

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

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

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

**CONTENTS**

---

	Page
<b>Reference and administrative details of the academy, its governors and advisers</b>	1 - 2
<b>Governors' report</b>	3 - 11
<b>Governance statement</b>	12 - 15
<b>Statement on regularity, propriety and compliance</b>	16
<b>Governors' responsibilities statement</b>	17
<b>Independent auditor's report</b>	18 - 19
<b>Independent reporting accountant's assurance report on regularity</b>	20 - 21
<b>Consolidated statement of financial activities</b>	22 - 23
<b>Consolidated balance sheet</b>	24 - 25
<b>Academy balance sheet</b>	26 - 27
<b>Consolidated cash flow statement</b>	28
<b>Notes to the financial statements</b>	29 - 50

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

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

---

**Members**

Dr B McGucken, Foundation Governor & Chair of Governors  
Mr K Hailwood, Foundation Governor, Vice Chair of Governors & Chair of Resources Committee  
Rev S Glynn, Ex Officio, Foundation Governor  
Blackburn Diocese Board of Education

**Trustees**

Dr B McGucken, Foundation Governor & Chair of Governors<sup>1,2,5</sup>  
Mr K Hailwood, Foundation Governor, Vice Chair of Governors & Chair of Resources Committee<sup>1,3,4,5</sup>  
Mrs K Baybut, Foundation Governor & Chair Standards Committee<sup>1,2,4</sup>  
Mr J. Baker, Foundation Governor & Chair of Premises, Health & Safety<sup>1,3,4</sup>  
Mr S Greenhalgh, Parent Governor (appointment ended 31 August 2015)<sup>1,4,5</sup>  
Mr C Lawson, Staff Governor<sup>2</sup>  
Mrs A Jones, Foundation Governor<sup>1,2</sup>  
Mrs J Santi, Foundation Governor<sup>2</sup>  
Mrs D Hemmady, Parent Governor (appointment ended 31 August 2015)<sup>2</sup>  
Mr G Carruthers, Foundation Governor<sup>2,3,5</sup>  
Rev S Glynn, Ex Officio, Foundation Governor  
Miss C Mawdsley, Support Staff Governor<sup>2,3</sup>  
Mrs B Cooper, Ex Officio Principal (appointed 1 September 2014)<sup>1,2,3,4,5</sup>

The following governors were appointed on 1 September 2015:

Mrs H Collinson  
Mrs S Rowlands

- 1 Resources Committee
- 2 Standards Committee
- 3 Premises Committee
- 4 Remuneration Committee
- 5 Teaching School

**Company registered number**

07713512

**Registered office**

Lancaster Lane, Parbold, Lancashire, WN8 7HS

**Principal operating office**

Lancaster Lane, Parbold, Lancashire, WN8 7HS

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

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

---

**Administrative details (continued)**

**Company secretary**

Joanne Mercer

**Independent auditor**

Crowe Clark Whitehill LLP, The Lexicon, Mount Street, Manchester, M2 5NT

**Bankers**

Royal Bank of Scotland, The Common, Parbold, Lancashire, WN8 7DB

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

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

---

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

**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, dated 20 July 2011, are the primary governing documents of the academy trust.

The trustees of Parbold Douglas Church of England Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Parbold Douglas Church of England Academy.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 3.

**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 GOVERNORS**

Trust board members, who are the directors of the charitable company for the purpose of company law, are nominated by either the Secretary of State, the Diocese of Blackburn, or the existing Members. The Articles of Association require the trust board Members to appoint a minimum of 3 and a maximum of 8 governors to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Academy. The Articles of Association contain provisions for the appointment of additional governors including staff governors and parent governors. There is no maximum number of governors.

Governors are appointed for a fixed term of 4 years but are eligible for re-election at the end of the fixed term.

The Governing Body currently comprises of 13 Trust Board members (Board members are appointed as Directors under the Companies Act 2006) including, the principal and two staff governors, both employed by the trust and two parent governors, elected by the parents.

**d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS**

New Governors receive induction training and support from the Clerk to the Governing Body.

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

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

---

**e. ORGANISATIONAL STRUCTURE**

The Governing Body roles and responsibilities were reviewed in September 2011.

The Governors are organised into a number of committees who form policy to be agreed at main Governing Body meetings. The bodies comprise Health, Safety and Premises, Resources (Staffing & Finance combined) and Standards.

Two new committees were formed in September 2014, Remuneration and Teaching School.

The Governors are responsible for setting general policy, including the vision, aims and ethos of the Academy and the monitoring of academic standards, 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. During the period under review, Governors held 12 meetings. The Resources committee have received guidance, which has resulted in changes to processes from those operated as a Voluntary Aided Primary School. Notes to support the financial processes have been circulated as part of the finance manual and considered in detail by the Staffing and Resources Committee. All Governors receive monthly newsletters and are kept up to date by regular e-mail. Many Governors help in school on a regular basis, often accompanying visits and attending events. All Governors have access to all policies, procedures, minutes, accounts, budgets and plans that they need to discharge their Governing Body duties.

The Internal Auditor has monitored the changes to processes and makes regular reports to the governing body. The Governing Body approves the Statutory Accounts. The levels of authorisation of budget spend are detailed in the finance manual.

The day to day management of the Academy is delegated by the Governing Body to the Principal who is the Accounting Officer. The Vice-Principal and the School Business Manager support the Principal.

**f. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS**

Connected Organisations including Related Party Relationships

There are no related parties, which either control or significantly influence the decisions or operations of Parbold Douglas Church of England Academy. There are no sponsors.

The Academy works closely with parents and our Foundation Parish to further the principal activities of the Academy.

The Academy works closely with Parbold Douglas Nursery Ltd. to provide pre-school education for 2 - 4 year olds.

**g. RISK MANAGEMENT**

Risk Management

The Governors have assessed the major risks to which the Academy is exposed, in particular, those relating to the operational areas of the site and facilities and of teaching and the finances. The Governors have implemented a system to assess the risks the school faces, especially in the operational areas which include teaching and health and safety and in relation to the control of finance. The Governors have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains, they have ensured that they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

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

---

Statement on Internal Control.

**h. GOVERNORS' INDEMNITIES**

In accordance with normal commercial practice, the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover of up to £2,000,000 on any one claim.

**i. PRINCIPAL ACTIVITIES**

Parbold Douglas Church of England Primary Academy Trust's principal activity is specifically restricted to the following:

- 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.
- Parbold Douglas Church of England Primary Academy is a non-selective school which provides education for pupils of different abilities between the ages of 4 and 11. Our pupils are drawn from the catchment area, in accordance with the local authority's admissions criteria.

**Objectives and Activities**

**a. OBJECTS AND AIMS**

The principal object and activity of the Charitable Company is the operation of Parbold Douglas Church of England Primary Academy.

In accordance with the Articles of Association, the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the Academy, the catchment area from which the pupils are drawn, and that the curriculum should comply with the substance of the National Curriculum.

The main objectives of the Academy during the period ended 31 August 2015 are to prepare children for living and learning responsibly in society by:

- Encouraging a love of learning, an ability to question and think rationally, to show initiative and independence and apply themselves to all tasks conscientiously.
- Enabling each child to progress towards the realisation of his/her potential, regardless of age, cultural background, disability, gender, race or religious beliefs.
- Encouraging children to take a pride in themselves, to learn how to be healthy and stay safe, to develop a happy disposition and adopt a measured approach towards life and decision making.
- Promoting a respect and understanding for the Anglican Communion of which we are a member as well as the cultural and religious principles of others, particularly those within our own school and community.
- Encouraging good behaviour by showing courtesy, good manners, consideration for the needs of others and respect for the ethos of the school.
- Recognising that parents are the prime educators and encouraging a close partnership between home

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

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

---

and school

- Delivering a broad and balanced curriculum with emphasis on the acquisition of literacy and numeracy skills, enrichment activities and learning through fun and investigation.
- Constantly monitoring and evaluating all aspects of our performance in order to raise standards still further.
- Working in partnership with the local community and industry to deepen an understanding of the wider world.

Our aims underpin every aspect of day-to-day life. To help achieve these aims, our school offers a happy, safe and welcoming atmosphere.

Children are encouraged to learn through first-hand experience in a stimulating environment. Staff development is a priority and the school boasts a professional team with considerable expertise.

Children aim to be:

- Well-mannered and well-behaved;
- Hardworking and engaged;
- Helpful and caring;
- Smart, safe and tidy.

#### **b. OBJECTIVES, STRATEGIES AND ACTIVITIES**

Parbold Douglas Church of England Primary Academy seeks to provide an all-round education for children in a bright and stimulating and fun atmosphere. We have the highest expectations of pupil attainment, teacher performance and parental involvement and we encourage everyone to strive for excellence, in order to achieve potential. We seek challenge and embrace change in order to improve. To this end, the activities provided include:

- Well planned learning opportunities for all pupils to achieve in line with or exceed expectations in the EYFS, KS1 and KS2 statutory assessments,
- Professional development opportunities for all staff,
- For all staff to have annual performance management objectives set and reviewed,
- Pupil involvement in leadership decisions through the use of our pupil council,
- A broad, balanced and creative curriculum provided for all pupils,
- Opportunities for extended learning through the provision of extra-curricular activities,
- Talent spotting of all individuals on the staff including succession planning in order to maintain and move beyond "outstanding,"
- Talent spotting of all pupils and encouraging and fostering the areas identified,
- a fully inclusive education, available to all.
- Provision for Governor/Director training



---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

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

---

**c. PUBLIC BENEFIT**

We have referred to guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the public benefit.

**Achievements and performance**

**a. GOING CONCERN**

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

**b. KEY FINANCIAL PERFORMANCE INDICATORS**

The Academy is committed to observing the importance of performance indicators, to ensure that it continues to strive for both educational and financial excellence.

Analysis of pupil data and test results confirm that the governing body has utilised its financial resources, including the Pupil Premium Grant, to ensure that all children meet their full potential.

The Academy is also monitored through the completion and submission to the EFA of

- The annual abbreviated accounts record,
- The financial plan for the period 2011-2014,
- The annual financial Management and Governance Evaluation,

The current rating of outstanding for all returns is considered an acceptable outcome.

**c. REVIEW OF ACTIVITIES**

End of Key Stage 2 results continue to be well above national average.

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

SCHOOL TEST RESULTS 2015 (Compared to National Results 2014) - With 12' 13' 14' Data								
		Percentage at each level						
		Below Level 3**	3	4	5	6	Pupils not entered#	Pupils absent
<b>Grammar Punctuation &amp; Spelling*</b>	School 12	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	School 13	0	21	27	45	6	0	0
	School 14	0	0	11	79	7	0	3
	School 15	0	0	25	69	6	0	0
	National '14	3	18	24	49	4	3	0
<b>Reading</b>	School 12	3	3	27	67	0	0	0
	School 13	0	0	45	55	0	0	0
	School 14	0	0	0	97	0	0	3
	School 15	0	0	38	62	0	0	0
	National '14	3	6	39	49	0	0	0
<b>Mathematics</b>	School 12	0	6	42	39	18	0	0
	School 13	0	3	39	42	15	0	0
	School 14	0	0	7	51	39	0	3
	School 15	0	0	38	31	31	0	0
	National '14	3	10	44	33	9	0	0

Statutory Phonic Check  
2012-13 46% pass  
2013-14 54% pass  
2014-15 84% pass, a massive improvement of 30%

Numbers in school have increased from 194 Autumn 2014 to 215 Autumn 2015. Some of this is attributable to a small class leaving from Y6 summer 2015 (13 children) but the rest (8 children) is attributable to children joining school from other nearby schools and families moving into the area.

Parbold Douglas Nursery Ltd

Parbold Douglas Nursery Ltd numbers continue to grow and all but 2 of the pre-school children from the nursery entered Parbold Douglas Academy Reception class in Sept 2015. Improvements have been made to the room for 2 year olds, e.g. addition of toilets and external door.

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

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

---

**Duggies**

The number of children attending Duggies before and after school club has increased and school has provided more space within school for this club.

**Teaching School**

There has been a successful second year for the Teaching School with 23 Associate teachers being awarded PGCE with Qualified Teacher Status. The teaching school works in conjunction with the University of Cumbria who validate the PGCE.

The number of schools in the Parbold Douglas Teaching School Alliance has increased to 16 schools as of June 2015. All schools that joined the alliance from September 2014 have requested that they stay within the alliance.

All of the schools currently within the alliance support a similar ethos and 9 are faith schools.

Parbold Douglas Teaching School has supported 1 other Faith school that does not wish to have involvement in the School Direct strand.

In September 2015, 5 schools are not involved in the School Direct strand, but are involved in other Teaching School strands.

During 2014/15 Parbold Douglas Teaching School provided support to Yarrow TSA to develop protocols around TS requirements. Parbold Douglas Teaching School is currently supporting 2 other alliances in their bids to become TSAs, Moorside Academy and Euxton Primrose Hill.

**Financial review**

**a. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Academy's financial objectives are:

- To set and operate within an agreed and balanced budget,
- To generate extra income through our development of the Parbold Douglas Teaching School
- To apply at all times, best value principles in all purchases,
- To monitor and evaluate the value for money of all staff,
- To prevent all areas of wastage.

**b. PRINCIPAL RISKS AND UNCERTAINTIES**

The Academy has undertaken work during the period to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the Academy's assets and reputation.

Based on its mission, the Resources Committee undertakes a comprehensive review of the risks to which the Academy is exposed. They identify systems and procedures, including specific, preventable actions which

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

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

---

should mitigate any potential impact on the Academy. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the Resources Committee will also consider any risks which may arise as a result of a new area of work being undertaken by the Academy.

A risk register is maintained at the Academy level which is reviewed at least annually by the Resources Committee and more regularly when necessary. The risk register identifies key risks, the likelihood of these risks occurring, their potential impact on the Academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

This is supported by a risk management training programme to raise awareness of risk throughout the academy

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

1. Government Funding

The Academy has considerable reliance on continued Government funding through the EFA. In 2014/15, 81% of the Academy's revenue (including NNS and Teaching School income) was ultimately publicly funded including inherited assets, and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or in the same terms.

This risk is mitigated in a number of ways:

- Funding is derived from a number of direct and indirect contractual arrangements,
- By ensuring that the Academy is rigorous in delivering high quality education and training,
- Considerable focus and investment is placed on maintaining and managing key relationships with the EFA.

2. Maintain adequate funding of pensions liabilities.

The financial statements report the share of the pension scheme deficit on the Academy's balance sheet in line with the requirements of Financial Reporting Standard (FRS17). This deficit relates to non-teaching staff who are members of Lancashire County Council's Pension Fund. At 31st August 2015 the deficit amounted to £249,000.

The pension scheme liability is an ongoing liability which is not expected to materialise until the retirement of the employees in the scheme. The Academy makes contributions to the scheme on behalf of its employees. During the period, the Academy made contributions of £31,015. These contributions are determined by the scheme's Actuaries and are designed to eliminate the deficit over the estimated future working lives of the employees in the scheme.

**c. RESERVES POLICY**

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

The Governors have determined that the appropriate level of free reserves should be equivalent to three months net payroll, approximately £160,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves and cash at the bank on 31st August

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

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

---

2015 was £155,042 (2014 £130,134.).

**d. MATERIAL INVESTMENTS POLICY**

The Academy holds surplus cash balances on short fixed term deposits with Royal Bank of Scotland Bank. During the period the academy acquired 100% of the share capital of the company Parbold Douglas Nursery Limited, a company incorporated in the UK.

**Plans for future periods**

**a. FUTURE DEVELOPMENTS**

The Academy intends to action fully the areas for development as detailed on the Academy improvement plan 2014-16. During the coming academic year the Governors will be recruiting a successor to the current principal.

We also intend to develop the work and scope of the Teaching School by:

- ensuring maximum recruitment of Associate Teachers for 2016-17
- developing Parbold Douglas Teaching School Alliance S2SS (school to school support)
- supporting the governors and Principal to recruit a Director of the Teaching School for Sept 2016.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

There are no funds held as Custodian Trustee on behalf of others.

**DISCLOSURE OF INFORMATION TO AUDITOR**

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

- so far as that Governor is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

**AUDITOR**

Crowe Clark Whitehill are willing to continue in office and a decision on this will be made at the Annual General Meeting.

This report was approved by order of the board of trustees on 14 December 2015 and signed on the board's behalf by:



**Dr B McGucken**  
Chair of Trustees

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

**GOVERNANCE STATEMENT**

---

**SCOPE OF RESPONSIBILITY**

As Governors, we acknowledge we have overall responsibility for ensuring that Parbold Douglas Church of England Academy 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 Parbold Douglas Church of England Academy 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 Governors' report and in the Governors' responsibilities statement. The board of trustees has formally met 3 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Governor	Meetings attended	Out of a possible
Dr B McGucken, Foundation Governor & Chair of Governors	16	16
Mr K Hailwood, Foundation Governor, Vice Chair of Governors & Chair of Resources Committee	16	16
Mrs K Baybut, Foundation Governor & Chair Standards Committee	10	12
Mr J. Baker, Foundation Governor & Chair of Premises, Health & Safety	3	7
Mr S Greenhalgh, Parent Governor	11	13
Mr C Lawson, Staff Governor	6	6
Mrs A Jones, Foundation Governor	12	12
Mrs J Santi, Foundation Governor	9	9
Mrs D Hemmady, Parent Governor	5	6
Mr G Carruthers, Foundation Governor	12	13
Rev S Glynn, Ex Officio, Foundation Governor	3	3
Miss C Mawdsley, Support Staff Governor	9	9
Mrs B Cooper, Ex Officio Principal	19	19

The Resources Committee is also a sub-committee of the main board of trustees. Mr J Baker resigned from the Resources Committee after the first meeting.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Dr B McGucken	3	3
Mr K Hailwood	3	3
Mrs K Baybut	2	3
Mr J. Baker	0	1
Mr S Greenhalgh	2	3
Mrs A Jones	3	3
Mrs B Cooper	3	3

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

**GOVERNANCE STATEMENT (continued)**

---

Mr S Greenhalgh	2	3
Mrs A Jones	3	3
Mrs B Cooper	3	3

**REVIEW OF VALUE FOR MONEY**

As accounting officer the principal 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:

During the year Sept 2014-15 we have improved the building by:

Refurbishing and decorating various areas of the school.

Improving outdoor provision for children and parents of the academy including safety and disabled access.

Improving internal and outdoor facilities and provision in the nursery.

For the school year 2015-16 we plan to:

Apply and obtain grant to replace the heating boiler.

Apply and obtain a grant to refit and refurbish the kitchen.

Educational outcomes have been improved by

Implementing short targeted interventions has helped to close the gap in attainment.

Analysis of closing the gap data shows:

We have managed to close the gap in AFA (Achievement for All) children across the whole school in Maths.

The gap has been closed completely in Reception for AfA children Pupil Premium children and children with SEND

Y2, Y4 and Y5 have closed the gap in Reading and Maths for AfA children, Pupil Premium children and children with SEND

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

**GOVERNANCE STATEMENT (continued)**

---

**Admissions:**

From September 2016 our admissions number will be reduced from 35 children to 30 children, which is the intake figure we have had for the past 3 years. This makes budgeting for staffing easier as we will not run the risk of unexpectedly having to fund a second teacher to comply with infant class size regulations. We aim to keep each age group in a separate class, and not mix age groups, as this is our distinctiveness from other local schools.

**Succession Planning:**

Plans have been in place from Sept 2014 to ensure the Academy is able to sustain its continued high standards after the retirement of the current Principal and Vice Principal at the end of August 2016. These plans include:

Middle leadership CPD for three members of staff

SENCO Award CPD

AGT CPD

Subject Leadership Development CPD

Assessment without levels will be in place

Continuous CPD for the Admin support staff

The process of appointing a new Principal has begun, with interviews planned in the new year.

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

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

**CAPACITY TO HANDLE RISK**

The 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 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.



---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

**GOVERNANCE STATEMENT (continued)**

---

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Mrs Sarah Carruthers as internal auditor to replace the current internal auditor who had completed her term of three years.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. In particular the checks carried out in the current period included:

- Income, Cash, Expenditure, Payroll, Assets and Accounting and Reporting.

On a termly basis, the internal auditor 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.

All internal audit reports were received by the Governor's at the appropriate times.

**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 internal auditor;
- the work of the external auditor;
- 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 Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 14 December 2015 and signed on its behalf, by:

  
**Dr B McGucken**  
**Chair of Trustees**

  
**Mrs B Cooper**  
**Accounting Officer**

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

---

As Accounting Officer of Parbold Douglas Church of England Academy 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 (2014).

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 (2014).

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

  
**Mrs B Cooper**  
**Accounting Officer**

Date: 14.12.15.

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

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

---

The Governors (who act as governors of Parbold Douglas Church of England Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the board of trustees on 14 December 2015 and signed on its behalf by:



**Dr B McGucken**  
**Chair of Trustees**

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**

---

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

This report is made solely to the academy's members, as a body, in accordance with section 151 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an 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 academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITOR**

As explained more fully in the Governors' responsibilities statement, the Governors (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.

The Governors have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 151 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' 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.

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**

---

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Governors' report is inconsistent in any material respect with the financial statements; or
- the parent charitable academy has not kept adequate accounting records; or
- the parent charitable academy financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Group strategic report.



**Vicky Szulist (Senior Statutory Auditor)**

Crowe Clark Whitehill LLP

Statutory Auditor

The Lexicon  
Mount Street  
Manchester  
M2 5NT

Date: *16th December 2015*

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY AND THE EDUCATION FUNDING AGENCY**

---

In accordance with the terms of our engagement letter dated 18 October 2012 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 Parbold Douglas Church of England Academy during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

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

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

**APPROACH**

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

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

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

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

The work undertaken to draw to our conclusion includes a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the academy and specific transactions identified from our review.

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY AND THE EDUCATION FUNDING AGENCY (continued)**

---

**CONCLUSION**

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



Vicky Szulist (Senior Statutory Auditor)

**Crowe Clark Whitehill LLP**

Statutory Auditor

The Lexicon  
Mount Street  
Manchester  
M2 5NT

Date: *16th December 2015*

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Voluntary income	3	8,142	-	-	8,142	1,432
Activities for generating funds	4	262,177	-	-	262,177	228,142
Investment income	5	530	-	-	530	698
Incoming resources from charitable activities	6	79,112	923,279	6,250	1,008,641	965,183
<b>TOTAL INCOMING RESOURCES</b>		<b>349,961</b>	<b>923,279</b>	<b>6,250</b>	<b>1,279,490</b>	<b>1,195,455</b>
<b>RESOURCES EXPENDED</b>						
Costs of generating funds:						
Parbold Douglas Nursery Limited		191,044	-	-	191,044	170,242
Charitable activities		134,009	834,854	50,910	1,019,773	924,076
Governance costs	10	-	10,814	-	10,814	10,935
<b>TOTAL RESOURCES EXPENDED</b>	9	<b>325,053</b>	<b>845,668</b>	<b>50,910</b>	<b>1,221,631</b>	<b>1,105,253</b>
<b>NET INCOMING RESOURCES BEFORE TRANSFERS</b>		<b>24,908</b>	<b>77,611</b>	<b>(44,660)</b>	<b>57,859</b>	<b>90,202</b>



**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	19	-	(30,817)	30,817	-	-
<b>NET INCOME FOR THE YEAR</b>		<b>24,908</b>	<b>46,794</b>	<b>(13,843)</b>	<b>57,859</b>	<b>90,202</b>
Actuarial gains and losses on defined benefit pension schemes		-	(17,000)	-	(17,000)	(47,000)
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>24,908</b>	<b>29,794</b>	<b>(13,843)</b>	<b>40,859</b>	<b>43,202</b>
<i>Total funds at 1 September 2014</i>		<i>130,134</i>	<i>(186,862)</i>	<i>2,569,430</i>	<i>2,512,702</i>	<i>2,469,500</i>
<b>TOTAL FUNDS AT 31 AUGUST 2015</b>		<b>155,042</b>	<b>(157,068)</b>	<b>2,555,587</b>	<b>2,553,561</b>	<b>2,512,702</b>

All activities relate to continuing operations.

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

The notes on pages 29 to 50 form part of these financial statements.

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)  
REGISTERED NUMBER: 07713512

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

	Note	£	2015 £	£	2014 £
<b>FIXED ASSETS</b>					
Tangible assets	15		2,555,587		2,569,429
<b>CURRENT ASSETS</b>					
Debtors	17	34,292		44,959	
Cash at bank		303,028		200,715	
		<u>337,320</u>		<u>245,674</u>	
<b>CREDITORS:</b> amounts falling due within one year	18	(90,346)		(80,401)	
<b>NET CURRENT ASSETS</b>			<u>246,974</u>		<u>165,273</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,802,561</u>		<u>2,734,702</u>
Pension scheme liability	24		(249,000)		(222,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITY</b>			<u>2,553,561</u>		<u>2,512,702</u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted funds:					
Restricted funds	19	91,932		35,138	
Restricted fixed asset funds	19	2,555,587		2,569,430	
Restricted funds excluding pension liability		<u>2,647,519</u>		<u>2,604,568</u>	
Pension reserve		(249,000)		(222,000)	
Total restricted funds			<u>2,398,519</u>		<u>2,382,568</u>
Unrestricted funds	19		<u>155,042</u>		<u>130,134</u>
<b>TOTAL FUNDS</b>			<u>2,553,561</u>		<u>2,512,702</u>

The Governors consider that the academy is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the academy to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

**CONSOLIDATED BALANCE SHEET (continued)**  
**AS AT 31 AUGUST 2015**

---

The financial statements were approved by the Governors, and authorised for issue, on 14 December 2015 and are signed on their behalf, by:



**Dr B McGucken**  
**Chair of Trustees**

The notes on pages 29 to 50 form part of these financial statements.

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07713512**

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

	Note	£	2015 £	£	2014 £
<b>FIXED ASSETS</b>					
Tangible assets	15		2,555,587		2,569,429
Investments	16		12,000		12,000
			<u>2,567,587</u>		<u>2,581,429</u>
<b>CURRENT ASSETS</b>					
Debtors	17	74,772		77,806	
Cash at bank		235,098		146,711	
		<u>309,870</u>		<u>224,517</u>	
<b>CREDITORS:</b> amounts falling due within one year	18	(74,897)		(71,245)	
<b>NET CURRENT ASSETS</b>			<u>234,973</u>		<u>153,272</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,802,560</u>		<u>2,734,701</u>
Defined benefit pension scheme liability	24		(249,000)		(222,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITY</b>			<u>2,553,560</u>		<u>2,512,701</u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted funds:					
Restricted funds	19	122,749		32,907	
Restricted fixed asset funds	19	2,524,773		2,569,429	
Restricted funds excluding pension asset		<u>2,647,522</u>		<u>2,602,336</u>	
Pension reserve		(249,000)		(222,000)	
Total restricted funds			<u>2,398,522</u>		<u>2,380,336</u>
Unrestricted funds	19		155,038		132,365
<b>TOTAL FUNDS</b>			<u>2,553,560</u>		<u>2,512,701</u>

The Governors consider that the academy is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the academy to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

**ACADEMY BALANCE SHEET (continued)**  
**AS AT 31 AUGUST 2015**

---

The financial statements were approved by the Governors, and authorised for issue, on 14 December 2015 and are signed on their behalf, by:



**Dr B McGucken**  
**Chair of Trustees**

The notes on pages 29 to 50 form part of these financial statements.

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

	Note	2015 £	2014 £
Net cash flow from operating activities	21	138,850	64,790
Returns on investments and servicing of finance	22	530	698
Capital expenditure and financial investment	22	(37,067)	(86,548)
<b>INCREASE/(DECREASE) IN CASH IN THE YEAR</b>		<b>102,313</b>	<b>(21,060)</b>

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

	2015 £	2014 £
Increase/(Decrease) in cash in the year	102,313	(21,060)
<b>MOVEMENT IN NET FUNDS IN THE YEAR</b>	<b>102,313</b>	<b>(21,060)</b>
Net funds at 1 September 2014	200,715	221,775
<b>NET FUNDS AT 31 AUGUST 2015</b>	<b>303,028</b>	<b>200,715</b>

The notes on pages 29 to 50 form part of these financial statements.

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

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

---

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

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

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

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

**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 Governors.

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

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

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

**1.3 Incoming resources**

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

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

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

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

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

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

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

---

**1. ACCOUNTING POLICIES (continued)**

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

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

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

**1.4 Resources expended**

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Going concern**

The Governors 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. 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.

The governors are happy that the academy is operating at normal capacity. The budget for next year is balanced and cash balances are healthy.



---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

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

---

**1. ACCOUNTING POLICIES (continued)**

**1.6 Basis of consolidation**

The financial statements consolidate the accounts of Parbold Douglas Church of England Academy and all of its subsidiary undertakings ('subsidiaries').

The academy has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and expenditure account.

The income and expenditure account for the year dealt with in the accounts of the academy was £43,859 (2014 - £43,202).

**1.7 Tangible fixed assets and depreciation**

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

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

Assets to be inherited from the predecessor school comprise the property and all existing fixtures and fittings and equipment. The assets involved have been recognised in the financial statements on the basis that the lease is agreed, and that the Academy has full use of the assets involved. The property is included at an insurance value based on the cost of rebuilding. The fixture and fittings are included at an amount estimated by the Governors at the date of transfer to the Academy.

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

Leasehold improvements	-	Between 3 and 8 years
Fixtures, fittings and equipment	-	Between 3 and 4 years

**1.8 Investments**

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

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

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

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

---

**1. ACCOUNTING POLICIES (continued)**

**1.9 Operating leases**

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

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

**1.10 Taxation**

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

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

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

---

**1. ACCOUNTING POLICIES (continued)**

**1.11 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 24, 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. GENERAL ANNUAL GRANT (GAG)**

Under the funding agreement with the Secretary of State the academy was subject to limits at 31 August 2015 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy has not exceeded these limits during the year ended 31 August 2015.

**3. VOLUNTARY INCOME**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	8,142	-	8,142	1,432

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

**4. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
Fundraising Income	2,162	-	2,162	1,465
Lettings Income	27,566	-	27,566	19,795
Parbold Douglas Nursery Limited	232,449	-	232,449	206,882
	<u>262,177</u>	<u>-</u>	<u>262,177</u>	<u>228,142</u>

**5. INVESTMENT INCOME**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
Investment income	530	-	530	698
	<u>530</u>	<u>-</u>	<u>530</u>	<u>698</u>

**6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
Funding for educational operations	-	814,979	814,979	847,636
Other incoming resources	79,112	114,550	193,662	117,547
	<u>79,112</u>	<u>929,529</u>	<u>1,008,641</u>	<u>965,183</u>

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

**FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
<b>DfE/EFA capital grant</b>				
Devolved Formula Capital allocations	-	6,250	6,250	6,295
General Annual Grant (GAG)	-	712,577	712,577	704,073
LACSEG SEN Funding	-	3,312	3,312	7,807
Pupil Premium	-	22,781	22,781	19,337
Other DfE/EFA grants	-	-	-	15,254
Teaching School Funding-SchoolDirect	-	51,099	51,099	76,446
Other government grants	-	18,960	18,960	18,424
	-	<b>814,979</b>	<b>814,979</b>	<b>847,636</b>

**7. DIRECT COSTS**

	Funding for educational operations £	Total 2015 £	<i>Total 2014 £</i>
Teaching and educational support staff costs	3,043	3,043	-
Educational Supplies	51,346	51,346	61,867
School uniform costs	-	-	931
Staff development	20,901	20,901	1,561
School trips	9,923	9,923	12,828
Wages and salaries	415,205	415,205	433,279
National insurance	27,682	27,682	28,550
Pension cost	58,629	58,629	54,800
	<b>586,729</b>	<b>586,729</b>	<b>593,816</b>

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

**8. SUPPORT COSTS**

	Funding for educational operations £	Total 2015 £	Total 2014 £
Maintenance of premises and equipment	44,017	44,017	32,434
Light & heat	14,407	14,407	13,956
Rent & rates	12,232	12,232	12,559
Insurance	14,204	14,204	7,825
Travel expense	1,625	1,625	4,457
Printing, Photocopying and Stationery	10,361	10,361	12,741
Telephone	2,840	2,840	2,965
Cleaning	1,871	1,871	2,069
Catering	53,111	53,111	33,647
IT Support costs	15,210	15,210	12,932
Legal & professional	8,075	8,075	13,149
Subscriptions	37	37	927
National School Support	18,210	18,210	16,980
Teaching school	18,522	18,522	6,606
Other support costs	4,360	4,360	3,956
Wages and salaries	109,737	109,737	77,890
National insurance	38,644	38,644	28,946
Pension cost	14,671	14,671	5,000
Depreciation	50,910	50,910	41,221
	<b>433,044</b>	<b>433,044</b>	<b>330,260</b>

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

**9. RESOURCES EXPENDED**

	Staff costs	Non Pay Expenditure Other costs	Total	<i>Total</i>
	2015	2015	2015	2014
	£	£	£	£
Parbold Douglas Nursery Limited	-	191,044	191,044	170,242
<b>Costs of generating funds</b>	<b>-</b>	<b>191,044</b>	<b>191,044</b>	<b>170,242</b>
Funding for educational operations	501,516	85,213	586,729	593,816
Support costs - Funding for educational operations	163,052	269,992	433,044	330,260
<b>Charitable activities</b>	<b>664,568</b>	<b>355,205</b>	<b>1,019,773</b>	<b>924,076</b>
<b>Governance</b>	<b>-</b>	<b>10,814</b>	<b>10,814</b>	<b>10,935</b>
	<b>664,568</b>	<b>557,063</b>	<b>1,221,631</b>	<b>1,105,253</b>

**10. GOVERNANCE COSTS**

	Unrestricted funds	Restricted funds	Total funds	<i>Total funds</i>
	2015	2015	2015	2014
	£	£	£	£
Governance Internal audit costs	-	600	600	600
Governance Auditors' remuneration	-	8,098	8,098	6,250
Governance Auditors' non audit costs	-	-	-	1,588
Governors meeting costs	-	1,335	1,335	1,615
Legal & professional costs	-	781	781	882
	<b>-</b>	<b>10,814</b>	<b>10,814</b>	<b>10,935</b>

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

**11. NET INCOMING RESOURCES**

This is stated after charging:

	2015	2014
	£	£
Depreciation of tangible fixed assets: - owned by the charitable group	50,909	41,221
Auditor's remuneration	7,448	7,238
Governance Internal audit costs	600	600
	69,057	56,089

**12. STAFF**

**a. Staff costs**

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	511,637	496,607
Social security costs	66,326	57,496
Other pension costs (Note 24)	73,300	59,800
	651,263	613,903
Supply teacher costs	13,305	14,562
	664,568	628,465

**b. Staff numbers**

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

	2015	2014
	No.	No.
Teachers	9	8
Education support	9	9
Clerical and administration	2	2
Premises	2	2
Management	2	2
	24	23

**c. Higher paid staff**

No employee received remuneration amounting to more than £60,000 in either year.



---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

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

---

**13. GOVERNORS' REMUNERATION AND EXPENSES**

The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the academy in respect of their role as Governors. The value of Governors' remuneration fell within the following bands:

	<b>2015</b>	<i>2014</i>
	<b>£</b>	<b>£</b>
Mrs B Cooper, Principal Governor	<b>55,000-60,000</b>	<i>Nil</i>
Miss C Mawdesley (Staff governor)	<b>15,000-20,000</b>	<i>10,000-15,000</i>
C Lawson (Staff governor)	<b>25,000-30,000</b>	<i>25,000-30,000</i>
P Smith (Principal and governor)	<b>Nil</b>	<i>55,000-60,000</i>
Mrs B Cooper - Employer Pension Contributions	<b>5,000-10,000</b>	<i>Nil</i>
Miss C Mawdsley - Employer Pension Contributions	<b>0-5,000</b>	<i>0-5,000</i>
C Lawson - Employer Pension Contributions	<b>0-5,000</b>	<i>0-5,000</i>

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

**14. GOVERNORS' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £240 (2014 - £548 ). The cost of this insurance is included in the total insurance cost.

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

**15. TANGIBLE FIXED ASSETS**

<b>Group and Academy</b>	<b>Leasehold property £</b>	<b>Leasehold improvement £</b>	<b>Fixtures &amp; fittings £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 September 2014	2,600,000	83,997	3,736	2,687,733
Additions	-	35,579	1,488	37,067
At 31 August 2015	<u>2,600,000</u>	<u>119,576</u>	<u>5,224</u>	<u>2,724,800</u>
<b>Depreciation</b>				
At 1 September 2014	114,083	3,500	721	118,304
Charge for the year	37,000	12,762	1,147	50,909
At 31 August 2015	<u>151,083</u>	<u>16,262</u>	<u>1,868</u>	<u>169,213</u>
<b>Net book value</b>				
At 31 August 2015	<u>2,448,917</u>	<u>103,314</u>	<u>3,356</u>	<u>2,555,587</u>
<i>At 31 August 2014</i>	<u>2,485,917</u>	<u>80,497</u>	<u>3,015</u>	<u>2,569,429</u>

**16. FIXED ASSET INVESTMENTS**

<b>Academy</b>	<b>Shares in group undertakings £</b>
At 1 September 2014 and 31 August 2015	<u>12,000</u>

The academy owns 100% of the share capital of the company Parbold Douglas Nursery Limited, a company incorporated in the UK.

**17. DEBTORS**

	<b>Group</b>		<b>Academy</b>	
	<b>2015 £</b>	<b>2014 £</b>	<b>2015 £</b>	<b>2014 £</b>
Trade debtors	-	3,471	-	-
Amounts owed by group undertakings	-	-	41,008	37,409
Other debtors	6,110	8,600	6,110	8,022
Prepayments and accrued income	28,182	32,888	27,654	32,375
	<u>34,292</u>	<u>44,959</u>	<u>74,772</u>	<u>77,806</u>

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

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

---

**18. CREDITORS:**  
Amounts falling due within one year

	<u>Group</u>		<u>Academy</u>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	<b>2,298</b>	1,190	-	1,190
Other taxation and social security	<b>11,250</b>	12,198	<b>9,388</b>	10,145
Other creditors	<b>15,965</b>	7,059	<b>13,415</b>	6,909
Accruals and deferred income	<b>60,833</b>	59,954	<b>52,094</b>	53,001
	<b>90,346</b>	80,401	<b>74,897</b>	71,245

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

**19. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General unrestricted funds	130,134	117,512	(134,003)	41,399	-	155,042
Parbold Douglas Nursery Limited	-	232,449	(191,050)	(41,399)	-	-
	<u>130,134</u>	<u>349,961</u>	<u>(325,053)</u>	<u>-</u>	<u>-</u>	<u>155,042</u>
<b>Restricted funds</b>						
General Annual Grant (GAG)	-	712,577	(624,966)	(30,817)	-	56,794
LANSEC SEN Funding	-	3,312	(3,312)	-	-	-
Pupil Premium	-	22,781	(22,781)	-	-	-
Other government grants	-	9,020	(9,020)	-	-	-
School Direct Insurance Claim	35,138	9,940	(9,940)	-	-	35,138
Donations	-	540	(540)	-	-	-
Teach First	-	51,099	(51,099)	-	-	-
Teaching School Funding	-	114,010	(114,010)	-	-	-
Pension reserve	(222,000)	-	(10,000)	-	(17,000)	(249,000)
	<u>(186,862)</u>	<u>923,279</u>	<u>(845,668)</u>	<u>(30,817)</u>	<u>(17,000)</u>	<u>(157,068)</u>
<b>Restricted fixed asset funds</b>						
Transfer of Building Devolved Formula Capital	2,566,415	-	(49,763)	35,579	-	2,552,231
Fixtures and fittings	3,015	6,250	-	(6,250)	-	-
	<u>3,015</u>	<u>-</u>	<u>(1,147)</u>	<u>1,488</u>	<u>-</u>	<u>3,356</u>
	<u>2,569,430</u>	<u>6,250</u>	<u>(50,910)</u>	<u>30,817</u>	<u>-</u>	<u>2,555,587</u>
Total restricted funds	<u>2,382,568</u>	<u>929,529</u>	<u>(896,578)</u>	<u>-</u>	<u>(17,000)</u>	<u>2,398,519</u>
Total of funds	<u>2,512,702</u>	<u>1,279,490</u>	<u>(1,221,631)</u>	<u>-</u>	<u>(17,000)</u>	<u>2,553,561</u>

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

Restricted General Funds are used specifically to provide educational resources for the pupils of the Academy.

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

**19. STATEMENT OF FUNDS (continued)**

Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2014. Note 2 discloses whether the limit was exceeded.

Restricted Fixed Asset Funds provide for the installation, maintenance and repair of the Fixed Assets of the Academy.

Unrestricted Funds are those other resources which may be used to further the objectives of the Academy.

The transfer from the restricted general funds to fixed assets reflect capital expenditure from GAG funding. The transfer from unrestricted funds to restricted funds represents unrestricted funds providing for the provision of education in line with GAG conditions and the repayment of the lottery grant.

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

**SUMMARY OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	130,134	349,961	(325,053)	-	-	155,042
Restricted funds	(186,862)	923,279	(845,668)	(30,817)	(17,000)	(157,068)
Restricted fixed asset funds	2,569,430	6,250	(50,910)	30,817	-	2,555,587
	<u>2,512,702</u>	<u>1,279,490</u>	<u>(1,221,631)</u>	<u>-</u>	<u>(17,000)</u>	<u>2,553,561</u>

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	2,555,587	2,555,587	2,569,429
Current assets	245,387	91,932	-	337,319	245,674
Creditors due within one year	(90,345)	-	-	(90,345)	(80,401)
Provisions for liabilities and charges	-	(249,000)	-	(249,000)	(222,000)
	<u>155,042</u>	<u>(157,068)</u>	<u>2,555,587</u>	<u>2,553,561</u>	<u>2,512,702</u>

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

**21. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2015 £	2014 £
Net incoming resources before revaluations	57,859	90,202
Returns on investments and servicing of finance	(530)	(698)
Depreciation of tangible fixed assets	50,909	-
Decrease in debtors	12,965	73,326
Increase/(decrease) in creditors	7,647	(103,040)
FRS 17 pension cost less contributions payable	26,000	23,000
FRS 17 pension finance income	(16,000)	(18,000)
<b>Net cash inflow from operations</b>	<b>138,850</b>	<b>64,790</b>

**22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2015 £	2014 £
<b>Returns on investments and servicing of finance</b>		
Interest received	530	698
	<b>530</b>	<b>698</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(37,067)	(86,548)
	<b>(37,067)</b>	<b>(86,548)</b>

**23. ANALYSIS OF CHANGES IN NET FUNDS**

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	200,715	102,313	-	303,028
<b>Net funds</b>	<b>200,715</b>	<b>102,313</b>	<b>-</b>	<b>303,028</b>

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

---

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

---

**24. PENSION COMMITMENTS**

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

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**

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 for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

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

**Teachers' Pension Scheme Changes**

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

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

---

**24. PENSION COMMITMENTS (continued)**

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 group is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the group 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 group has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £30736, of which employer's contributions totalled £23394 and employees' contributions totalled £7342. The agreed contribution rates for future years are % for employers and % 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.



**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

**24. PENSION COMMITMENTS (continued)**

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(560,000)	(485,000)
Fair value of scheme assets	311,000	263,000
	<u>                    </u>	<u>                    </u>
Net liability	<u>(249,000)</u>	<u>(222,000)</u>

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

	2015 £	2014 £
Opening defined benefit obligation	485,000	482,000
Actuarial Losses/(gains)	12,000	(50,000)
Contributions by employees	10,000	8,000
Interest cost	21,000	23,000
Current service cost	36,000	26,000
Benefits paid	(4,000)	(4,000)
	<u>                    </u>	<u>                    </u>
Closing defined benefit obligation	<u>560,000</u>	<u>485,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	263,000	312,000
Actuarial gains and (losses)	(5,000)	(97,000)
Expected return on assets	16,000	18,000
Contributions by employer	31,000	26,000
Contributions by employees	10,000	8,000
Benefits paid	(4,000)	(4,000)
	<u>                    </u>	<u>                    </u>
	<u>311,000</u>	<u>263,000</u>

The cumulative amount of actuarial gains and losses recognised in the Consolidated statement of total recognised gains and losses was £NIL (2014 - £NIL).

The group expects to contribute £NIL to its Defined benefit pension scheme in 2016.

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

**24. PENSION COMMITMENTS (continued)**

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>2015</b>	<b>2014</b>
Equities	<b>34.40 %</b>	51.30 %
Government bonds	<b>5.50 %</b>	6.90 %
Other bonds	<b>2.60 %</b>	20.60 %
Property	<b>9.10 %</b>	8.30 %
Cash	<b>1.30 %</b>	4.70 %
Other	<b>47.10 %</b>	8.20 %

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

	<b>2015</b>	<b>2014</b>
Discount rate for scheme liabilities	<b>4.00 %</b>	4.60 %
Expected return on scheme assets at 31 August	<b>5.92 %</b>	5.64 %
Rate of increase in salaries	<b>3.80 %</b>	4.40 %
Rate of increase for pensions in payment / inflation	<b>2.30 %</b>	2.40 %
Inflation assumption (CPI)	<b>2.30 %</b>	2.40 %

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

	<b>2015</b>	<b>2014</b>
Retiring today		
Males	<b>22.9</b>	22.8
Females	<b>25.4</b>	25.3
Retiring in 20 years		
Males	<b>25.1</b>	25
Females	<b>27.8</b>	27.7

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	<b>2015</b>	<b>2014</b>
	£	£
Defined benefit obligation	<b>(560,000)</b>	(485,000)
Scheme assets	<b>311,000</b>	263,000
Deficit	<b>(249,000)</b>	(222,000)
Experience adjustments on scheme liabilities	<b>(12,000)</b>	50,000
Experience adjustments on scheme assets	<b>(5,000)</b>	(97,000)

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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

**24. PENSION COMMITMENTS (continued)**

**Table of Sensitivity Analysis**

Changes in assumptions at 31 August 2015	Approximate % change to Employer Liability	Approximate monetary amount (£'000)
0.1% increase in the Real Discount Rate	(5%)	(13)
1 year increase in member life expectancy	4%	10
0.1% increase in Inflation	5%	12

**25. OPERATING LEASE COMMITMENTS**

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

Group	2015 £	2014 £
<b>Expiry date:</b>		
Between 2 and 5 years	<u>4,559</u>	<u>3,398</u>

**26. 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 governors has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

During 2014 Paul Smith, principal, collected income of behalf of the academy in respect of Ofsted inspections. Total fees collected were £2,091 and the remaining balance of £500 was owed to the academy, this was paid on 30 September 2014.

The Academy also incurred costs of £6,751, including an accrual at the year end of £289, relating to the accountancy services of Mrs N Greenhalgh, who is the wife of parent governor Mr S Greenhalgh.

The academy has utilised the exemption in FRS 8 to not disclose transactions with wholly owned group companies.

**27. PRINCIPAL SUBSIDIARIES**

Company name	Country	Percentage Shareholding	Description
Parbold Douglas Nursery Ltd	England	100	Nursery education

The results of the subsidiary for the year are, turnover £206,882, expenditure £206,882 including gift aided profit, current assets £58,565 and current liabilities £46,565.

---

**PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

---

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

---