

Company Registration No. 08264865 (England and Wales)

**CHAPELTOWN ACADEMY LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

# CHAPELTOWN ACADEMY LIMITED

## CONTENTS

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	<b>Page</b>
Reference and administrative details	1
Trustees' report	2 - 9
Governance statement	10 - 13
Statement on regularity, propriety and compliance	14
Statement of trustees' responsibilities	15
Independent auditor's report on the accounts	16 - 18
Independent reporting accountant's report on regularity	19 - 20
Statement of financial activities including income and expenditure account	21 - 22
Balance sheet	23
Statement of cash flows	24
Notes to the accounts including accounting policies	25 - 42

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# CHAPELTOWN ACADEMY LIMITED

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Trustees

A D M Wright (Chair of Trustees)  
A Dexter (Vice Chair of Trustees)  
T Beaumont  
A Jaffer (Accounting Officer for 2016/17) (Resigned 31 August 2017)  
R F Hoyland  
J E Joseph  
S Murphy (Appointed 1 September 2016 and resigned 9 September 2017)  
Rev R Bridgewater (Appointed 1 September 2016)  
S Hayes - Allen (Appointed 5 November 2016)  
D Coe (Accounting Officer) (Appointed 1 September 2017)  
K M Stott (Appointed 13 October 2017)

### Members

A D M Wright  
J E Joseph  
S Ruston

### Senior management team

- Head Teacher D Coe (Appointed 1 September 2017)  
- Deputy Head Teacher/Acting Head A Jaffer  
- Finance and Business Manager Lesley Starkes

### Company registration number

08264865 (England and Wales)

### Registered office

Hydra Business Park  
Nether Lane  
Ecclesfield  
Sheffield  
South Yorkshire  
S35 9ZX

### Independent auditor

Hart Shaw LLP  
Europa Link  
Sheffield Business Park  
Sheffield  
S9 1XU

### Bankers

Lloyds Bank  
14 Church Street  
Sheffield  
S1 1HP

### Solicitors

Bates, Wells and Braithwaite  
Scandinavian House  
2-6 Cannon Street  
London  
EC4M 6YH

# **CHAPELTOWN ACADEMY LIMITED**

## **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 AUGUST 2017**

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The trustees present their annual report together with the financial statements and independent auditor's report of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purpose of both a trustees' report and a directors' report under company law.

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

#### **Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Chapeltown Academy Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Chapeltown Academy.

Details of the trustees who served during the year are included in the Reference and Administrative Details on Page 1.

#### **Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up, 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 trust has opted into the Department of 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.

#### **Method of recruitment and appointment/election of trustees**

The membership originally came together in October 2012 when the charitable company was originally constituted. The founding members appointed A D M Wright, J E Joseph and S Ruston to succeed them as members of the company limited by guarantee. These individuals then, in turn, are required to appoint the directors (who are also trustees).

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

The academy is committed to providing high quality induction, support and training for members of its governing body to ensure that all governors and trustees have a full understanding of the requirements of their role and are well-equipped to carry out their responsibilities.

Training and induction for the governing body are crucial and serve two key purposes: Governor training continues to be driven by its skills audit and includes induction training for new Governing Body members. Completion of online training is tracked and logged;

- i) Ensuring that all governors and trustees have the required skill-sets (both holistic and specific) to monitor and challenge with confidence the information in front of them;
- ii) Serving as a key tool for driving forward continuous improvement, by ensuring that the cumulative level of skills upon which the governing body (as a whole) can draw is always rising, and never stagnant.

# CHAPELTOWN ACADEMY LIMITED

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2017**

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### Chair of trustees

The above attributes are particularly important for the chair of trustees. The chair's relationships with the Principal/Acting Head and Senior Leadership Team are key to effective accountability. The Department and National Governors' Association guidance, 'Leading governors: the role of the chair of governors in schools and academies' provides a useful guide for the chair and a copy of this was made available by the Principal to the chair and vice chair. The chair of trustees has also enrolled on the leadership development programme for new chairs, run by the National College. The course comprises:

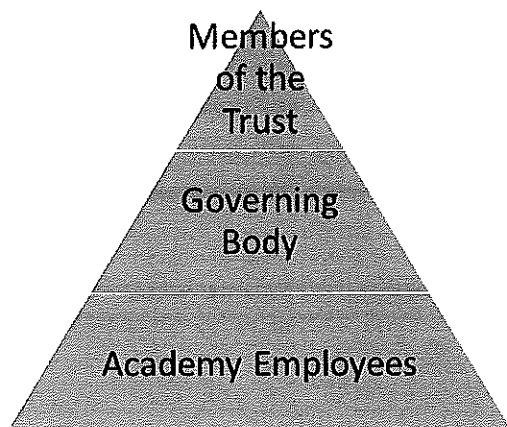
- i) The role of the chair – the leader
- ii) Leading the governing body
- iii) Effective governance: leading change and continuous improvement
- iv) Safeguarding and child protection
- v) OFSTED inspection framework.

### The wider governing body

The governing body was made fully aware of its various responsibilities under the Education Acts, in particular regarding ensuring there is appropriate provision for students with Special Educational Needs and Disabilities (SEND), as well as the requirement to ensure there are adequate procedures in place to deal with complaints. All governors and trustees were made aware of the Equality Act 2010 and the academy's responsibilities regarding non-discrimination and advancement of equality of opportunity in relation to admissions, appeals, recruitment and staffing. The governing body was made fully aware of its responsibilities under the Disability Discrimination Act 2010 and all decisions made at strategic level complied with this legislation. All governors and trustees were also made aware of their duties in relation to safeguarding, The Prevent Agenda, child protection and safer recruitment. Governors and trustees all completed online safeguarding training and we purchased a comprehensive online governor training programme from Governors E-Learning (GEL) at a cost of £150.

Governors and trustees undertook a skills audit during the course of the year which fed into a training needs analysis and a training plan devised by the chair and clerk. Therefore, the governors have now embarked on a tailored programme of online training based on the profile of their individual areas of development need.

### Organisational structure



The operational arm was managed by employees of the academy trust. Employees reported to the governing body which, in turn, reported to the members of the academy trust.

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# CHAPELTOWN ACADEMY LIMITED

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2017**

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### **Arrangements for setting pay and remuneration of key management personnel**

The key personnel during 2016-2017 were as follows: -

Acting Head Teacher: Ali Jaffer (full academic year)

Finance and Business Manager: Lesley Starkes (full academic year)

The Governing Body directly manage the setting of pay for the Principal/Head Teacher.

Setting the pay of the HT and leadership team; The pay of all the staff, including the HT and members of the Leadership team is reviewed and determined by the Pay sub-committee who meet annually to carry out the review. Criteria used in the review include:

- (a) Reference to the Chapeltown academy pay structure
- (b) Reference to the performance of each member of staff in relation to their individual performance management targets set in the previous year and their progress towards achievement of these targets
- (c) For the HT, the above and reference to the pay of other college leaders in similar institutions
- (d) For the HT and leadership team, their performance as judged against the college development plan and progress towards its full and successful implementation and the performance of the college in relation to its academic and financial key performance indicators.

### **Related parties and other connected charities and organisations**

The Academy does not have any connected organisations or related party relationships.

### **Objectives and activities**

#### **Objects and aims**

The overarching aim of the academy trust in 2016-17 was to provide an academic A-level education, based mainly on facilitating subjects, to 16-19-year-old students in the North of Sheffield, Barnsley and beyond. The academy trust was successful in achieving this aim.

#### **Objectives, strategies and activities**

The chief objectives during 2016-17 were as follows:

- i) Continue to improve outcomes for students
- ii) Settling into the Academy's new, permanent premises
- iii) Recruiting sufficient staff to teach across Y12 and Y13 for the following year;
- iv) Appointing a permanent Head Teacher, Dayle Coe, to take over from Ali Jaffer on 1 September 2017

All four of these objectives were achieved through the following strategies:

- i) A strong marketing programme and schedule of 'keeping warm' activities leading up to enrolment;
- ii) A close working relationship with the ESFA, and the contractors which enabled us to move, on time, into the new building for the new academic year
- iii) Very good teaching in the majority of subjects combined with a culture of high aspiration.
- iv) Permanent Headteacher appointed in August 2017

# CHAPELTOWN ACADEMY LIMITED

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

### Public benefit

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the charity commission in exercising their powers or duties.

### Strategic report

#### Achievements and performance

Chapelton Academy has been operational for three full academic years. At the end of July 2017, the number of students on roll was 188. This is the number that sat A or AS level qualifications in 2016/2017. The table below provides 2014/2015 information for comparison purposes, and shows how the academy has more than doubled in size from Year 1 to Year 3. In September 2017, the Academy has 174 students on roll.

N.O.R. in Sept 2017 is 174

YEAR	TOTAL	Y12		Y13/Y13X			Y14	
		Started	Completed	Started	Progressed to Y14	Completed	Started	Completed
2014-2015 (19%)	56	56	55	0	N/A	N/A	0	N/A
2015-2016 (46%)	137	93	87	44	8	33	0	0
2016-2017 (63%)	188	101	90	79	1	74	8	7
2017-2018	174	92		81			1	

### Curriculum

We have an academic A level only curriculum dominated by facilitating subjects plus the Extended Project Qualification. It is supplemented by a varied extra-curricular offer. Subjects (timetabled for 5.5 hours per week, including Registered Study Time) are organised into 3 faculties, each lead by a Faculty Head who is part of SLT:

- **Languages:** English, French, German, Spanish, Eng Lit, Eng Lang and Lit
- **Humanities:** Geog, History, Gov't and Politics, Economics, Philosophy and Ethics, Psychology
- **STEM:** Maths, Further Maths and Computer Science, Physics, Chemistry, Biology,

From Sept 2017, this offer was widened to include: Law, Drama and Theatre and Sociology, PE, Business. In 2017-18 all students in Year 12 study three or four subjects; initial baseline assessments, GCSE performance and guidance discussions are used to ensure all students are on appropriate courses.

- Likely Progress score -0.05 (-0.06 to +0.08)
- 100% of exam entries A\*-E at A level (99.1% last year)
- 50% of exam entries A\*-B grades (42.9% last year)
- 23% of students achieved A\*-B for all subjects.
- 10% of students achieved A\*-B in 3 subjects, in which at least 2 were facilitating.
- 78% of exam entries A\*-C (last year 74%)
- Average points score is 34.5% (C+) above Sheffield Average (excluding Y12)

# CHAPELTOWN ACADEMY LIMITED

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2017

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- 35% of graduating students attending a Russell Group University above National Average
- A majority of students in Y12 and Y13 make good progress based on their starting points
- UCAS support and IAG are real strengths of our provision
- Our NEET (Not in Education, Employment or Training) rate is 0%
- Students' behaviour is almost uniformly excellent
- Students have an extensive enrichment offer
- In addition, 3 Year 12 students achieved an A\* in A Level Mathematics after studying the subject for only one year through our Accelerated Maths programme;

#### OFSTED

The academy was inspected in the spring of 2017. The judgements were solely made on the graduation of 32 students and the T&L observed by the inspectors over a three-day period. The outcomes were as follows;

Outcomes: Requires improvement

Student behaviour and wellbeing: Good

Teaching and Learning: Requires improvement

Leadership: Requires improvement

There have been significant changes made to the SLT structure and their roles in order to improve standards and Quality Assurance processes since September including the establishment of a bespoke Progress Tracker.

#### Key performance indicators

Governors away day May 2017

In May 2017 the full governing body spent a full day reviewing the progress of the college in the previous academic year in relation to its key performance indicators, its progress in both maintaining and developing the four pillars on which the academy was founded and a strategic review of progress towards membership of a multi-academy trust in the forthcoming academic year. The outcomes of the review were;

- (a) A reiteration of the Governing Body's commitment to the four pillars on which the college was founded (outstanding academic attainment, excellent pastoral support, first class extra –curricular provision and continued provision of a rigorous, enriching and progressive academic curriculum underpinned by excellent staff development)
- (b) A review of the college development plan to enable the college to achieve and / or exceed its ambitious academic targets
- (c) A detailed review that the Governors have made in developing contacts and dialogue with three local multi-academy trusts with a determined commitment to engaging in a formal way with one of them in the academic year 2017/2018.



# CHAPELTOWN ACADEMY LIMITED

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

### Financial KPI's

As of 31<sup>st</sup> August 2017

	2017	2016
Fund balance (excluding fixed assets and pension)	(£142,513)	(£161,812)
Fund balance (including fixed assets and pension)	£4,259,817	£4,315,875
Cash in Bank	£144,923	£721,941
Total Staff Costs (£)	£685,621	£623,916
Salary Costs to ESFA Revenue Income (%)	72.56%	76.57%
Salary Costs to Total Income excluding fixed asset funds (%)	68.92%	74.28%
Salary Costs as Proportion of Total Expense (%)	59.73%	42.05%
FTE Teaching Staff	14	11
FTE Support Staff	4	4
Total FTE	18	15
Total Pupil Numbers	188	137
Pupil Teacher Ratio	13	12
Spend per pupil for non-pay expenditure lines excluding depreciation (£)	£1,643	£2,667

As a result of our focus on pupil recruitment, our key financial performance indicators are showing improvement and we expect this trend to continue over the next academic year.

### Going concern

After making appropriate enquiries, the board of trustees has an expectation that the academy has adequate resources to continue in operational existence for the next academic year. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details can be found in the Statement of Accounting Policies.

However, the Trust is currently considering a membership of an appropriate multi-academy trust. Therefore, Chapeltown Academy Limited may cease operations at the end of the Academic year 2017/2018, but Chapeltown Academy as a school will continue to operate under another Academy Trust.

The next academic year sees the Academy revert to lagged funding, based on student numbers in the October 2017 census. Currently this is 174 students. The ESFA wrote a letter of comfort for the next intake of students in 2018 which confirmed that they would include the guarantee that student numbers above lagged funding would be funded up to an increase of 20%.

The Trust is proactively marketing the Academy to attract more students, by attending Secondary School P16 events, hosting an Open Day and two Open Evenings for prospective students and parents, and also hosting an interschool Maths and MFL challenge.

With regards to the Academy's current deficit position, the Academy has a repayment plan in place with the ESFA to repay this within an agreed period. The Academy continues to meet the repayment schedule.

### Financial review

The academy trust received the majority of its income for the year in the form of a grant from the ESFA. The total income for the year (including capital grants) amounted to £1,084,874 (2016: £5,219,858).

The academy trust has a carried forward fund balance (including fixed assets and pension reserves) of £4,259,817 (2016: £4,315,875).

# CHAPELTOWN ACADEMY LIMITED

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2017

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As noted above, the academy trust is in a net deficit position (excluding fixed asset and pension reserves) of £142,513 (2016: £161,812). Chapeltown Academy has successfully managed to reduce this deficit position in 2016/17, and continues to have the support of the ESFA.

#### Reserves policy

In relation to reserves, the Chapeltown Academy Financial Handbook (CAFH) states the following:

"All academy trusts may keep money aside for when it is particularly needed and to build up reserves (e.g. for long-term capital projects). However, the AFH also mandates that the academy trust should use its allocated funding for the full benefit of its current pupils, and that if the academy trust has a substantial surplus it must have a clear plan for how it will be used to benefit its pupils. If the academy trust is in any doubt how to interpret these provisions, it should seek advice from the ESFA. In all cases the budget submitted to the ESFA must declare any unspent funds expected to be carried forward at the end of the financial year."

The restricted pension fund is in deficit to the value of £37,000 (2016 £25,000) as at 31 August 2017. This deficit has arisen since Chapeltown Academy Limited joined the LGPS in August 2014 and the trustees will closely monitor the situation.

The academy trust holds a fixed asset reserve which comprises the land and buildings and other educational equipment used by the academy trust. At the balance sheet date, the value of the fixed asset reserve amounted to £4,439,330 (2016: £4,502,687).

The trust is carrying a net deficit of £142,513 (2016: £161,812) on restricted general funds (excluding pension reserve) plus unrestricted funds. The trust is taking the following action to return these funds to surplus:

- Focusing on increasing pupil recruitment;
- Close monitoring of budgets and regular submissions to the ESFA; and
- Close monitoring of costs ensuring value for money obtained.

#### Investment policy

The academy trust currently has no financial investments other than short-term deposits; however, should it decide to pursue investments in the future the policy is to delegate the management of investments to a financial expert.

#### Principal risks and uncertainties

The academy trust compiled and monitored a risk register which was reviewed during governing body meetings. All risks were managed. The principle risks in the period were whether a viable number of students would be enrolled and whether the Academy would be funded on estimates or lagged funding for 2017-2018.

As noted above, the academy trust is in a net deficit position (excluding fixed asset and pension reserves) of £142,513 (2016: £161,812). Chapeltown Academy has successfully managed to reduce this deficit position in 2016/17, and continues to have the support of the ESFA.

#### Plans for the future

Improved results were published in summer 2017, and the Academy has 92 new Y12s on roll, and as at mid-October 2017 has 174 students on roll in total.

As noted in more detail in the Going Concern paragraph, Chapeltown Academy intends to join a Multi Academy Trust. The timing of this is uncertain. This will result in Chapeltown Academy Limited ceasing operations, and Chapeltown Academy, as an academy, continuing under a new brokerage.

# CHAPELTOWN ACADEMY LIMITED

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2017**


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### Auditors

Insofar as the trustees are aware:

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

The trustees' report, incorporating a strategic report, has been approved by order of the board of trustees, as the company directors, on 1 December 2017 and signed on the board's behalf by:



A D M Wright  
Chair of Trustees