

**Stratton Education Trust  
(A Company Limited by Guarantee)**

**Consolidated Financial Statements**

**Year ended 31 August 2014**

**Company Registration Number:  
07798627 (England and Wales)**

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for the Year Ended 31 August 2014**

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## Reference and Administrative Details

### Trustees & Members

Mr Ian Bond – resigned 9 September 2013  
Mr James Booth  
Mr Andrew Field  
Mrs Madeline Russell  
Mr Robert Watson  
Mr Nigel Lillywhite – appointed 9 September 2013

### Governors

Mr Ian Bond (Co-opted)  
Mr James Booth \* (Trust)  
Mr Andrew Field (Trust)  
Mr Tudor Fox (Parent)  
Mr Eddie Kane \* (Parent)  
Mr Nigel Lillywhite\* (Parent)  
Mr Colin Pheysey \* (Staff, ex officio)  
Mrs Hazel Ramsay (Trust)  
Mr Alan Rix \* (Parent) – resigned September 2013  
Mr Bernard Rix (Trust) – resigned June 2014  
Mrs Madeline Russell \* (Trust) (Chairman)  
Mr Christopher Smith (Trust) – resigned September 2013  
Mr Jim Tan (Parent) – resigned September 2013  
Mrs Claire Twydell (Parent)  
Mrs Christina Ward (Trust)  
Mr Peter Ward \* (Staff)  
Mr Robert Watson \* (Staff, ex officio) (Executive Head and Accounting Officer)  
Mr Richard Westergreen-Thorne (Co-opted)  
Mrs Terri Bruce (Parent) – resigned June 2014  
Mr Andrew Goodyear \* (Parent) – appointed September 2013  
Mr Simon Luxton (Staff) – appointed September 2013  
Mrs Claire Neish \* (Parent) – appointed September 2013  
Mr Chris Westhead \* (Staff) – appointed September 2013  
Ms Alaine Anderson\* (Staff) – appointed March 2014  
Mrs Emma Sunderland (Staff) – appointed March 2014  
Ms Jane Harper (Staff)  
Mr James Birkett (Staff)

\*Members of the Finance and Premises Committee

### Company Secretary

Mr Gary Waghorn

### Senior Management

Mr James Birkett, Deputy Headteacher appointed 1 September 2012, Stratton Upper School  
Ms Lesley Harper, Deputy Headteacher appointed 1 September 2012, Stratton Upper School  
Mr Colin Pheysey, Head of College, Gamlingay Village College  
Miss Julie Rodbourne-Williams, Deputy Headteacher to 31 October 2013, Gamlingay Village College  
Miss Julie Brown, Director of Operations, Stratton Upper School  
Mr Gary Waghorn, Director of Finance appointed 22 April 2014, Stratton Upper School

**Reference and Administrative Details (cont.)**

Principal and Registered Office	Eagle Farm Road Biggleswade Bedfordshire SG18 8JB
Company Registration Number	7798627 (England & Wales)
Independent Auditor	George Hay Chartered Accountants St George's House George Street Huntingdon PE29 3GH
Responsible Officer	Duncan & Toplis 15 Chequergate Louth Lincolnshire LN11 0LJ
Bankers	Lloyds TSB plc 35 High Street Biggleswade SG18 0JD
Solicitors	Stone King LLP 30 Station Road Cambridge CB1 2RE

## **Governors' Report**

The governors present their annual report together with the financial statements and auditor's report of the charitable company for the period 1<sup>st</sup> September 2013 to 31<sup>st</sup> August 2014. The company was incorporated on 5<sup>th</sup> October 2011 and started operating as an Academy on 1<sup>st</sup> February 2012.

### **Structure, Governance and Management**

#### **Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governance documents of the Academy Trust.

The Trustees of Stratton Education Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Stratton Education Trust and comprises of Stratton Upper School, and Gamlingay Village College.

The Trustees of the charitable company are as listed on page 1. The Trustees are:

The Chairman of the Board of Governors

Four appointed governors chosen for their experience in school governance

The Executive Headteacher

Governors' Committees

There are currently four Governors' Committees:

#### **Staff and Students Committee**

This Committee is responsible for the following:

- Considering the schools' procedures for reporting to parents on the progress of students;
- Monitoring student attendance and discipline and draw up any general principles of pupil discipline for ratification by the full governing body;
- Recommending a pupil admissions policy to the full governing body;
- Considering matters relevant to the general welfare and well-being of the students of the school;
- Recommending a Safeguarding policy;
- Drafting and keep under review a policy statement on staff consultation for approval by the full governing body;
- Reviewing and recommend for adoption the procedures for dealing with discipline and grievance and ensure that the staff are informed of them;
- Producing, in conjunction with the Executive Headteacher, such policies as are deemed to be required to cover personnel issues (including conditions of service) e.g. policies about secondment, supply cover, leave of absence and part-time working;
- Overseeing the staff appraisal procedures; and
- Receiving reports on staff and governor training and development, and make recommendations.

### **Learning and Achievement Committee**

(This committee changed its name with effect from September 2014. It was known as the Teaching and Learning Committee prior to this date). This committee is responsible for monitoring:

- Implementation of the school curriculum including liaison between subject leaders within the Trust and feeder schools;
- Standards in teaching to ensure all students receive excellent and equitable access to high quality teaching;
- Student achievement and progress at the end of each key stage, scrutinising the achievement of targets set by senior staff and national standards; and
- SEND provision

The committee will make recommendations to the Full Governing Body.

### **Finance and Premises Committee**

The Finance & Premises Committee deals with all financial matters including:

- Providing guidance and assistance to the Executive Headteacher and Full Governing Body in matters relating to budgeting and finance;
- Preparation and review of financial policies;
- Presenting an annual budget plan to the Full Board of Governors for approval;
- Monitoring income and expenditure of all funds held by the Trust;
- Overseeing capital expenditure;
- Preparing a lettings charging policy;
- Providing guidance and assistance to the Executive Headteacher and Full Governing Body in matters relating to the premises and grounds, security and health and safety;
- To approve plans, costs and arrangements for maintenance, repairs and redecoration and extension of the buildings within the budget allocation;
- To receive reports on the maintenance of the school grounds, and make recommendations to the full governing body;
- To consider all aspects of the usage, efficiency and potential development of the school premises; and
- To ensure that the school complies with health and safety regulations.

### **Audit and Risk Committee**

The responsibilities of the Audit and Risk Committee include:

- To determine whether appropriate accounting methods are being applied;
- To recommend to the Governing Body the appointment, retention or replacement of an auditor;
- To determine whether the performance of the audit is satisfactory and effective and meets the requirements of the Trust and its schools;
- To examine the audited annual financial statements in conjunction with the management report of the Auditor, with particular reference to whether the statements:
  - Properly reflect the significant accounting policies selected;
  - Reflect estimates and other financial statement elements that are reasonable and consistent.
  - Adequately disclose all major transactions and issues;
  - Disclose all post year-end significant events, and
  - Are understandable, relevant, reliable and comparable.

- To determine whether systems are in place to identify and monitor major business risks effectively;
- To review and approve, as appropriate, External and Internal Audit reports; and
- To consider the development of a business continuity plan for Stratton Education Trust.

#### 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.

#### 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 up to £5,000,000 on any one claim. The cost for the period ended 31 August 2014 was £1,059.69 and this cost is included in the total insurance cost.

#### Principal Activities

To advance for the public benefit, education in Bedfordshire and Cambridgeshire, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

The main objectives of the Trust are summarised below

- to raise the standard of educational achievement for all pupils and students;
- to provide a safe and welcoming environment and a stimulating curriculum, enabling every student to develop to his or her full potential;
- to ensure the educational opportunities we provide prepare students to make a significant contribution to the communities in which they live;
- to ensure our actions and words show our commitment to raising the self-esteem of everyone who learns and works within the Trust;
- to demonstrate respect, tolerance, openness, honesty and Trust in our relationships with one another;
- to develop close links with our community; and
- to conduct our business in accordance with the highest standards of integrity, probity and openness.

#### Method of Recruitment and Appointment or Election of Governors

Governors other than the Executive Headteacher and Head of College are in office for a period of four years.

Nominations for Parent Governors are sought from the parents and carers of students within the Stratton Education Trust member schools. Should nominations for the vacancies be equal to the number of vacancies, the nominees will be deemed to be elected. In the event there are more nominees than vacancies, an election will be held with all parents and carers eligible to vote.

Nominations for Staff Governors are sought from the staff of Stratton Education Trust member schools. Should nominations for the vacancies, be equal to the number of vacancies the nominees

will be deemed to be elected. In the event there are more nominees than vacancies, an election will be held with all staff eligible to vote.

Trust Governors are appointed by the Governing Body.

#### Policies and Procedures adopted for the Induction and Training of Governors and Trustees

The training and induction provided for new Governors and Trustees depends on their existing experience. Induction tends to be informal and is tailored specifically to the individual. Training requirements are subject to on-going review.

Governors are provided with an Induction Pack which includes:

- A Guide to the Law for School Governors
- Academies Financial Handbook
- Stratton Education Trust Gifts and Hospitality Policy
- Whistleblowing Policy

Governor training is undertaken at Developmental meetings and has included:

- Safeguarding
- Whole School Improvement Plan
- Interpretation of the data provided to Governors, including examination results analysis.

#### Organisational Structure

The Trustees and governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Trust performance and making major decisions about the strategic direction of the schools' capital expenditure and senior staff appointments.

The Senior Leadership Teams of the Trust consists of the Executive Headteacher, Deputy Headteachers, Assistant Headteachers (one of whom is "Head of College", the most senior appointment at Gamlingay Village College) and the non-teaching Director of Operations and Director of Finance. These 14.2 posts constitute the Trust's Senior Leadership Team. Two colleagues are based solely at Gamlingay Village College whilst eight are at Stratton Upper School. The remaining five, including the Executive Headteacher, have roles that span both schools.

The senior leadership teams are responsible for the professional leadership and the governors' strategic intent through developing and implementing the policies laid down by the governors and reporting back to them. A middle management tier of leadership includes Heads of Faculty, Heads of Departments and Pastoral Leaders. Some spending control is devolved to members of the middle leadership team.

The aim of the leadership structure is to encourage involvement in decision making at all levels through promoting accountability, responsibility and professional autonomy in the performance of leaders duties in support of the governors' strategic intent.

## **Risk Management**

The major risks to which the academy Trust is exposed, as identified by the Audit & Risk Committee of Governors, have been reviewed and systems have been established to manage those risks.

## **Connected Organisations**

Stratton Education Trust is an outward facing organisation that seeks to play a full role in sharing and developing excellent practice.

Our connected organisations include:

- The Biggleswade Community Union of Schools (BCUS) an association of schools within Biggleswade, educating pupils who will attend Stratton in the future, dedicated to seamless education from 0-19;
- Central Bedfordshire Upper and Secondary Heads Group;
- Central Bedfordshire Teaching School;
- The Academy of Central Bedfordshire, an alternative provision Free School established by the Central Bedfordshire Upper and Secondary Heads Group;
- Cambridge University, Department of Education;
- Cambridge Secondary Heads Association; and
- Stratton Learning Partnership, our own organisation providing training opportunities to over 20 schools.

## **Objectives and Activities**

### **Objectives, Strategies and Activities**

The overall priorities for the Trust are identified in the "Whole Trust Improvement Plan". This document is closely allied to the fulfilment of the Trusts objectives. Within the document differing priorities emerge at a school level which takes into account the varying circumstances that can exist between institutions, particularly when serving different age ranges.

At Stratton Upper School the key objectives were to:

- sustain the improvement in Mathematics teaching;
- sustain the improvement in Sixth Form outcomes across the curriculum; and
- arrest and reverse the decline in Key Stage 4 English outcomes

Strategies included:

- the introduction of a rigorous and focused mechanism to assess teachers' performance combined with a range of training activities designed to promote improvement. The training activities were tailored to the individual needs of teachers helping them to progress to the next level of professional success;
- a review of monitoring arrangements for student progress;
- intervention programs designed to address student underperformance; and
- a whole school focus on developing the notion of "behaviour for learning" throughout the community of Stratton

At Gamlingay Village College the key objectives were to:

- continue our relentless drive to raise standards of the teaching of literacy and numeracy particularly at Key Stage 2; and
- embed the newly introduced curriculum model with its emphasis on different pedagogical methods applied at Key Stage 2 and Key Stage 3.

The Trust prepared and consulted on a number of detailed policies and guidelines to further develop good practice. These were adopted formally from 1<sup>st</sup> September 2013.

- Assessment and Marking
- Performance management
- Pay Policy

### **Activities in the Community**

We have continued to build successful relationships with our community. We host some adult learning provision and successfully let our Sports Centre out to clubs and other hirers. Sports Centre lettings proved especially successful with over 50 regular hirers. This meant that the facility ran at close to full capacity and generated sufficient income to address any long term maintenance issues identified within the Sports Centre.

Produce from the Stratton Upper School Farm was sold on a weekly basis throughout the year though our two peak areas for activity are the Spring Open Day (with its focus on plant sales) and Christmas Turkeys. The value of the Farm as an essential part of our community and curriculum offer remains as strong as ever.

Many of our regular community activities continued through the year including our active Interact Club, Operation Christmas Child and contributions to key national events such as Children in Need.

At Gamlingay Village College an ambitious production of "Joseph" played to packed houses. Pupils relished the opportunity to test themselves and exceeded all expectations.

### **Public Benefit**

The Trustees have had regard to the Charity Commission's public benefit guidance, by providing education to the pupils within our schools.

In addition, we share best practice in teaching through our links with other schools. We are part of a Teaching School so work to train new teachers. Stratton is part of the Biggleswade Community Union of Schools, where we address joint issues and share ideas.

The Trust believes that schools should be at the heart of their community. Both schools have sports facilities which are open to the public for use outside of school hours. We also have a farm at Stratton Upper School which is used not only by our own students but also those from other schools in the area. This enables us to offer experiences to young people which they would not otherwise have. We open the farm to the public on a large scale during May and December when we have the plant sale and Christmas turkey sales respectively. Students prepare hanging baskets and containers for sale to the community and we, in addition, produce our own honey, eggs and meat products.

### **Achievements and Performance**

The academic year 2013/14 will be remembered as the year when the transformation of our curriculum, approach to teaching and development of a focused learning environment that we had begun in 2011 showed significant impact. At Stratton Upper School the twin focus of improving behaviour and engagement whilst also focusing on developing Teaching and Learning practice, supported improvements demonstrated by a continued declining trend in Fixed and Permanent Exclusions and reported incidents of disturbances to lessons.

## **Key Stage 2**

Students achieving level 4+ in English = 97% (above national average)

Students achieving level 4+ in Maths = 77% (below national average)

Students achieving level 4+ in both English and Maths = 77% (broadly in line with national average)

Literacy subjects build on 2013 achievements. For the second year outcomes were significantly above national averages. Although numeracy remained below the national average, the gap between Gamlingay Village College and the national picture reduced considerably. This represents rapid progress which is anticipated to continue in the current year.

Pupils gaining level 4+ accreditation across literacy and numeracy is now broadly average and two percentage points higher than the County average within Cambridgeshire.

## **Key Stage 4**

Students achieving 5 A\* - C grades with English and Maths = 58%

This was Stratton Upper School's best ever outcome, and over 5.5 percentage points above the national average. Behind this figure a wide range of academic subjects demonstrated attainment significantly above the national average. These subjects included English, Maths, History, Geography, RE, Art, German, Catering and Music. Other subjects such as Science, and Graphics showed rapid improvements in performance.

## **Key Stage 5**

At A2 we were pleased to note that the previous year's record-breaking outcome of more than 44% of students gaining A\* - B grades was sustained.

We are also pleased to note that 93% of our students moving to higher education were successful in gaining their first choice placement. A higher proportion of students from our Sixth Form attend Russell Group universities, compared to the national level.

At AS level 2014 proved to be another successful year.

Stratton Sixth Form's outcomes place it in the top quartile for performance nationally.

We remain a popular choice for students at of all ages. Although our catchment is currently in the midst of a demographic dip, Stratton Upper School is over 97% full compared to its published admission number in all year groups. This does pose issues as, due to the further growth in the Sixth Form, we regularly exceed the overall capacity of the campus.

Similar issues pertain at Gamlingay Village College where a dip in pupil numbers has been at least partially mitigated by an increase of families choosing Gamlingay Village College from out of catchment areas.

The curriculum review at both Gamlingay and Stratton has been highlighted elsewhere in this report but it should be noted that the period covered includes the final implementation of our new curriculum which began on 1<sup>st</sup> September 2013.

The Trust continues to enjoy strong relationships with the Connolly Foundation. We are particularly grateful for the support they have shown to students in the Sixth Form. Without their intervention the students would not have been able to play a full part in a range of trips and activities designed to enhance their A-level studies.

### **Going Concern**

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

### **Financial Review**

Most of the Trust's income is obtained from the Education Funding Agency (EFA), and part of the Department for Education (DfE), in the form of recurrent grants, the use of which is restricted to specific purposes. The grants received from the EFA during the period ended 31 August 2014, and the associated expenditure, are shown as restricted funds in the statement of financial activities. The Trust also receives grants for fixed assets and capital programmes from the EFA. Such grants are shown in the statement of financial affairs as restricted income in the fixed asset fund.

### **Principal Risks and Uncertainties**

The revisions to school funding continue to cause concern, as both schools operate within local authorities that have traditionally received significantly less funding than average.

Thanks to the work of the leadership team at Gamlingay Village College much has been done to restore the confidence of the community in the school. This has been achieved at a time when difficult decisions have been made with regard to staffing, both to raise the level of performance and to make it sustainable within the confines of the budget.

Stratton continues to work closely with the Local Authority to provide up to 400 additional school places needed due to development within the town of Biggleswade. The proposed timeframe by which the required expansion of the school will take place has been moved to completion by September 2016. The overall contribution the local authority intends making towards the scheme has been raised from £6 million to £8.4 million.

### **Reserves Policy**

The Trustees review the reserves levels of the Trust at least annually, with termly reviews by the Finance and Premises Committee. The review encompasses the nature of income and expenditure streams, the need to match income with commitments, and the nature of reserves.

The Trustees consider that reserves should be set at a level that ensures that the Trust can forecast a balanced budget over a three year period, with 3% of the forecast income in the third year as reserves at the end of that year. This will allow sufficient flexibility to enable three year planning of curriculum changes and other medium term programmes to be included without endangering the working capital of the Trust.

### **Investment Policy**

The Finance and Premises Committee aims to manage the cash balances of the Trust to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the Finance and Premises Committee aims to invest surplus cash funds to optimise returns but ensuring that the investment instruments are such that there is an absolute minimum risk to the loss of these cash funds.

**Plans for Future Periods**

The Trust has developed extensive plans to drive its objectives forward in the academic year 2014/15. This "Whole Trust Improvement Plan" is available on either the Stratton Upper School or Gamlingay Village College website.

The proposed expansion of Stratton Upper School remains focused around developing science provision, as that is an area of weakness in the schools resource.

At the heart of all our plans are the needs of our community. We are fortunate to enjoy a high degree of support from our pupils, students, families, staff and governors. We will continue to harness this energy to build outstanding educational provision across the Trust.

**Auditor**

In so far as the Governors are aware:

There is no relevant audit information of which the charitable company's auditor is unaware; and

The Governors have taken all steps that they ought to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the members of the Governing Body on **1 Dec 14** and signed on its behalf by:

**MA Russell**

**Chairman of Governors**