUNDS AT 31 AUGUST 2014		470,745	360,778	26,054,804	26,886,327	24,115,631

All activities relate to continuing operations.

All of the academy trust's activities derive from acquisitions in the current financial period.

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

The notes on pages 21 to 38 form part of these financial statements.

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	20	2,051,450	2,420,286
Capital expenditure and financial investment	21	(3,128,775)	(1,081,936)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(1,077,325)	1,338,350

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2014

	2014 £	2013 £
(Decrease)/Increase in cash in the year	(1,077,325)	1,338,350
MOVEMENT IN NET FUNDS IN THE YEAR	(1,077,325)	1,338,350
Net funds at 1 September 2013	3,203,269	1,864,919
NET FUNDS AT 31 AUGUST 2014	2,125,944	3,203,269

The notes on pages 21 to 38 form part of these financial statements.

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07698859

BALANCE SHEET
AS AT 31 AUGUST 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	15		26,054,804		23,269,090
CURRENT ASSETS					
Debtors	16	781,252		280,448	
Cash at bank		2,125,944		3,203,269	
		<u>2,907,196</u>		<u>3,483,717</u>	
CREDITORS: amounts falling due within one year	17	<u>(522,673)</u>		<u>(1,294,176)</u>	
NET CURRENT ASSETS			<u>2,384,523</u>		<u>2,189,541</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>28,439,327</u>		<u>25,458,631</u>
Defined benefit pension scheme liability	23		<u>(1,553,000)</u>		<u>(1,343,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>26,886,327</u></u>		<u><u>24,115,631</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	18	1,913,778		1,867,966	
Restricted fixed asset funds	18	26,054,804		23,269,088	
Restricted funds excluding pension liability		<u>27,968,582</u>		<u>25,137,054</u>	
Pension reserve		<u>(1,553,000)</u>		<u>(1,343,000)</u>	
Total restricted funds			<u>26,415,582</u>		<u>23,794,054</u>
Unrestricted funds	18		<u>470,745</u>		<u>321,577</u>
TOTAL FUNDS			<u><u>26,886,327</u></u>		<u><u>24,115,631</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 4 December 2014 and are signed on their behalf, by:

Ms Christine Fortune, Chairman
Chair of Trustees



The notes on pages 21 to 38 form part of these financial statements.

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

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 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

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 the Department for Education.

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

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. For legacies, entitlement is the earlier of the academy being notified of an impending distribution or the legacy being received.

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

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

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

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

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

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

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

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

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.

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.

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 Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy.

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

Freehold property	-	50 Years
Fixtures and fittings	-	10 Years
Computer equipment	-	4 Years

1.7 Taxation

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

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

1.8 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, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), 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 23, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

2. VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	<i>Total funds 2013 £</i>
OTHER DONATIONS	30,315	-	30,315	<i>41,202</i>

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Exam Fee Income	-	7,553	7,553	20,983
Trips Income	-	78,595	78,595	120,811
Lettings Income	85,180	-	85,180	61,650
Bank Interest	3,554	-	3,554	2,556
Rent of Caretakers House	3,650	-	3,650	3,650
Other Income	25,959	-	25,959	33,046
Swimming fee Income	510	-	510	636
	<u>118,853</u>	<u>86,148</u>	<u>205,001</u>	<u>243,332</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Educational Operations	-	12,626,717	12,626,717	10,815,204
	<u>-</u>	<u>12,626,717</u>	<u>12,626,717</u>	<u>10,815,204</u>

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

Drayton Manor High School Academy Trust

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
General Annual Grant (GAG)	-	9,498,693	9,498,693	9,438,996
Pupil Premium	-	678,853	678,853	196,533
SEN Funding	-	201,458	201,458	229,369
Bursary Fund	-	66,551	66,551	15,943
PE Teacher Grants	-	-	-	7,600
Other Government Grants	-	17,265	17,265	-
Capital Grant	-	2,121,493	2,121,493	926,463
Other EFA Grants	-	36,704	36,704	-
Pupil Premium LA	-	5,700	5,700	300
	<u>-</u>	<u>12,626,717</u>	<u>12,626,717</u>	<u>10,815,204</u>

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

5. GOVERNANCE COSTS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Governance Auditors' remuneration	-	14,751	14,751	8,300
Governance Legal Fee	-	45,186	45,186	26,292
	-	59,937	59,937	34,592

6. DIRECT COSTS

	Educational Operations	Total 2014	Total 2013
Pension expenses	55,000	55,000	55,000
Educational Supplies	382,142	382,142	293,606
Educational Consultancy	29,521	29,521	33,509
Agency Supply	459,274	459,274	364,008
Exam Fees	147,710	147,710	174,975
Other Support Cost	23,219	23,219	32,143
Security & Maintenance	1,146	1,146	43,348
Staff Development	36,785	36,785	33,197
Wages and salaries	4,563,591	4,563,591	4,529,201
National insurance	394,511	394,511	370,860
Pension cost	545,628	545,628	534,264
Depreciation	343,060	343,060	310,324
	6,981,587	6,981,587	6,774,435

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

7. SUPPORT COSTS

	Educational Operations	Total 2014	Total 2013
Maintenance of Premises & Equipment	317,339	317,339	395,137
Educational Supplies	66,436	66,436	-
Water & Rates	46,275	46,275	50,172
Agency Supply	57,473	57,473	116,657
Bank Interest	10	10	-
Insurance	81,015	81,015	66,768
Catering Expenses	116,490	116,490	145,541
Recruitment	139,750	139,750	86,121
Other Support Cost	96,080	96,080	102,333
Security & Maintenance	95,786	95,786	46,593
Other Admin Supply	12,966	12,966	452
Cleaning	36,232	36,232	35,798
School Trips	120,141	120,141	193,515
Professional Fees	84,398	84,398	-
Ground Maintenance	46,060	46,060	-
Wages and salaries	1,340,806	1,340,806	1,364,592
National insurance	72,927	72,927	76,173
Pension cost	170,629	170,629	184,433
	<u>2,900,813</u>	<u>2,900,813</u>	<u>2,864,285</u>

8. RESOURCES EXPENDED

	Staff costs 2014 £	Non Pay Expenditure Other costs 2014 £	Total 2014 £	Total 2013 £
Educational Operations	5,503,730	1,477,857	6,981,587	6,774,435
Support costs - Educational Operations	1,584,362	1,316,451	2,900,813	2,864,285
Charitable activities	<u>7,088,092</u>	<u>2,794,308</u>	<u>9,882,400</u>	<u>9,638,720</u>
Governance	-	59,937	59,937	34,592
	<u>7,088,092</u>	<u>2,854,245</u>	<u>9,942,337</u>	<u>9,673,312</u>

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

9. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2014 £	Support costs 2014 £	Total 2014 £	Total 2013 £
Educational Operations	<u>6,981,587</u>	<u>2,900,813</u>	<u>9,882,400</u>	<u>9,638,720</u>

10. NET INCOMING RESOURCES

This is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets: - owned by the charity	343,061	310,324
Auditors' remuneration	7,551	8,300
Governance Responsible Officer fee	-	-
	<u>350,612</u>	<u>318,624</u>

11. STAFF

a. Staff costs

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	5,904,397	5,893,793
Social security costs	467,438	447,033
Other pension costs (Note 23)	716,257	718,697
	<u>7,088,092</u>	<u>7,059,523</u>
Supply teacher costs	459,274	364,008
	<u>7,547,366</u>	<u>7,423,531</u>

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

11. STAFF (continued)

b. Staff numbers

The average number of persons employed by the academy during the year expressed as full time equivalents was as follows:

	2014	2013
	No.	No.
Management	12	11
Teachers	89	97
Support Staff	50	54
	<u>151</u>	<u>162</u>

12. TRUSTEES' REMUNERATION AND EXPENSES

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their role as Trustees.

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2014 was £2,660 (2013 - £2,660). The cost of this insurance is included in the total insurance cost.

14. OTHER FINANCE INCOME

	2014	2013
	£	£
Expected return on pension scheme assets	27,000	14,000
Interest on pension scheme liabilities	(82,000)	(69,000)
	<u>(55,000)</u>	<u>(55,000)</u>

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

15. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 September 2013	23,890,945	6,660	9,561	23,907,166
Additions	2,995,790	3,400	129,585	3,128,775
At 31 August 2014	<u>26,886,735</u>	<u>10,060</u>	<u>139,146</u>	<u>27,035,941</u>
Depreciation				
At 1 September 2013	631,384	1,912	4,780	638,076
Charge for the year	306,979	1,296	34,786	343,061
At 31 August 2014	<u>938,363</u>	<u>3,208</u>	<u>39,566</u>	<u>981,137</u>
Net book value				
At 31 August 2014	<u>25,948,372</u>	<u>6,852</u>	<u>99,580</u>	<u>26,054,804</u>
At 31 August 2013	<u>23,259,561</u>	<u>4,748</u>	<u>4,781</u>	<u>23,269,090</u>

16. DEBTORS

	2014 £	2013 £
Trade debtors	33,885	9,844
Other debtors	557,390	81,535
Prepayments and accrued income	189,977	189,069
	<u>781,252</u>	<u>280,448</u>

17. CREDITORS:

Amounts falling due within one year

	2014 £	2013 £
Trade creditors	137,312	657,619
Other taxation and social security	244,038	254,000
Other creditors	-	24,583
Accruals and deferred income	141,323	357,974
	<u>522,673</u>	<u>1,294,176</u>

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

18. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
Other Donations	321,577	149,168	-	-	-	470,745
Restricted funds						
Restricted Funds - all funds	1,867,966	10,591,372	(9,538,277)	(1,007,283)	-	1,913,778
Pension reserve	(1,343,000)	-	(61,000)	-	(149,000)	(1,553,000)
	<u>524,966</u>	<u>10,591,372</u>	<u>(9,599,277)</u>	<u>(1,007,283)</u>	<u>(149,000)</u>	<u>360,778</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	23,269,088	2,121,493	(343,060)	1,007,283	-	26,054,804
Total restricted funds	<u>23,794,054</u>	<u>12,712,865</u>	<u>(9,942,337)</u>	<u>-</u>	<u>(149,000)</u>	<u>26,415,582</u>
Total of funds	<u><u>24,115,631</u></u>	<u><u>12,862,033</u></u>	<u><u>(9,942,337)</u></u>	<u><u>-</u></u>	<u><u>(149,000)</u></u>	<u><u>26,886,327</u></u>

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

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.

Restricted general funds are resources for educational purposes.

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 2014.

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	321,577	149,168	-	-	-	470,745
Restricted funds	524,966	10,591,372	(9,599,277)	(1,007,283)	(149,000)	360,778
Restricted fixed asset funds	23,269,088	2,121,493	(343,060)	1,007,283	-	26,054,804
	<u>24,115,631</u>	<u>12,862,033</u>	<u>(9,942,337)</u>	<u>-</u>	<u>(149,000)</u>	<u>26,886,327</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	-	-	26,054,804	26,054,804	23,269,089
Current assets	470,745	2,436,451	-	2,907,196	3,483,718
Creditors due within one year	-	(522,673)	-	(522,673)	(1,294,176)
Provisions for liabilities and charges	-	(1,553,000)	-	(1,553,000)	(1,343,000)
	<u>470,745</u>	<u>360,778</u>	<u>26,054,804</u>	<u>26,886,327</u>	<u>24,115,631</u>

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Net incoming resources before revaluations	2,919,696	1,426,426
Depreciation of tangible fixed assets	343,061	310,324
(Increase)/decrease in debtors	(500,803)	482,135
(Decrease)/increase in creditors	(771,504)	137,401
FRS 17 adjustments	61,000	64,000
Net cash inflow from operations	<u>2,051,450</u>	<u>2,420,286</u>

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

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	<u>(3,128,775)</u>	<u>(1,081,936)</u>

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

22. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2013	Cash flow	Other non-cash changes	31 August 2014
	£	£	£	£
Cash at bank and in hand:	3,203,269	(1,077,325)	-	2,125,944
Net funds	3,203,269	(1,077,325)	-	2,125,944

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

23. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Ealing. 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 2004 and of the LGPS 31 August 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.

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

23. PENSION COMMITMENTS (continued)

The Public Service Pensions Bill provides for future scheme valuations to be conducted in accordance with Treasury directions. The actuarial valuation report in summer 2014 takes effect from September 2015.

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in from April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

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 2014 was £214,00, of which employer's contributions totalled £162,000 and employees' contributions totalled £52,000. The agreed contribution rates for future years are 19.6% for employers and 5.5 - 7.5% for employees.

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

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

23. PENSION COMMITMENTS (continued)

The amounts recognised in the Balance sheet are as follows:

	2014 £	2013 £
Present value of funded obligations	(2,053,000)	(1,741,000)
Fair value of scheme assets	500,000	398,000
Net liability	<u>(1,553,000)</u>	<u>(1,343,000)</u>

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

	2014 £	2013 £
Current service cost	(168,000)	(164,000)
Interest on obligation	(82,000)	(69,000)
Expected return on scheme assets	27,000	14,000
Total	<u>(223,000)</u>	<u>(219,000)</u>
Actual return on scheme assets	<u>57,000</u>	<u>42,000</u>

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

	2014 £	2013 £
Opening defined benefit obligation	1,741,000	1,478,000
Current service cost	168,000	164,000
Interest cost	82,000	69,000
Contributions by scheme participants	52,000	51,000
Actuarial Losses	62,000	-
Benefits paid	(52,000)	(21,000)
Closing defined benefit obligation	<u>2,053,000</u>	<u>1,741,000</u>

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

23. PENSION COMMITMENTS (continued)

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

	2014 £	2013 £
Opening fair value of scheme assets	398,000	171,000
Expected return on assets	27,000	14,000
Actuarial gains and (losses)	(87,000)	28,000
Contributions by employer	162,000	155,000
Contributions by employees	52,000	51,000
Benefits paid	(52,000)	(21,000)
	500,000	398,000

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £149,000 (2013 - £28,000).

The academy expects to contribute £189,000 to its Defined benefit pension scheme in 2015.

	2014	2013
Equities	7.00 %	7.00 %
Other Bond	3.80 %	4.40 %
Government bonds	2.90 %	3.40 %
Expenses deduction	0.33 %	3.33 %
Property	6.20 %	5.70 %
Cash	0.50 %	0.50 %
Other	6.20 %	7.00 %
Overall expected return	2.20 %	5.78 %

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

	2014	2013
Discount rate for scheme liabilities	4.00 %	4.50 %
Rate of increase in salaries	3.95 %	4.15 %
Rate of increase for pensions in payment / inflation	2.20 %	2.40 %
Inflation assumption (CPI)	2.20 %	2.40 %

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

	2014	2013
Retiring today		
Males	22.0	24.8
Females	22.9	25.4
Retiring in 20 years		
Males	23.8	26.7
Females	25.1	27.8

DRAYTON MANOR HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

23. PENSION COMMITMENTS (continued)

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2014 £	2013 £
Defined benefit obligation	(2,053,000)	(1,741,000)
Scheme assets	500,000	398,000
Deficit	<u>(1,553,000)</u>	<u>(1,343,000)</u>
Experience adjustments on scheme liabilities	(62,000)	-
Experience adjustments on scheme assets	<u>(87,000)</u>	<u>28,000</u>

24. OPERATING LEASE COMMITMENTS

At 31 August 2014 the academy had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Expiry date:		
Within 1 year	-	33,288
Between 2 and 5 years	<u>18,453</u>	<u>39,750</u>

25. RELATED PARTY TRANSACTIONS

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

There were no related party transactions in the period.