

Registered number: 08149765 (England and Wales)

CHANDLERS RIDGE ACADEMY
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

CHANDLERS RIDGE ACADEMY
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the academy, its members, directors and advisers	1 - 2
Directors' report	3 - 14
Governance statement	15 - 22
Statement on regularity, propriety and compliance	23
Statement of Directors' responsibilities	24
Independent auditors' report on the financial statements	25 - 26
Independent reporting accountant's assurance report on regularity	27 - 28
Statement of financial activities incorporating income and expenditure account	29
Balance sheet	30
Statement of cash flows	31
Notes to the financial statements	32 - 49

CHANDLERS RIDGE ACADEMY
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS, DIRECTORS AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members

M P Brown
R Ciornei
C R Paleschi
P D Powell
P Thwaites
L D Tomlinson

Directors

U Abbas (resigned 31 March 2016)
M P Brown¹
R Ciornei
L Lidgard, Accounting Officer (appointed 1 September 2016)¹
L H Maycock, Staff Director
C A O'Brien (appointed 28 September 2016)
C R Paleschi, Vice Chair
P D Powell¹
P Thwaites, Chair¹
L D Tomlinson¹
J Turner¹

¹ Members of the Finance and Staffing Sub Committee

Company registered number

08149765

Company name

Chandlers Ridge Academy

Principal and registered office

Nunthorpe
Middlesbrough
Teesside
TS7 0JL

Senior management team

L Lidgard, Principal & Accounting Officer (from 1 September 2015)
J Turner, Academy Business Manager (from 1 September 2015)
N Bryant
A Dixon
L Maycock
N Pentney

Independent auditors

Clive Owen LLP
Chartered Accountants
Statutory Auditor
140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT

CHANDLERS RIDGE ACADEMY
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016

Bankers

Lloyds Bank plc
137 Albert Road
Middlesbrough
TS1 2PD

Solicitors

Ward Hadaway
1A Tower Square
Wellington Street
Leeds
North Yorkshire
LS1 4DL

CHANDLERS RIDGE ACADEMY
(A company limited by guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Directors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2015 to 31 August 2016. The Annual report serves the purposes of both a Directors' report, and a Directors' report under company law.

The trust operates an academy for pupils aged 3 - 11 serving a catchment area in Nunthorpe. It has a pupil capacity of 402 (350 full time and 52 part time nursery places). On the Summer 2016 census the school had 395 pupils on roll consisting of 344 full time and 51 part time (nursery) pupils.

OBJECTIVES AND ACTIVITIES

The objects of the academy are specifically restricted to the following:

- to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum for pupils of different abilities; and
- to promote for the benefit of the inhabitants of Nunthorpe and the surrounding areas the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Objects and Aims

To achieve the primary objective of maintaining an independent school in England to be known as Chandlers Ridge Academy the Secretary of State agrees to make payments to the academy in accordance with the conditions and requirements set out in the Funding Agreement. The Funding Agreement requires that the academy:

- is an independent school;
- has a curriculum satisfying the requirements of section 78 of the Education Act 2002 (balanced and broadly based curriculum);
- provides education for pupils of different abilities;
- provides education for pupils who are wholly or mainly drawn from the area in which the school is situated, and
- is not an alternative provision academy.

The Funding Agreement also specifies, amongst other things, the basis for admitting students to the academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

The principal object and activity of the charitable company is the operation of Chandlers Ridge Academy to provide education for students of different abilities between the ages of 3 to 11 years with an emphasis on excellent teaching and learning.

CHANDLERS RIDGE ACADEMY
(A company limited by guarantee)

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

OBJECTIVES AND ACTIVITIES (CONTINUED)

Objects and aims (continued)

- To provide children with a broad and balanced educational programme, with experience of the highest quality and to teach them.
- To acquire and apply skills and knowledge.
- To help the children to develop personal and social skills and to increase their moral and spiritual awareness.
- To provide a caring environment which encourages courtesy, responsibility and consideration for the needs of others.
- Development of sound relationships between school, families and the community.

Objectives, strategies and activities

The academy's main objectives are encompassed in its mission statement which is to lay the foundation which enables each child to develop as a responsible member of society. The Academy aims to drive ambition and inspire success. To this end the objectives and the strategies used to achieve them include:

- To enable every child to derive pleasure from a sense of achievement and to develop full potential in all key stages.
- To foster self-discipline within the individual, awareness of other people's feelings and an attitude of social responsibility.
- To encourage the child's oral and written communication skills as well as self-expression in other modes.
- To provide the means for the child to understand and enjoy mathematical skills and techniques to obtain numeracy.
- To develop the opportunity to make reasoned judgements through observation and investigation and other skills and techniques.

The activities undertaken to achieve these objectives are all intended to provide the highest quality of education in the public sector for students between the ages of 3 and 11 years.

In accordance with the articles of association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis providing children with a broad and balanced educational programme, with experience of the highest quality and to teach them to acquire and apply skills and knowledge.

The main objectives of the academy during the year ended 31 August 2016 are summarised below:

- To develop the quality and consistency of teaching and leadership
- Ensure all pupils achieve 2 levels progress
- Improve the school environment by using free reserves for building and assets
- To improve the timeliness and quality of performance management information for effective planning and deployment of school resources
- To develop sound financial practices

CHANDLERS RIDGE ACADEMY
(A company limited by guarantee)

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

OBJECTIVES AND ACTIVITIES (CONTINUED)

Public benefit

The academy's aims and achievements are set out within this report. The activities set out in this report have been undertaken to further the academy's charitable purposes for public benefit. The Directors have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and the Directors have paid due regard to the guidance in deciding what activities the academy should undertake.

ACHIEVEMENTS AND PERFORMANCE

Key financial performance indicators

The Academy uses performance data indicators from KS2 results to measure pupil achievement. The following results for 2014-15 outline the Key Stage 2 achievements measured nationally.

Key Stage 2 Attainment: Levels 4/5/6

- In 2015 the percentage attaining L4+ in maths (96%) was above the national average by 9%. The percentage attaining Level 4b+ (96%) was significantly above the national average by 19%. The percentage attaining Level 5+ (76.5%) was significantly above the national average by 39%. 23.5% of pupils attained Level 6.
- In 2015 the percentage attaining L4+ in Reading (98%) was above the national averages by 9%. The percentage attaining Level 4b+ (98%) was significantly above the national average by 18%. The percentage attaining L5+ (76.5%) was significantly above the national average by 28%. 2% of pupils attained Level 6.
- In 2015 the percentage attaining L4 in writing (98%) was above the national averages by 11%.
- The percentage attaining L5 (47%) was in line with the national average 11% of pupils attained Level 6.
- In 2015 the percentage attaining L4+ in English Grammar, Punctuation and Spelling (94%) was above the national averages by 14%. The percentage attaining Level 4b+ (88%) was above the national average by 15%.
- The percentage attaining L5+ (76.5%) was significantly above the national average by 21%. 10% of pupils attained Level 6.

End of Key Stage Data for 2016 is still unvalidated. Our unvalidated data is as follows:

Percentage of children who attained the Good Level of Development (EYFS): 81.7%

Percentage of children who passed the Year 1 Phonics Check: 87.0%

End of Key Stage One unvalidated data (TA):

	% Reaching expected standard	% Exceeding expected standard
Reading	76.9	23.1
Writing	66.7	15.4
Maths	71.8	20.5

End of Key Stage Two unvalidated data:

	% Reaching expected standard	% Exceeding expected standard
Reading	83.0	27.7
Writing	87.2	21.3
Maths	89.4	19.1
GPS	78.7	17.0

CHANDLERS RIDGE ACADEMY
(A company limited by guarantee)

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

ACHIEVEMENTS AND PERFORMANCE

Key financial performance indicators (continued)

In addition, in 2016 we assessed all other year groups against their age related expectations (ARE). The following table shows the percentage of each cohort that achieved ARE.

	Reading	Writing	Maths
Year 1	85%	78%	67%
Year 3	68%	58%	64%
Year 4	70%	70%	65%
Year 5	67%	75%	81%

Moving forward the Academy has set a much broader range of KPIs in relation to the four strategic aims of the Academy for reporting in 2016 and beyond.

Review of activities

Following the Ofsted inspection of March 2015, the Academy was rated as Requires Improvement and an immediate post inspection plan was put into place. The Academy fleshed out the themes of the Post Inspection Plan within the school improvement plan. In summary, the key targets were as follows:

Target 1: To improve the quality of teaching in EYFS, KS1 and lower KS2 to accelerate pupil progress.

- 1.1 Making sure that teachers expectations of what pupils can achieve are consistently high for all pupils.
- 1.2 Ensuring that all pupils are provided with work that is pitched at the right level, with sufficient challenge to enable them to develop and apply their skills in reading, writing and maths.
- 1.3 Regularly checking learning in lessons and reshaping lessons so that pupils are continuously challenged and can move onto next step of learning more quickly.
- 1.4 Ensuring that all pupils, on all occasions, produce high quality written work.

Target 2: To increase the impact of leadership and management and accelerate the rate at which the school improves by:

- 2.1 Making sure that leaders and teachers know what is expected of them
- 2.2 Ensuring that leaders' checks on the quality of the academy's work take place more frequently are finely focussed to identify the difference that actions are making to pupils' learning and are used to inform the next steps for improvement.
- 2.3 Sharpening academy planning to ensure that plans drive improvement, are implemented swiftly and the success criteria and milestone targets show intended impact on pupil learning and progress.
- 2.4 Ensuring that the quality of information arising from monitoring and evaluating of the academy's work is analysed and evaluated thoroughly and provided promptly to Directors, to inform their decision making and enable them to hold senior leaders to account.
- 2.5 Ensuring that the way teachers are rewarded is closely linked to their performance and the progress made by the pupils whom they teach.

Target 3: To improve behaviour and safety

- 3.1 Making sure the behaviour policy is embedded in the school.
- 3.2 To improve the environment for children having lunch.
- 3.3 To improve the reporting for Health and safety
- 3.4 To improve the outdoor provision for play and improve playtime/lunchtime behaviour.

Target 4: To develop a new Art curriculum to improve the teaching of Art throughout the school.

CHANDLERS RIDGE ACADEMY
(A company limited by guarantee)

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

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Review of activities (continued)

Target 5: To develop a new Design and Technology curriculum to improve the teaching of Design and Technology throughout the school.

Target 6: To improve the quality of teaching to accelerate progress in English.

- 6.1 Correct pitch / differentiation.
- 6.2 Reshaping lessons, pupils continually challenged.
- 6.3 High quality written work.

Target 7: To improve teaching and learning within EYFS

- 7.1 Ensuring that all pupils are provided with work that is pitched at the right level, with sufficient challenge to enable them to develop and apply their skills in reading, writing and maths.
- 7.2 To develop written work within the EYFS.
- 7.3 To develop the outdoor area.

Target 8: To improve the quality of teaching and learning in Geography.

- 8.1 Making sure that the geography policy and the teaching within the subject is effective and efficient.
- 8.2 Making sure that teachers expectations of what pupils can achieve are consistently high.
- 8.3 Ensuring that all pupils are provided with work that is pitched at the right level, with sufficient challenge to enable them to develop and apply their skills in reading, writing and maths for all pupils.

Target 9: To improve the quality of teaching and learning in History.

- 9.1 Making sure that teachers expectations of what pupils can achieve are consistently high for all pupils.
- 9.2 Ensuring that all pupils are provided with work that is pitched at the right level, with sufficient challenge to enable them to develop and apply their skills in reading, writing and maths.

Target 10: Maths School Improvement.

- 10.1 Making sure that teachers expectations of what pupils can achieve are consistently high for all pupils.
- 10.2 Ensuring that all pupils are provided with work that is pitched at the right level, with sufficient challenge to enable them to develop and apply their skills in reading, writing and maths.
- 10.3 Regularly checking learning in lessons and reshaping lessons so that pupils are continuously challenged and can move onto next step of learning more quickly.
- 10.4 Making sure that leaders and teachers know what is expected of them.

Target 11: Making sure that the MFL policy and the teaching within the subject is effective and efficient.

Target 12: To develop the role of Music within school.

Target 13: To ensure high quality of teaching of Physical Education throughout the school.

- 13.1 To maintain profile of PE; as part of ethos of school.

Target 14 To develop the RE curriculum to improve cross-curricular links

CHANDLERS RIDGE ACADEMY
(A company limited by guarantee)

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

ACHEIVEMENT AND PERFORMANCE (CONTINUED)

Review of activities (continued)

Target 15: SEN and Disabilities.

- 15.1 To develop Maths intervention resources, allocate according to need and monitor impact.
- 15.2 To research assessment materials to use prior to intervention to measure impact.
- 15.3 To develop links and use of counselling services appropriate to specific areas of need in school.
- 15.4 To develop the use of ipads within the curriculum to support pupils with SEN.
- 15.5 To develop CPD opportunities for staff in SEN specific areas and share good practice.

Target 16: To improve the quality of teaching in Science to accelerate pupil progress.

- 16.1 Making sure that teacher's expectations of what pupils can achieve are consistently high for all pupils.
- 16.2 Ensuring that all pupils are provided with work that is pitched at the right level, with sufficient challenge to enable them to develop and apply their skills in reading, writing and maths.
- 16.3 Ensuring that all pupils, on all occasions, produce high quality written work.
- 16.4 Making sure that leaders and teachers know what is expected of them.

Performance against the School Improvement Plan

Within the performance assurance framework the SLT reported against the targets above during the academic year to the Curriculum & Achievement and Finance & Staffing Sub Committees. The Head Teacher reported directly to the Board of Directors for Business As Usual and the Head Teacher and School Business Manager reported directly to Finance and Staffing with their Business As Usual reports. All outlined performance against targets using a BRAG (Blue, Red, Amber and Green) rating, and any issues and risks to achieving the targets, which were escalated to the Board of Directors as required. During the year, performance against the plan was assured by the subcommittee chairs as follows on the next page:

CHANDLERS RIDGE ACADEMY
(A company limited by guarantee)

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

ACHIEVEMENT AND PERFORMANCE (CONTINUED)

Performance against the School Improvement Plan (continued)

Committee	Report	Autumn status (assured)	Spring status (assured)	Summer (as reported; status assured BoD Autumn 16)	Issues	Risks
Curriculum & achievement	HT (SIP)	Delayed but recoverable	Delayed but recoverable	Delayed but recoverable	1	0
	Assessment lead	On track	Delayed but recoverable	Delayed but recoverable	0	0
	EYFS	Delayed but recoverable	Delayed but recoverable	Delayed but recoverable	1	0
	KS1/SEN	On track	Delayed but recoverable	Delayed but recoverable	0	1
	KS2	On track	Delayed but recoverable	Delayed but recoverable	1	0
Finance & staffing	HT/SBM (BAU)	Delayed but recoverable	Delayed but recoverable	Delayed but recoverable	4	5
BoD	HT (BAU)	Delayed but recoverable	Delayed but recoverable	Delayed but recoverable	6	7

Status reported on the deliverable with the lowest BRAG rating.

FINANCIAL REVIEW

Going concern

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

CHANDLERS RIDGE ACADEMY
(A company limited by guarantee)

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

FINANCIAL REVIEW

Most of the academy's income is obtained from the Department for Education (DfE) via the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. Grants received from the DfE/EFA 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 fixed assets from the DfE/EFA. In accordance with The Charities Statement of Recommended practice, 'Accounting and Reporting by Charities' 2015-SORP(FRS102), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

In addition funding to a value of £13,700 was donated by the Friends of Chandlers Ridge in the year ending 31 August 2016.

During the year ended 31 August 2016, total expenditure of £1,636,000 was in excess of recurrent grant funding from the DfE/EFA together with other incoming resources. The excess of expenditure over income for the year (before transfers and actuarial gains, and excluding restricted fixed asset funds) was £57,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the academies objectives.

At 31 August 2016 the net book value of fixed assets was £2,380,000 and movements in tangible fixed assets are shown in note 11 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy.

The provisions of Financial Reporting Standard No.102 have been applied in full, resulting in a deficit of £367,000 recognised on the balance sheet.

The academy held fund balances at 31 August 2016 of £2,094,000 comprising £2,013,000 of restricted funds and £81,000 of unrestricted funds.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties are centred around changes in the level of funding from the DfE/EFA. In addition the academy is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the academy balance sheet.

The Directors have assessed the major risks to which the academy is exposed, in particular those relating specifically to teaching, provision of facilities and other operational areas of the academy, and its finances. The Directors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. Where significant financial risk still remains they have ensured they have adequate insurance cover. The academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The academy has fully implemented the requirements of the Safer Recruitment procedures and all staff have received training in this area in addition to training on Child Protection.

The academy is subject to a number of risks and uncertainties in common with other academies, including the continued success of the academy which is dependent largely on continuing to attract applicants in sufficient numbers. The academy has in place procedures to identify and mitigate financial risks.

CHANDLERS RIDGE ACADEMY
(A company limited by guarantee)

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

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Reserves policy

The academy holds restricted and unrestricted funds (the attached financial statements details these funds). Unrestricted funds are held:

- to provide funds which can be designated to specific areas such as ICT provision.
- to cover ongoing costs in relation to the running of the academy including catering provisions and school trips.

The minimum level of reserves for the ongoing needs of the academy is determined by the Directors on an annual basis and reviewed regularly throughout the year. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. Although the Directors consider it prudent to hold unrestricted reserves in the general fund they also feel it is important that funding received during a financial year is spent for the benefit of the pupils on roll at that time. Directors have determined that the appropriate level of free cash reserves (total funds less the amount held in fixed assets and restricted funds) in any one year should be approximately £75,000. This amount is considered sufficient to cover in-year contingency plans for meeting costs arising from maternity; redundancy; unexpected emergencies and maintenance work on premises and to develop resources.

For 2015/16 excess reserves were used as follows:

- £30,000 towards a repurposed dining hall (conversion to two classrooms) and development of school hall into dual use dining hall (a joint project funded by Middlesbrough Council Catering and Friends of Chandlers Ridge), including new fire doors to comply with our fire risk assessment.
- £6,000 grant finding fee paid to Safe Consultancy.
- £3,800 for a new server.
- £1,100 for improvements to the internal doors.
- £2,000 for a new telephone system.

The academy's current level of free reserves are in surplus by £81,000 and therefore are considered to be at an appropriate level. The Directors continue to consider the additional activities related to the academy's objectives to which the excess reserves may be applied.

Investment Policy

The academy invests surplus funds through money market accounts. Interest rates are reviewed prior to each investment. This policy maximises investment return whilst minimising risks to the principal sum.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The Directors of Chandlers Ridge Academy are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Chandlers Ridge Academy.

Details of the Directors who served during the year are included in the Reference and administrative details on page 1.