

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

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

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

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 11
Governance statement	12 - 15
Statement on regularity, propriety and compliance	16
Statement of Trustees' responsibilities	17
Independent auditors' report on the financial statements	18 - 19
Independent reporting accountant's assurance report on regularity	20 - 21
Consolidated statement of financial activities incorporating income and expenditure account	22
Consolidated balance sheet	23
Academy balance sheet	24
Consolidated statement of cash flows	25
Notes to the financial statements	26 - 48

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

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2016**

Trustees and Members	Graham Russell, Chair of Trustees Chiquita Henson, Headteacher Simon Bellamy (resigned 16 October 2015) Jo Chisholm Fiona Cordiner (appointed 1 May 2016) Christina Craig Peter Edison (resigned 31 March 2016) Margaret Edney (resigned 31 August 2016) ¹ Jane Macmillan (resigned 30 September 2016) Fiona Moss (resigned 30 September 2016) Claire Mould Deryck Nash (resigned 31 August 2016) ¹ Keeley Russell (appointed 3 February 2016) Neil Smith (resigned 16 October 2015) Kevin Snowball Charles Woodd ¹ ¹ Audit Committee
Company registered number	07524811
Company name	Cirencester Deer Park School
Principal and registered office	Stroud Road Cirencester Gloucestershire GL7 1XB
Company secretary	Martin Doidge
Accounting Officer	Chiquita Henson
Strategic Leadership Team	Chiquita Henson, Headteacher Liz Lang, Deputy Head Helen Charlesworth, Assistant Head James Johnson, Assistant Head Cath Brace, Assistant Head (temporary from 1 September 2016 to 31 August 2017) Martin Doidge, Director of Finance and Administration
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT
Bankers	Lloyds Bank Plc 29 High Street Chippenham SN15 3HA

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

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2016**

Advisers (continued)

Solicitors	Harrison Clark Rickerbys Limited Ellenborough House Wellington Street Cheltenham GL50 1YD
-------------------	---

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

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company and the group for the year ended 31 August 2016. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an Academy for pupils aged 11 to 16 serving the catchment area of south Cirencester and surrounding villages. It has a capacity of 1,045 and currently has 960 pupils on roll.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The Trustees of Cirencester Deer Park School are also the directors of the charitable company and the group for the purposes of company law. The Charitable Company is known as Cirencester Deer Park School.

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

The Accounting Officer for the academy is the Headteacher and she is supported in the role by the Director of Finance and Administration.

Members' Liability

Each member of the charitable company and the group undertakes to contribute to the assets of the Company in the event of it being wound up while 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.

Trustees' Indemnities

The Academy has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides cover up to £10,000,000.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

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

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

Policies and Procedures Adopted for the Induction and Training of Trustees

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

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

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

Organisational Structure

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

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

The Audit Committee is the only sub-committee, with all other business conducted at the Governing Body meetings. To assist the working practices of the Board, the Governing Body establishes short term working groups from time to time to address specific areas of governance but these have no decision making authority and report back to the Governing Body.

During the 2015/16 academic and financial year the Strategic Leadership Team of the Academy comprised the Headteacher, a Deputy Head, two Assistant Heads and the Director of Finance and Administration.

This team control the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group the leadership team are responsible for the authorisation of spending within agreed budgets and the appointment of staff. Some spending control is devolved to members of the extended leadership team (generally Heads of a Faculty or Key Stage) who each have budgets, with limits above which a senior manager must countersign.

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

The Headteacher is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Apart from Trustees who are also members of the Academy staff, no Trustees are remunerated for their role. Trustees who are also members of staff do not receive any additional pay or allowance for acting as a Trustee.

All teaching staff, including senior and middle leaders are paid in line with the national pay scales set by Government each year. For members of the Strategic Leadership Team each has an agreed range of points on the Leadership Range agreed at the time of their appointment and they are initially paid on the lowest point in this range. Progression within the range is subject to annual appraisal and performance management review and is approved by the Governing Body. Middle leaders are paid an annual allowance (TLR) on top of their teaching salary to reflect any responsibility they hold. These TLRs are paid at the nationally agreed rates of pay and the determination of the appropriate TLR for each post of responsibility is subject to a form of job evaluation to ensure this is equitable.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Connected Organisations, including Related Party Relationships

Cirencester Deer Park School does not have a sponsoring organisation.

The Academy works closely with the Cirencester Deer Park School Enrichment Fund, an independent charity that provides funding for enrichment activities. The following Directors of Cirencester Deer Park School were also Trustees of the Enrichment Fund during 2015/16 – Margaret Edney, Christina Craig and Graham Russell. In 2015/16 the Enrichment Fund donated £2,016 to the Academy.

The Academy also benefits from being one of the objects of the Powells Educational Foundation and in 2015/16 the Academy received grants of £25,135 from the Foundation.

St James Place made a one off grant of £1,000 towards sports equipment during the year. The following Trustees of Cirencester Deer Park School are also employed by St James's Place plc – Fiona Cordiner, Charles Woodd.

Cirencester Deer Park School owns 100% of the share capital of Deer Park Enterprises Limited (company number 07957129) which is registered in the UK and carries out trading activities linked to the Academy, mainly short term lettings of facilities. Each year the company donates to the Academy, by Gift Aid, any surplus taxable income from trading activities. In 2015/16 the income received from Deer Park Enterprises Limited. was £53,892. In compliance with the latest accounting standards the results of Deer Park Enterprises are consolidated into the results of the Academy presented in this report.

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

OBJECTIVES AND ACTIVITIES

Objects and Aims

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

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

The main aims of the Academy are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Objectives, Strategies and Activities

The Academy's Strategic Plan for the period 2014-2016 identified three key priorities for the Academy:

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

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

Our progress against these objectives is described in the Achievements and Performance section below.

Public Benefit

The Trustees complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in defining the strategic direction of the Academy. The Trustees confirm they have referred to this guidance contained in the Charity's Commission's general guidance on public benefit when reviewing the Academy's aims and objectives.

STRATEGIC REPORT

Achievements and Performance

Examination results for 2016 reflect the excellent progress made by the cohort of our pupils graduating from the Academy this year, and the value added by the education they have received. Once again GCSE results were significantly above the national average, reflecting the strong academic tradition of the Academy. 27% of grades awarded across all subjects were at A* or A (2015: 21%), significantly above the national average. 32% achieved the English Baccalaureate (A*-C passes in English, Maths, two Sciences, a Humanity and a Foreign Language) (2015: 26%). 64% of pupils achieved the key benchmark of 5 or more GCSE's at A*-C including English and Maths (2015: 63%). English results were excellent at 83% A*-C (2015: 76%) and Maths remained at the same level as last year with 70% of pupils achieving an A*-C grade (2015: 70%).

Improving pupil attendance was a key focus for the Academy in 2015/16 and this led to a gain of 0.8% in attendance to 95.6% which is expected to be above the national average. Levels of persistent absenteeism also fell.

In September 2016 we welcomed 166 pupils into year 7 (175 pupils in September 2015). Admissions in both years were lower than our Planned Admission Number of 209, but our overall number on roll remains similar to that of last year as a result of our success in attracting pupils into all year groups during the course of the year. The recent dip in initial admissions is due to the historically low number of pupils of secondary school age in our catchment area, and we are aware that other local secondary schools in the South Cotswolds are seeing falling rolls. It is therefore essential that we continue to focus on and invest in positioning the Academy as the "school of choice" in Cirencester and the surrounding area and we have therefore continued to employ innovative marketing campaigns to get this message across to local parents, and also launched a new website (which has been well received by parents and stakeholders). Nevertheless the outlook for pupil numbers remains challenging with no immediate improvement in pupil numbers in the area expected, and local selective schools implementing expansion plans that is expected to have a detrimental impact on non-selective schools.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

The Academy was successful in bidding for capital improvement funding from DfE for repairs to the large flat roofs on the Main Hall and Gym and physical work on these will commence in autumn 2016. The Academy continues to invest from its own reserves in other improvements to the fabric and facilities of the Academy to ensure these provide a modern and effective learning environment and has been working with external consultants on plans for a new classroom block. Planning permission for this project has already been granted and so we will be 'spade ready' when the necessary funding has been secured.

Key Performance Indicators

Operational Performance (all figures at the start of the relevant academic year)	2016/17	2015/16	2014/15
Pupils on roll	956	956	977
5 or more A*-C GCSEs including English and Maths	n/a	64%	63%
% of pupils making Expected Progress in English	n/a	84%	79%
% of pupils making Expected Progress in Maths	n/a	73%	72%
% of pupils achieving the EBAC qualifications	n/a	32%	26%
Value Added (as measured by the DfE)	n/a	n/a	1,011
Progress 8 (as measured by DfE)		0.17	n/a
Pupil attendance Terms 1-4		95.6%	94.8%

Note – the DfE has changed the way that value added is measured with effect from 2015/16. The new measure known as Progress 8 is not directly comparable to the previous Value Added calculation but the national average for Progress 8 is set at 0.00 so a positive score represents value added. Our provisional Progress 8 figure for 2016 puts us in the top 25% of schools nationally and makes us the leading non-selective school in the area.

Financial Performance (all figures for the relevant financial year)	2015/16	2014/15
% of income from Government funds	90.1%	90.8%
Total income per student	£6,174	£5,685
Teachers pay as % of income	53.8%	59.3%
Other staff pay as % of income	26.3%	28.5%
Total staff pay as % of income	80.1%	87.7%
Working capital as % of total reserves	14.7%	10.8%
Cash and bank balance as % of annual spending	19.1%	17%

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 Going Concern Accounting Policy.

FINANCIAL REVIEW

Financial Review

The vast majority of the Academy's income is obtained from the DfE via the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular educational purposes. The grants received from the DfE during the year ended 31 August 2016 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for capital expenditure from the EFA from time to time. This funding amounted to £268,133 in 2015/16 of which £247,646 still remains unspent pending completion of the roof repairs in Autumn 2016. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

During the year ended 31 August 2016, total expenditure (excluding depreciation) of £5,558,664 was covered by recurrent revenue grant funding from the EFA of £4,915,330, together with other incoming resources of £582,006. The excess of expenditure over income for the year (excluding restricted fixed asset funds) was £61,328 which is acceptable given the level of reserves which the Academy enjoys.

The Academy made a successful bid for capital maintenance funding to the DfE during 2015/16 for repairs to the main building flat roofs. It remains the case that there is very strong competition for the available capital funds from the DfE with total bids made in 2015/16 amounting to 4 times the funding available. This bidding process and the relative scarcity of funds presents uncertainty about capital funding for future development projects.

At 31 August 2016 the net book value of fixed assets was £8,711,956 and movements in tangible fixed assets are shown in note 15 of the financial statements. The assets were used exclusively for providing education and the associated support services to pupils of the Academy.

The Academy operates a defined benefits pension scheme for support staff and is therefore required to recognise the assets and liabilities of the pension fund on its balance sheet. The Academy has obtained a valuation report from its actuaries, Hymans Robertson LLP, which shows that at 31 August 2016 the scheme has assets of £2,249,000 and liabilities of £4,370,000 with a pension deficit of £2,121,000. The deficit has increased significantly from the £1,503,000 reported at the end of the last financial year due to actuarial losses, which are future projections on the fund's worth based on actuarial assumptions. Despite this increase in the liability the Trustees do not consider this to be a significant issue as the scheme has only two current pensions in payment, 7 deferred members and 54 active and contributing members. This liability is therefore expected to reduce in the longer term as scheme member contributions continue.

The Trustees would like to publicly acknowledge receipt of funding from both the Cirencester Deer Park School Enrichment Fund, the Powells Educational Foundation (which is a local charity dedicated to raising educational standards) and St James Place. Grants of £2,016 from the Enrichment Fund, £25,135 from Powells Education fund and £1,000 from St James Place were used to support additional enrichment activities for pupils and buy sports equipment.

At the end of the financial year the Academy had total reserves of £7,745,418 which is further analysed in the following paragraph.

Reserves Policy

The Trustees review the reserve levels of the Academy regularly. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees continue to maintain sufficient reserves to ensure the sustainability of the Academy or to cope with any foreseeable emergency situation and aim to keep reserves of around £300,000.

As at 31 August 2016 the Academy held free reserves of £906,929 available. The excess of reserves are being held to fund significant site development schemes which are planned for the next 18 months including a new classroom block and replacement of the Astro turf surface.

Fixed asset reserves total £8,959,602 and include £247,646 of unspent capital grant funding for roof repairs which is now committed and will be spent by early 2017.

Investment Policy

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

Only cash balances above a minimum of one month's normal expenditure plus £100,000 will be considered for investment. Any decision to move money onto deposit is authorised by the Accounting Officer based on the advice of the Director of Finance and Administration.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

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

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

Principal Risks And Uncertainties

Risk Management

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

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

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

1. Fire, Flood etc.

This is the highest identified risk on the Academy's risk register, reflecting as it does the threat to all pupils and staff as well as the going concern of the Academy. All reasonable precautions are taken to minimise the likelihood of an occurrence of such an incident and control measures such as alarm systems and firefighting equipment are in place. Ultimately the Academy ensures that adequate insurance is in place (including business interruption cover) to repair or replace any damage caused by such an incident.

2. Safeguarding

The Academy takes its responsibility for the welfare of pupils extremely seriously, The management of safeguarding risk is given due priority and as a result the Academy has a strong track record on safeguarding with Ofsted judging pupil behaviour and safety as "Outstanding" in our last three inspections. We ensure we meet all relevant legislative requirements for child protection and mitigate any risk that may arise by:

- Having a member of the Strategic Leadership Team who is Designated Safeguarding Lead for the Academy with an experienced assistant
- Having a nominated Trustee with responsibility for safeguarding
- Undertaking regular staff training in both safeguarding and safer recruitment
- Carrying out regular audits of our safeguarding policies and procedures to ensure they are kept under active review
- Regular discussion of any safeguarding issues at Strategic Leadership Team meetings and communication to Governors within the Head's Report which goes to every Trustees Meeting.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

3. Government funding

The Academy has considerable reliance on continued government funding through the EFA. In the period under review 90% of the Academy's revenue was ultimately public funded and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

This risk is mitigated in a number of ways:

- Additional funding is derived through a number of direct and indirect contractual arrangements such as lettings of facilities to derive additional income streams;
- The Academy seeks best value for money in all purchasing decisions so that the most effective possible use is made of the funding;
- The Academy is rigorous in delivering high quality education, justifying both its receipt of Government funding and its receipt of other grants and donations;
- Continuing to monitor government funding proposals and make provision accordingly.

4. Pupil Numbers

Government funding is currently assessed in proportion to numbers of pupils, and is likely to remain so. Pupil numbers is therefore a key risk factor for funding levels, and for the operation of the school. The risk is currently heightened as pupil numbers are falling due to local demographics.

The risk is mitigated through:

- Maximising our attractiveness for future pupils (and parents) by ensuring our Academy is the "school of choice" in the area, not least through the delivery of high quality education
- Monitoring future trends through analysis of data on pupil numbers from local primary schools
- Optimising our offering to take advantage of increase in pupil numbers, whilst mitigating the impacts of any reductions.

5. Academic performance

The Academy's academic performance continues to be strong and is consistently above the national average. However we are not complacent and are continually driving for excellence. In particular:

- Senior management pays close attention to teacher forecasts of both grades and progress, which are regularly updated and any adverse movement in forecast performance is investigated and remedial measures put in place to support pupils and staff to ensure that results remain consistently good.
- We continually review our curriculum and revise where necessary to ensure that pupils are given the best possible choice of subjects which are relevant and challenging.
- The Trustees receive regular reports on academic performance and meet departmental heads on a regular basis to discuss performance in key subject areas.

The Trustees do not consider that the Academy is exposed to any significant financial risks including credit, cash flow and liquidity risks. The liability relating to the LGPS Pension scheme is long-term and it is intended that it would be resolved over the medium term. In addition the DfE has accepted that they would adopt LGPS pension liabilities in the event of any winding up of an Academy.

PLANS FOR FUTURE PERIODS

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

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

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

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

This Strategic Plan was completed in 2016 so we are developing a new strategic plan for 2017-2019, although we anticipate the core strategic objectives for this period will remain the same as they are now (as set out above).

The Academy is also committed to working in partnership with others, including providing school to school support and development of a local Multi Academy Trust in which the Academy is expected to take a leading role. This is likely to be another significant theme in the new Strategic Plan

Major site development is also being planned with a bid for a new classroom block and replacement of the existing Astro turf sports pitch both planned for the next year.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

AUDITORS

In line with best practice the academy undertook a competitive tendering process for audit services having been with its previous auditor for over three years. As a result of this Bishop Fleming LLP were appointed as the new auditors and assumed this responsibility from 1 March 2015.

In so far as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 8 December 2016 and signed on the board's behalf by:

**Graham Russell
Chair of Trustees**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 7 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Graham Russell	7	7
Chiquita Henson	7	7
Simon Bellamy	1	1
Jo Chisholm	7	7
Fiona Cordiner	2	2
Christina Craig	6	7
Peter Edison	5	5
Margaret Edney	5	7
Jane Macmillan	7	7
Fiona Moss	7	7
Claire Mould	7	7
Deryck Nash	5	7
Keeley Russell	3	4
Neil Smith	0	3
Kevin Snowball	7	7
Charles Woodd	7	7

During the 2015/16 financial year the Governing Body had a number of working groups to review specific aspects of the Academy's operation. Every member of the Governing Body sat on at least one working group and the Headteacher also attended every meeting along with other members of the Academy's Strategic Leadership Team as appropriate. Reports from each of the working groups were received and discussed at the next available meeting of the full Governing Body and any recommendations arising out of the working groups were approved by the full Governing Body.

Trustees undertake regular self-evaluation of their effectiveness. The Governing Body was awarded the externally accredited "Governor Mark" in 2012 and are currently seeking re-accreditation of this standard. The Chair of Trustees and Headteacher completed 'two-way appraisal' reviews with individual Trustees during 2015/16 and feedback from Trustees is sought at the end of every Trustee Meeting.

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

GOVERNANCE STATEMENT (continued)

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

Attendance at Audit Committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Charles Woodd	3	3
Margaret Edney	2	3
Deryck Nash	2	3

There were no significant changes of Trustees on the Committee apart from a small number of annual rotational moves designed to increase Trustees overall experience across the committee structure. Deryck Nash left the committee at the end of the 2015/16 academic year as his term of office as a Trustee expired. He has been replaced on the Audit Committee by Fiona Cordiner who is an experienced senior manager in the financial services industry.

As at 1 October 2016 there were 8 serving Trustees (plus the Headteacher). It is anticipated that three or four additional Trustees will be appointed, based on their skills and experience, primarily from within the parent community, within the next few months.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of relevant benchmarking data where available. The Accounting Officer for the Academy has delivered improved value for money during the year by:

- Delivering strong educational results for all learners with results above national average and a particularly strong track record of delivering "value added" which is significantly above the national average.
- Keeping our staffing structure and level of resource continually under review to balance the needs of providing excellent quality learning and teaching and the financial resources available. This includes undertaking a full review of the Academy staffing structure during 2015 resulting in the withdrawal of a number of posts from the structure and managing down staff numbers without resorting to any redundancy or other termination payments. Our financial Key Performance Indicators shown earlier in this document show that staff costs have fallen as a proportion of our income indicating our tight control of this key area of spend.
- Having in place robust governance and financial controls validated by excellent internal control and internal audit reports for the past few years and running a generally balanced budget enabling secure levels of reserves to be maintained for future capital investment, despite reductions in funding and pupil numbers over the past few years.
- Having robust procedures in place for placing of contracts and purchasing of goods and services to ensure best value for money. These include undertaking tendering exercises for major items of spending such as capital investment projects in 2015/16. We also collaborate with other schools locally to jointly procure services and offer additional curriculum options where possible.
- Routinely using benchmarking data to ensure that our resource usage is consistent with other schools and to challenge ourselves where we appear to be out of line with others.
- Generating significant additional income through a subsidiary company which manages the hiring out of our facilities to local sports and other organisations and this has been an expanding area of our activities over the past few years.

GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Cirencester Deer Park School for the year 1 September 2015 to 31 August 2016 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 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the 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 decided not to appoint an internal auditor, instead engaging Claire Minett, a suitably qualified and experienced consultant to act as Internal Control Officer, reporting direct to the Audit Committee.

Her role and responsibilities includes giving advice on financial matters and performing a range of checks on the Academy's financial systems including payroll, purchasing and cash and banking. The Internal Control Officer has carried out three internal control reviews during the financial year and reported personally on these directly to the Audit Committee. No material control issues have been identified during the period covered by this report or during previous review periods.

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

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

The Accounting Officer has been advised of the implications of the result of their review of the effectiveness of the system of internal control by the Audit Committee, which oversees the work of the Internal Control Officer, and a plan to address weaknesses and ensure continuous improvement of the control system is in place.

Approved by order of the members of the Board of Trustees on 8 December 2016 and signed on their behalf, by:

Graham Russell
Chair of Trustees

Chiquita Henson
Accounting Officer

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

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Cirencester Deer Park School I have considered my responsibility to notify the Academy 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 for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Academy 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.

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.

**Chiquita Henson
Accounting Officer**

Date: 8 December 2016

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Group will continue in business.

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

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable 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 and signed on its behalf by:

**Graham Russell
Chair of Trustees**

Date: 8 December 2016

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CIRENCESTER DEER PARK SCHOOL**

We have audited the financial statements of Cirencester Deer Park School for the year ended 31 August 2016 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent charitable Academy's affairs as at 31 August 2016 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, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CIRENCESTER DEER PARK SCHOOL**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Joseph Scaife FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT
14 December 2016

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

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

In accordance with the terms of our engagement letter dated 1 October 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Cirencester Deer Park School during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The Accounting Officer is responsible, under the requirements of Cirencester Deer Park School's funding agreement with the Secretary of State for Education dated 10 February 2011, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 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 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

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

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

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Joseph Scaife FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

14 December 2016

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

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	-	29,016	268,133	297,149	120,076
Charitable activities	3	302,060	5,072,706	-	5,374,766	5,354,677
Other trading activities	4,5	90,266	-	-	90,266	85,875
Investments	6	3,088	-	-	3,088	3,313
Other income		200	-	-	200	-
TOTAL INCOME		395,614	5,101,722	268,133	5,765,469	5,563,941
EXPENDITURE ON:						
Raising funds	5	27,931	-	-	27,931	44,704
Charitable activities		353,383	5,177,350	397,570	5,928,303	6,074,733
TOTAL EXPENDITURE	7	381,314	5,177,350	397,570	5,956,234	6,119,437
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	22	14,300	(75,628)	(129,437)	(190,765)	(555,496)
		-	(18,984)	18,984	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES						
Actuarial losses on defined benefit pension schemes	29	14,300	(94,612)	(110,453)	(190,765)	(555,496)
		-	(509,000)	-	(509,000)	(26,000)
NET MOVEMENT IN FUNDS		14,300	(603,612)	(110,453)	(699,765)	(581,496)
RECONCILIATION OF FUNDS:						
Total funds brought forward		892,629	(1,503,000)	9,070,055	8,459,684	9,041,180
TOTAL FUNDS CARRIED FORWARD		906,929	(2,106,612)	8,959,602	7,759,919	8,459,684

The notes on pages 26 to 48 form part of these financial statements.

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

**CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	15		8,711,956		9,045,557
CURRENT ASSETS					
Stocks		5,646		6,805	
Debtors	19	199,912		169,562	
Cash at bank and in hand		1,137,417		1,037,244	
			<u>1,342,975</u>	<u>1,213,611</u>	
CREDITORS: amounts falling due within one year	20	(174,012)		(296,484)	
NET CURRENT ASSETS			<u>1,168,963</u>		<u>917,127</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,880,919</u>		<u>9,962,684</u>
Defined benefit pension scheme liability	29		(2,121,000)		(1,503,000)
TOTAL NET ASSETS			<u><u>7,759,919</u></u>		<u><u>8,459,684</u></u>
FUNDS OF THE GROUP					
Restricted funds:					
General funds	22	14,388		-	
Fixed asset funds	22	8,959,602		9,070,055	
			<u>8,973,990</u>	<u>9,070,055</u>	
Restricted funds excluding pension liability					
Pension reserve		(2,121,000)		(1,503,000)	
			<u>6,852,990</u>	<u>7,567,055</u>	
Total restricted funds			<u>6,852,990</u>	<u>7,567,055</u>	
Unrestricted funds	22		906,929		892,629
TOTAL FUNDS			<u><u>7,759,919</u></u>		<u><u>8,459,684</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 8 December 2016 and are signed on their behalf, by:

Graham Russell
Chair of Trustees

The notes on pages 26 to 48 form part of these financial statements.

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

**ACADEMY BALANCE SHEET
AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	15		8,711,956		9,045,557
Investments	16		1		1
			<u>8,711,957</u>		<u>9,045,558</u>
CURRENT ASSETS					
Stocks		5,646		6,805	
Debtors	19	207,895		238,280	
Cash at bank and in hand		1,128,221		966,078	
		<u>1,341,762</u>		<u>1,211,163</u>	
CREDITORS: amounts falling due within one year	20	(172,800)		(294,037)	
NET CURRENT ASSETS			<u>1,168,962</u>		<u>917,126</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,880,919</u>		<u>9,962,684</u>
Defined benefit pension scheme liability	29		(2,121,000)		(1,503,000)
TOTAL NET ASSETS			<u><u>7,759,919</u></u>		<u><u>8,459,684</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	22	14,388		-	
Restricted fixed asset funds	22	8,959,602		9,070,055	
			<u>8,973,990</u>	<u>9,070,055</u>	
Restricted funds excluding pension asset					
Pension reserve		(2,121,000)		(1,503,000)	
			<u>6,852,990</u>	<u>7,567,055</u>	
Total restricted funds			6,852,990		7,567,055
Unrestricted funds	22		906,929		892,629
TOTAL FUNDS			<u><u>7,759,919</u></u>		<u><u>8,459,684</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 8 December 2016 and are signed on their behalf, by:

Graham Russell
Chair of Trustees

The notes on pages 26 to 48 form part of these financial statements.

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

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash used in operating activities	26	<u>(49,183)</u>	<u>(97,755)</u>
Cash flows from investing activities:			
Interest received		3,088	3,313
Purchase of tangible fixed assets		(121,865)	(108,048)
Capital grants from DfE/EFA		<u>268,133</u>	<u>79,817</u>
Net cash provided by/(used in) investing activities		<u>149,356</u>	<u>(24,918)</u>
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		<u>1,037,244</u>	<u>1,159,917</u>
Cash and cash equivalents carried forward	27	<u><u>1,137,417</u></u>	<u><u>1,037,244</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 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.

The income and expenditure account for the year dealt with in the accounts of the Academy was £205,266 loss (2015: £549,390 loss).

In accordance with the Academies Accounts Direction 2015 to 2016 capital grants are now recognised in Income from Donations and Capital Grants instead of Charitable Activities. Capital grants recognised in 2015 have been reclassified.

First time adoption of FRS 102

These financial statements are the first financial statements of Cirencester Deer Park School prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Cirencester Deer Park School for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. The Trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Reconciliations to previous UK GAAP for the comparative figures are included in note 32.

1.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.3 FUND ACCOUNTING

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Education Funding Agency.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

1.4 INCOME

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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 Statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement 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.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable Activities are costs incurred on the Academy educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

On conversion the freehold land and buildings were transferred to the Academy from the Local Authority for the land and buildings previously occupied by the local authority school. On conversion the freehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.7 INVESTMENTS

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

1.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

1.10 LIABILITIES AND PROVISIONS

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

1.11 FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Academy after deducting all of its liabilities. Financial instruments includes cash at bank, trade debtors, accrued income from financial instruments (comprising dividends and interest due from investments), trade creditors and accrued expenditure.

1.12 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.13 OPERATING LEASES

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

1.14 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.15 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 quadrennial valuations using a prospective unit credit method. As stated in note 29, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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 credit 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 the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.16 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Academy makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	-	29,016	-	29,016	40,259
Capital Grants	-	-	268,133	268,133	79,817
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and capital grants	-	29,016	268,133	297,149	120,076
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

In 2015, of the total income from donations and capital grants, £16,847 was unrestricted funds, £23,412 was restricted funds and £79,817 was restricted fixed asset funds.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant	-	4,677,437	4,677,437	4,576,184
Other DfE/EFA grants	-	249,742	249,742	278,178
	<u>-</u>	<u>4,927,179</u>	<u>4,927,179</u>	<u>4,854,362</u>
Other government grants				
High Needs	-	145,163	145,163	158,881
	<u>-</u>	<u>145,163</u>	<u>145,163</u>	<u>158,881</u>
Other funding				
Internal catering income	189,130	-	189,130	157,721
Income for hosting trainee teachers	16,380	-	16,380	23,756
Sales to students	14,432	-	14,432	87,256
Trips	48,087	-	48,087	44,527
Music Tuition	31,120	-	31,120	28,174
Other	2,911	364	3,275	-
	<u>302,060</u>	<u>364</u>	<u>302,424</u>	<u>341,434</u>
	<u><u>302,060</u></u>	<u><u>5,072,706</u></u>	<u><u>5,374,766</u></u>	<u><u>5,354,677</u></u>

In 2015, of the total income from charitable activities £341,434 was unrestricted funds and £5,013,243 was restricted funds.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Rent	3,300	-	3,300	3,300
Consultancy	5,343	-	5,343	-
	<u>8,643</u>	<u>-</u>	<u>8,643</u>	<u>3,300</u>

In 2015, all of the income from other trading activities was unrestricted funds.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

5. TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
CHARITY TRADING INCOME				
Deer Park Enterprises Limited	81,623	-	81,623	82,575
TRADING EXPENSES				
Deer Park Enterprises Limited	27,931	-	27,931	44,704
	<u>27,931</u>	<u>-</u>	<u>27,931</u>	<u>44,704</u>
Net income from trading activities	<u>53,692</u>	<u>-</u>	<u>53,692</u>	<u>37,871</u>

In 2015 the total trading income of £82,575 and trading expenses of £44,704 was unrestricted.

6. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest	3,088	-	3,088	3,313

In 2015 the total investment income of £3,313 was unrestricted.

7. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Trading expenses	26,539	-	1,392	27,931	44,704
Education:					
Direct costs	3,628,184	313,076	358,673	4,299,933	4,551,549
Support costs	997,399	245,256	385,715	1,628,370	1,497,184
	<u>4,652,122</u>	<u>558,332</u>	<u>745,780</u>	<u>5,956,234</u>	<u>6,093,437</u>

In 2016, of the total expenditure, £381,314 (2015: £544,869) was unrestricted funds, £5,177,350 (2015: £5,134,655) was restricted funds, and £397,570 (2015: £413,913) was restricted fixed asset funds.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

8. DIRECT COSTS

	Total 2016 £	Total 2015 £
Pension finance costs	23,500	25,000
Educational supplies	171,549	196,597
Examination fees	70,763	72,365
Staff development	11,910	18,328
Trips, music tuition and other direct costs	77,050	110,646
Supply teachers	28,607	52,108
Technology costs	20,801	19,784
Wages and salaries	2,808,552	2,992,500
National insurance	239,790	238,735
Pension cost	534,335	508,047
Depreciation	313,076	332,439
	<u>4,299,933</u>	<u>4,566,549</u>

9. SUPPORT COSTS

	Total 2016 £	Total 2015 £
Pension finance costs	32,500	27,000
Recruitment and support	34,251	52,494
Maintenance of premises and equipment	101,845	61,700
Cleaning	12,139	14,617
Rent and rates	19,080	22,334
Energy costs	84,125	89,037
Insurance	31,044	32,067
Security and transport	3,350	4,083
Catering	98,188	74,544
Technology costs	28,102	41,514
Office overheads	74,298	59,507
Legal and professional	-	3,599
Bank interest and charges	(235)	-
Governance	10,890	11,073
Wages and salaries	796,400	727,860
National insurance	48,736	39,873
Pension cost	169,163	165,408
Depreciation	84,494	81,474
	<u>1,628,370</u>	<u>1,508,184</u>

10. EXPENDITURE - ANALYSIS OF SPECIFIC EXPENSES

Included within expenditure is an honorarium payment of £200 for a member of staff working over and above their normal duties.

The legal authority sought to make ex-gratia payments was in compliance with the Academies Financial Handbook 2015, being delegated authority or approval from the Education Funding Agency.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

11. NET INCOME/ (EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets: - owned by the charitable group	397,570	413,913
Auditors' remuneration - audit	8,800	8,500
Auditors' remuneration - other services	2,650	2,000
Operating lease rentals	11,050	10,832
	=====	=====

Included within Auditor's remuneration is £7,575 (2015: £7,500) relating to the Academy and £1,075 (2015: £1,000) relating to the trading subsidiary.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

12. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	3,631,491	3,751,814
National insurance	288,526	278,608
Operating costs of defined benefit pension schemes	703,498	673,455
	4,623,515	4,703,877
Supply teacher costs	28,607	52,108
Staff restructuring costs	-	12,000
	4,652,122	4,767,985

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2015: £12,000).

The average number of persons employed by the Academy during the year was as follows:

	2016	2015
	No.	No.
Teachers	64	66
Educational support	22	28
Administration and clerical	51	51
Management	5	8
	142	153

Average headcount expressed as a full time equivalent:

	2016	2015
	No.	No.
Teachers	61	62
Educational support	11	13
Administration and clerical	35	33
Management	5	8
	112	116

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2016	2015
	No.	No.
In the band £60,001 - £70,000	1	4
In the band £90,001 - £100,000	1	1

The key management personnel of the Academy comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £376,867 (2015: £555,328).

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the key management personnel other than in their role as trustee, their remuneration as set out in note 13 has not been included in the total benefits received by key management personnel above.

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 4 Trustees (2015: 4) in respect of defined benefit pension schemes.

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: C Henson: Remuneration £90,000 - £95,000 (2015: £90,000 - £95,000), Employer's pension contributions £15,000 - £20,000 (2015: £10,000 - £15,000), S Bellamy: Remuneration £5,000 - £10,000 (2015: £45,000 - £50,000), Employer's pension contributions £0 - £5,000 (2015: £5,000 - £10,000), N Smith £0 - £5,000 (2015: £25,000 - £30,000), Employer's pension contributions £0 - £5,000 (2015: £5,000 - £10,000), F Moss: Remuneration £40,000 - £45,000 (2015: £40,000 - £45,000), Employer's pension contributions £5,000 - £10,000 (2015: £5,000 - £10,000), K Russell: Remuneration £10,000 - £15,000 (2015: £Nil), Employer's pension contributions £0 - £5,000 (2015: £Nil).

During the year, no Trustees received any benefits in kind (2015: £NIL).

During the year ended 31 August 2016, expenses totalling £797 (2015: £NIL) were incurred on behalf of the Trustees.

Other related party transactions involving the trustees are set out in note 31.

14. TRUSTEES' AND OFFICERS' INSURANCE

The Academy has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

15. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and equipment £	Computer equipment £	Total £
GROUP AND ACADEMY				
COST				
At 1 September 2015	10,336,959	132,375	299,495	10,768,829
Additions	-	2,751	61,218	63,969
At 31 August 2016	<u>10,336,959</u>	<u>135,126</u>	<u>360,713</u>	<u>10,832,798</u>
DEPRECIATION				
At 1 September 2015	1,403,031	95,280	224,961	1,723,272
Charge for the year	337,793	19,293	40,484	397,570
At 31 August 2016	<u>1,740,824</u>	<u>114,573</u>	<u>265,445</u>	<u>2,120,842</u>
NET BOOK VALUE				
At 31 August 2016	<u>8,596,135</u>	<u>20,553</u>	<u>95,268</u>	<u>8,711,956</u>
At 31 August 2015	<u>8,933,928</u>	<u>37,095</u>	<u>74,534</u>	<u>9,045,557</u>

Included in freehold property is freehold land at valuation of £1,868,537 (2015: £1,868,537) which is not depreciated.

16. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
ACADEMY	
COST	
At 1 September 2015 and 31 August 2016	<u>1</u>

17. PRINCIPAL SUBSIDIARIES

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

18. RESULTS OF TRADING SUBSIDIARY

	2016	17 month period ended 31 August 2015
	£	£
Turnover	81,623	108,120
Administrative expenses	(27,731)	(38,142)
Gift aid donation	(53,892)	(124,046)
	<u>-</u>	<u>(54,068)</u>

	2016	2015
	£	£
Assets	21,558	83,973
Liabilities	(21,557)	(83,972)
Net assets	<u>1</u>	<u>1</u>

19. DEBTORS

	GROUP		ACADEMY	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	26,410	39,579	14,048	26,773
Amounts owed by group undertakings	-	-	20,345	81,524
Other debtors	3,126	-	3,126	-
Prepayments and accrued income	150,273	105,812	150,273	105,812
Tax recoverable	20,103	24,171	20,103	24,171
	<u>199,912</u>	<u>169,562</u>	<u>207,895</u>	<u>238,280</u>

**20. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	GROUP		ACADEMY	
	2016	2015	2016	2015
	£	£	£	£
Trade creditors	84,475	59,548	84,475	59,548
Other taxation and social security	-	77,492	-	77,492
Other creditors	28,373	29,462	28,373	28,015
Accruals and deferred income	61,164	129,982	59,952	128,982
	<u>174,012</u>	<u>296,484</u>	<u>172,800</u>	<u>294,037</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

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

	GROUP		ACADEMY	
	2016	2015	2016	2015
	£	£	£	£
DEFERRED INCOME				
Deferred income at 1 September 2015	67,455	89,975	67,455	89,975
Resources deferred during the year	38,215	45,448	38,215	45,448
Amounts released from previous years	(67,455)	(67,968)	(67,455)	(67,968)
Deferred income at 31 August 2016	38,215	67,455	38,215	67,455

Deferred income represents income received from the DfE/EFA in advance for the following academic year, music tuition fees received in advance for the Autumn term, and income received in respect of trips taking place in 2016/17.

21. FINANCIAL INSTRUMENTS

	2016	2015
	£	£
Financial assets measured at amortised cost	1,200,578	1,117,981
Financial liabilities measured at amortised cost	(108,767)	(125,521)

Financial assets measured at amortised cost comprise of trade debtors, other debtors, accrued income and cash at bank and in hand.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors and accruals.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

22. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General funds	892,629	395,614	(381,314)	-	-	906,929
RESTRICTED FUNDS						
General Annual Grant (GAG)	-	4,677,437	(4,658,453)	(18,984)	-	-
High needs funding	-	145,163	(145,163)	-	-	-
Pupil premium	-	205,366	(205,366)	-	-	-
Other grants	-	11,849	(11,849)	-	-	-
Other DfE/EFA grants	-	32,527	(32,527)	-	-	-
Donations	-	29,380	(14,992)	-	-	14,388
Pension reserve	(1,503,000)	-	(109,000)	-	(509,000)	(2,121,000)
	(1,503,000)	5,101,722	(5,177,350)	(18,984)	(509,000)	(2,106,612)
RESTRICTED FIXED ASSET FUNDS						
Restricted fixed asset funds	8,990,238	-	(394,071)	18,984	-	8,615,151
DfE/EFA Capital grants	79,817	268,133	(3,499)	-	-	344,451
	9,070,055	268,133	(397,570)	18,984	-	8,959,602
Total restricted funds	7,567,055	5,369,855	(5,574,920)	-	(509,000)	6,852,990
Total of funds	8,459,684	5,765,469	(5,956,234)	-	(509,000)	7,759,919

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

RESTRICTED FUNDS

General Annual Grant - represents income from the EFA which is to be used for the normal running costs of the Academy, including education and support costs. During the year £18,984 (2015: £Nil) was transferred to the restricted fixed asset fund to represent fixed assets purchased from GAG.

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

22. STATEMENT OF FUNDS (continued)

Other grants - represents funding received from the British Council for a summer school and other donations received for a specific purpose.

Donations - represents donations received from the Powells Education trust and other donations received for a specific purpose.

Pension reserve - represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

RESTRICTED FIXED ASSET FUND

Restricted fixed asset funds - represents the buildings and equipment donated to the Academy from the Local Authority on conversion to an Academy and assets previously purchased from GAG, DFC and ACMF funding received from the EFA.

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

OTHER INFORMATION

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	8,711,956	8,711,956	9,045,557
Current assets	931,514	163,815	247,646	1,342,975	1,213,611
Creditors due within one year	(24,585)	(149,427)	-	(174,012)	(296,484)
Pension reserve	-	(2,121,000)	-	(2,121,000)	(1,503,000)
	<u>906,929</u>	<u>(2,106,612)</u>	<u>8,959,602</u>	<u>7,759,919</u>	<u>8,459,684</u>

24. MEMBERS' LIABILITY

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

25. GENERAL INFORMATION

Cirencester Deer Park School is a company limited by guarantee, incorporated in England and Wales. The registered office is Stroud Road, Cirencester, Gloucestershire, GL7 1XB.

26. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net expenditure for the year (as per Statement of financial activities)	(190,765)	(555,496)
Adjustment for:		
Depreciation charges	397,570	413,913
Interest received	(3,088)	(3,313)
Decrease/(increase) in stocks	1,159	(944)
Increase in debtors	(30,350)	(46,538)
(Decrease)/increase in creditors	(64,576)	50,440
Capital grants from DfE and other capital income	(268,133)	(79,817)
Defined benefit pension scheme cost less contributions payable	53,000	72,000
Defined benefit pension scheme finance cost	56,000	52,000
Net cash used in operating activities	(49,183)	(97,755)

27. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	1,137,417	1,037,244
Total	1,137,417	1,037,244

28. CAPITAL COMMITMENTS

At 31 August 2016 the Group and Academy had capital commitments as follows:

	<u>GROUP</u>		<u>ACADEMY</u>	
	2016 £	2015 £	2016 £	2015 £
Contracted for but not provided in these financial statements	247,646	-	247,646	-

29. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

29. PENSION COMMITMENTS (continued)

Contributions amounting to £27,030 were payable to the schemes at 31 August 2016 (2015: £26,016) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £404,588 (2015: £373,166).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

29. PENSION COMMITMENTS (continued)

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 2016 was £317,000 (2015: £279,000), of which employer's contributions totalled £253,000 (2015: £216,000) and employees' contributions totalled £64,000 (2015: £63,000). The agreed contribution rates for future years are 25.8% for employers and 5.5% - 9.9% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of Academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.00 %	3.70 %
Rate of increase in salaries	2.40 %	4.00 %
Rate of increase for pensions in payment / inflation	2.10 %	2.60 %

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

	2016	2015
Retiring today		
Males	22.5 years	22.5 years
Females	24.6 years	24.6 years
Retiring in 20 years		
Males	24.4 years	24.4 years
Females	27.0 years	27.0 years

The Group's share of the assets in the scheme was:

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	1,529,000	1,126,000
Bonds	472,000	359,000
Property	157,000	131,000
Cash	91,000	16,000
	<hr/>	<hr/>
Total market value of assets	2,249,000	1,632,000
	<hr/> <hr/>	<hr/> <hr/>

CIRENCESTER DEER PARK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

29. PENSION COMMITMENTS (continued)

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

	2016	2015
	£	£
Current service cost (net of employee contributions)	(306,000)	(288,000)
Net interest cost	(56,000)	(52,000)
	<u> </u>	<u> </u>
Total	(362,000)	(340,000)
	<u> </u>	<u> </u>
Actual return on scheme assets	258,000	53,000
	<u> </u>	<u> </u>

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

	2016	2015
	£	£
Opening defined benefit obligation	3,135,000	2,662,000
Current service cost	306,000	288,000
Interest cost	122,000	105,000
Contributions by employees	64,000	63,000
Actuarial losses	767,000	26,000
Benefits paid	(24,000)	(9,000)
	<u> </u>	<u> </u>
Closing defined benefit obligation	4,370,000	3,135,000
	<u> </u>	<u> </u>

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

	2016	2015
	£	£
Opening fair value of scheme assets	1,632,000	1,309,000
Interest income	66,000	53,000
Actuarial gains and (losses)	258,000	-
Contributions by employer	253,000	216,000
Contributions by employees	64,000	63,000
Benefits paid	(24,000)	(9,000)
	<u> </u>	<u> </u>
Closing fair value of scheme assets	2,249,000	1,632,000
	<u> </u>	<u> </u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

30. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Group's future minimum lease payments under non-cancellable operating leases was:

GROUP AND ACADEMY	2016	2015
	£	£
AMOUNTS PAYABLE:		
Within 1 year	9,748	10,437
Between 1 and 5 years	21,334	24,136
After more than 5 years	56,100	62,900
Total	87,182	97,473

31. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with Academy's financial regulations and normal procurement procedures. The following related party transactions took place in the year:

During the year the Academy has administered the payroll for two teachers who have been seconded to GASH Limited, a company of which the Headteacher Chiquita Henson is a director. Salary costs of £132,420 (2015: £119,479) have been recharged in the year to GASH Limited and purchases of £1,030 (2015: £730) have been made from GASH Limited. At the year end there was a balance owing to the Academy of £11,142 (2015: £20,654).

During the year the Academy made sales of £540 (2015: £2,053) to Glos. Initial Teacher Training Partnership, an organisation of which the Headteacher Chiquita Henson is the Chair. At the year end there were no amounts outstanding (2015: £Nil).

During the year the Academy made purchases of £Nil (2015: £120) from Openhouse, a company which Claire Mould, a Trustee of the Academy, is the Chief Executive Officer for respite education. At the year end there were no amounts outstanding (2015: £Nil).

During the year the Academy received donations of £25,135 from Powells Education Trust which Christina Craig, a Trustee of the Academy, is also a Trustee. At the year end there were no amounts outstanding.

During the year the Academy received a donation of £1,000 from St James's Place Wealth Management plc which Charles Woodd and Fiona Cordiner, Trustees of the Academy, are employees. At the year end there were no amounts outstanding.

During the year the Academy received donations of £2,016 from Cirencester Deer Park School Enrichment fund, an independent Charity which Margaret Edney, Christina Craig and Graham Russell are Trustees. At the year end there were no amounts outstanding.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

32. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

RECONCILIATION OF TOTAL FUNDS	Notes	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP		9,041,180	9,459,684
Total funds reported under FRS 102		<u>9,041,180</u>	<u>9,459,684</u>

Reconciliation of net income/(expenditure)	Notes	31 August 2015 £
Net (expenditure) previously reported under UK GAAP		(529,496)
Interest cost on FRS17 pension liability	1	(26,000)
Net (expenditure) before other gains and losses reported under FRS 102		<u>(555,496)</u>

Explanation of changes to previously reported funds and net income/expenditure:

1 Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in expense. Under FRS102 a net interest, based on the net defined benefit liability, is recognised in expense. There has been no change to the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the credit to expense by £26,000 and increase the debit in other recognised gains and losses in the SoFA by an equivalent amount.