

**The Magna Carta School**  
(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

for the year ended

31 August 2013

Company Registration No. 07692130

# The Magna Carta School

## REFERENCE AND ADMINISTRATIVE DETAILS

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### GOVERNORS (TRUSTEES)

J Allen  
B Bateman  
J A Burns (appointed 8 January 2013)  
J Febry  
A Fielding-Smith (appointed 1 September 2012)  
J Hanson  
I Henderson  
A Jones (resigned 6 December 2012)  
K Keers  
L Knight  
S Leng (resigned 13 December 2012)  
E Mason (resigned 15 July 2013)  
T Metcalfe  
C P Meyer (resigned 7 February 2013)  
T N D Smith  
R Walker  
D Watkins  
P J White

### COMPANY SECRETARY

A M Jenkins

### LEADERSHIP TEAM:

- . DEPUTY HEAD
- . DEPUTY HEAD
- . DEPUTY HEAD

Dr K Janzan  
I Pedler  
C Edwards

### DIRECTOR OF FINANCE AND ADMINISTRATION

A M Jenkins

### HEADTEACHER AND REGISTERED OFFICE

T N D Smith  
The Magna Carta School  
Thorpe Road  
Staines  
Surrey  
TW18 3HJ

### COMPANY REGISTRATION NUMBER

07692130 (England and Wales)

### INDEPENDENT AUDITOR

Baker Tilly UK Audit LLP  
Springpark House  
Basing View  
Basingstoke  
Hampshire  
RG21 4HG

### BANKERS

Lloyds TSB  
147 High Street  
Guildford  
Surrey  
GU1 3AG

### SOLICITORS

Stone King LLP  
13 Queen Street  
Bath, Avon  
BA1 2HJ

# The Magna Carta School

## TRUSTEES' REPORT

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The Trustees (who are also directors of the charity for the purpose of the Companies Act) present their annual report together with the audited financial statements of the Magna Carta School Academy Trust (the Academy) for the year ended 31 August 2013.

The financial statements have been prepared in accordance with the accounting policies on pages 20 to 22 of this document, and comply with the charitable company's memorandum and articles of association, the Companies Act 2006, and the requirements of the Statements of Recommended Practice "Accounting and Reporting by Charities" as issued in March 2005 (SORP 2005). The Trustees' annual report and financial statement incorporate the results of the academy.

The Trustees consider that the academy has adequate resources to continue in business for the foreseeable future and that, for this reason, it should continue to adopt the going concern basis in preparing the financial statements. Further details are contained in the basis of preparation on page 20.

### **Reference and Administrative details**

Reference and Administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

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

#### **a. Constitution**

The Academy is registered as a charitable company limited by guarantee with no share capital and an exempt charity. The charitable company was incorporated on 4 July 2011 and received academy trust status on 1 August 2011. The charitable company's memorandum and articles of association are the primary governing documents of the Academy.

The Academy entered into a funding agreement with the Department for Education, which provides the framework within which the Academy must operate.

The principle object of the Academy is 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 curriculum with a strong emphasis on, but in no way limited to, Technology.

#### **b. Method of 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.

#### **c. 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.

#### **d. Governance**

The Academy is governed by the Trustee board which delegates functions as appropriate to a Local Governing Body who are appointed by the Trustees as a committee. Trustees are directors of the charitable company for the purposes of the Companies Act 2006 and Trustees for the purposes of charity legislation. When the Academy was formed it was decided that the Director Trustees were authorised to sign the main deeds, documents, reports and accounts on behalf of all Trustees. The Trustees and Governors exercise their powers and functions with a view to fulfilling a largely strategic role in the running of the school.

# The Magna Carta School

## TRUSTEES' REPORT (CONTINUED)

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The Trustees were initially appointed as described in the constitution (see above) and the trustee board may appoint up to three co-opted Trustees, and the Secretary of State for the Department for Education may appoint Trustees in exceptional circumstances. No Trustees were co-opted nor were appointments made by the Secretary of State in 2012/13. Trustees may be removed by the persons or persons who appointed them.

The Trustees and Governors, who were in office at 1 September 2012 and served throughout the period, are listed on page 1. During the period under review the Governors (Whole Governing Body and Sub Committees) held 29 meetings. The Trustees met as the Strategy Committee, twice during this period. All Governors are provided with copies of procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. Governors attend training courses as appropriate.

### **e. Organisational structure**

The management structure consists of three levels: the Governors, the Leadership Team and the various Academy Teams. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. The Governors are responsible for setting general policy, adopting an annual plan and budget and monitoring the Academy by the use of reports on budget allocation and expenditure, teaching observations and outcomes, behaviour and attendance, internal and external assessment and examinations, pastoral performance and the use of infrastructure and assets. The Governing Body meet six times each academic year to review major decisions about the strategic direction of the Academy, capital expenditure and senior staff appointments. All decisions reserved to the Governing Body are taken as a whole; Governor Committees also meet five times each academic year to consider detailed matters and recommend decisions to the full board. The Head teacher and members of the leadership team attend committee meetings to present reports in their areas of responsibility, for example, curriculum development, special educational needs, behaviour and attendance and lesson observations. There are four such committees:

- Budget & Staffing
- Curriculum & Standards
- IT, Communication & Services
- Safeguarding & Inclusion

Additionally a committee designated the Strategy committee, comprising the Chairs of the above four committees and the Headteacher meets twice in the academic year to organise business, make recommendations to the committees and to consider matters relating to the Academy Trust. Also, ad hoc groups of Governors are established as and when required to consider specific issues and make recommendations to the Governing Body. Mr Ian Henderson is the Responsible Officer and as such has an oversight role in relation to the systems and processes of control and risk management that operate throughout the Magna Carta School.

The Headteacher is the Accounting Officer and works closely with both the Governing Body and senior staff of the Magna Carta School.

The Chair of Governors and the Headteacher meet at least twice each term to monitor decision implementation and to review matters affecting staff and students and other issues affecting the Academy. Governors' committees are established to hear and adjudicate complaints from parents (and others) and appeals related to disciplinary decisions (relating to staff and students).

A committee of Governors with the participation of an external adviser undertakes the annual performance review of the Head teacher and monitors performance and achievement against targets set following each performance review.

Individual Governors are allocated to faculties or individual subject areas within the Academy, attend faculty staff meetings and sit in classes and report thereon. Individual Governors also assume responsibility for particular areas of school life and report thereon, for example child protection, looked after children and special educational needs.

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## TRUSTEES' REPORT (CONTINUED)

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Minutes of the Governing Body and other relevant documents (as required by the Funding Agreement between the Magna Carta School and the Department for Education) are submitted to the Education Funding Agency and are accessible through the Academy's website.

Throughout the management of the Academy, and in the conduct of the Governing Body, the emphasis is on openness, accessibility and accountability. Governors are encouraged to, and do, participate fully in the work of committees and the Governing Body.

The detailed administrative work of the Governors is undertaken by The Clerk to the Governors.

### **Trustees and Governors**

The Governors, some of whom are Trustees of the charity and directors of the company, are as follows:

#### **Governors (Trustees & Directors)**

|                                      |  |
|--------------------------------------|--|
| Mr Philip White <sup>1, 5</sup>      | <b>Chairman – Community</b>                |
| Mr Ian Henderson <sup>2, 5</sup>     | <b>Vice-Chairman - Community</b>           |
| Mr Tim Smith <sup>1, 5</sup>         | <b>Head teacher and Accounting Officer</b> |
| Mr Andy Burns <sup>4, 5</sup>        | <b>Community</b>                           |
| Mrs Anne Fielding-Smith <sup>2</sup> | <b>Community</b>                           |
| Mr Bill Bateman <sup>2</sup>         | <b>Parent</b>                              |
| Mrs Kai Keers <sup>4</sup>           | <b>Parent</b>                              |
| Mrs Jenny Feby <sup>1</sup>          | <b>Parent</b>                              |
| Mrs Tina Metcalfe <sup>3</sup>       | <b>Parent</b>                              |
| Mr Roy Walker <sup>1</sup>           | <b>Parent</b>                              |
| Mrs Julie Allen <sup>2, 3</sup>      | <b>Staff</b>                               |
| Mr David Watkins <sup>4</sup>        | <b>Staff</b>                               |
| Mrs Leigh Knight <sup>1</sup>        | <b>Staff</b>                               |

#### **Governors (non-statutory)**

|                                |                  |
|--------------------------------|------------------|
| Mrs Kim Watkinson <sup>4</sup> | <b>Community</b> |
| Mr Andy Booth <sup>3</sup>     | <b>Parent</b>    |
| Ms Jane Griffiths <sup>4</sup> | <b>Parent</b>    |

<sup>1</sup> member of the Budget & Staffing Committee

<sup>2</sup> member of the Standards & Curriculum Committee

<sup>3</sup> member of the IT, Communication & Services Committee

<sup>4</sup> member of the Safeguarding & Inclusion Committee

<sup>5</sup> member of the Strategy Committee

The Leadership Team comprises experienced members of staff who are responsible for the day to day management of the Academy. The members of the Leadership Team are:

|                            |  |
|----------------------------|--|
| Mr Tim Smith               | <b>Head Teacher and Accounting Officer</b>   |
| Dr Kathy Janzan            | <b>Deputy Head Teacher</b>                   |
| Mr I Pedler / Mr C Edwards | <b>Deputy Head Teacher</b>                   |
| Mr Emmitt Lake             | <b>Assistant Head</b>                        |
| Mr James Thorpe            | <b>Assistant Head</b>                        |
| Ms Rachel Dunn             | <b>Assistant Head</b>                        |
| Mrs Tricia Jackson         | <b>Assistant Head</b>                        |
| Mrs Angela Jenkins         | <b>Business Manager and Finance Director</b> |

The Leadership Team manages the Academy at a day to day level, implementing the policies laid down by the Governors and reporting back to them. The Academy is divided into Houses, each led by a Head of House. These Heads of House are responsible for the pastoral welfare of the students within the House.

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## TRUSTEES' REPORT (CONTINUED)

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### **f. Risk management**

The Governors 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 Governors have a robust attitude to risk management and have defined and reviewed the risks to the Academy under the heading of Management risks, Financial risks, Staff, HR & legal risks and Estate & buildings risks.

The Governors are satisfied that systems and procedures are in place to mitigate the exposure to major risks.

### **g. Professional indemnity insurance**

The Academy has taken out a combined insurance policy that includes buildings and contents insurance, employer's liability insurance and professional indemnity insurance cover for the Academy (including Governors, Trustees and Teaching and Administrative staff) for liability arising from negligent acts, errors and omissions committed in good faith, notified during the insurance period. Cover is provided up to an aggregate limit of £10,000,000 in the insurance year. The cost of the total insurance package during the period was £59,754. Some of this costs is included in support staff costs.

### **Statement on the system of internal finance controls**

The Governors have overall responsibility for ensuring that the Academy has an effective and appropriate system of control, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Academy and enable them to ensure the financial statements comply with the Companies Act. The Governors also acknowledge responsibility for safeguarding the assets of the Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurances that:

- The Academy is operating efficiently and effectively;
- Its assets are safeguarded against unauthorised use or disposition;
- The proper records are maintained and financial information used within the Academy or for publication is reliable;
- The Academy complies with relevant laws and regulations.

The Academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segmentation of duties where possible 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 Governing Body;
- Regular reviews by the Budget & Staffing 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, academic 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 Governors have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. However, the Governors have appointed Mr Ian Henderson, a governor and trustee, as Responsible Officer (RO). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. The RO reports to the Governing Body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

# The Magna Carta School

## TRUSTEES' REPORT (CONTINUED)

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These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

### **Objectives and Activities**

#### **a. Objects, aims and objectives**

The principal object and activity of the charitable company is the operation of the Magna Carta School, to provide education for pupils of different abilities between the ages of 11 and 16.

In accordance with the Funding Agreement made under section 482 of the Education Act 1996, as substituted by the Education Act 2002, between the Secretary of State for Education and the Academy Trust, the Academy is Governed by a Governing Body which exercises its powers and functions with a view to fulfilling a largely strategic role in the running of the Academy. The Funding Agreement specifies the admission arrangements, amongst other things, and that the curriculum, in substance, complies with statutory requirements.

The main objectives of the Academy during the year ending 31 August 2013 are summarised below:

- To ensure that every student enjoys the same high quality education in terms of resourcing, tuition and care;
- To raise the standard of education achievement and attainment of all students;
- 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 maintain close links with the local community, local business and the local confederation of schools;
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness;

#### **b. Strategies and activities**

The Academy's main strategy is to raise standards of educational achievement and attainment through an unrelenting focus on continuous improvement in all aspects of the organisation. The core purpose of the Academy is teaching and learning; its people and resources are constantly measured by their contribution to the overall quality of teaching and learning and therefore the standards achieved by its students. The mission statement "Respect, Learn, Aspire, Achieve" is carried out through:

- Establishing a learning environment designed to inspire students in their quest for knowledge and life skills through a range of learning strategies and activities;
- Encouraging the habit of mutual respect for fellow students, teachers and other people involved in the life of the Academy;
- Attracting and retaining the highest quality staff and providing them with ongoing professional development and the opportunities to progress their careers and;
- Establishing an organisational structure and ethos to maintain and improve on the high standards achieved.

Key activities which support the main strategic purpose of the organisation are:

- Robust quality assurance processes which are transparent and inform all subsequent actions;
- Secure use of data and tracking to measure progress and inform actions and intervention;
- A constant review of CPD and training opportunities for all staff;
- A core structure which allows all staff and students to understand their role within the organisation and also to ensure that lines of accountability are clear; and

# The Magna Carta School

## TRUSTEES' REPORT (CONTINUED)

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- Structures to support the organisation and integration of all internal and external resources and support available for both students and staff.

### **c. Additional educational needs**

The Magna Carta School Academy Trust is committed to providing an inclusive curriculum and appropriate high quality education to all of our students, whatever their needs and abilities. In addition, the Academy is required to ensure that both the Special Educational Needs and Disability Act, relevant Codes of Practice and Guidance 2001, The Statutory Framework for Inclusion and the Disability Rights Code of Practice for Schools 2002 are implemented effectively across the Academy.

Students have Special Educational Needs if they have a learning difficulty which calls for Additional Educational Provision to be made to them. The Academy has a policy for identification of, and provision for, students with Special Educational Needs.

### **d. Equal opportunities policy**

The Governors recognise that equal opportunities should be an integral part of good practice within the organisation. The Academy aims to establish equal opportunities in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

### **e. Disabled persons**

Ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Academy. The policy of the Academy is to support recruitment and retention of students and employees with disabilities. The Academy does this by adapting the environment, by making resources available and through training and career development.

### **f. Review of the significant activities undertaken by the charity during the relevant financial period to further its charitable purpose for the public benefit**

In setting our objectives and planning our activities the Governors and Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. Students are admitted in accordance with the admissions policy agreed with the Department for Education (DfE). Children are admitted from a wide range of backgrounds. The Academy has a rich curriculum which aims to deliver good academic progress with a range of activities and experiences, offering students a chance to demonstrate their abilities and potential.

### **Achievements and Performance**

The Academy is about to enter its third year of operation and most indicators reveal an upward trend in attainment and achievement. Examination results for 2013 saw an improvement on a number of measures. 87% of students achieved the equivalent of 5 GCSE A\* - C grades (2012 = 83%).

To ensure that standards are continually raised the Academy, the Governing Body and the Leadership Team:

- Operates a robust quality assurance calendar which monitors the quality of teaching and learning;
- Is visited, scrutinised and supported by an independent Consultant Advisor; and
- Undertakes a rigorous review of attainment using RAISEONLINE and Fischer Family Trust (FFT) to measure the progress of students, paying particular regard to their achievement on entry and levels of progress secured.



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## TRUSTEES' REPORT (CONTINUED)

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### **Student Numbers**

In September 2013, the capacity for children entering the Academy at the start of Key Stage 3 (KS3) will be 255. And the total number of students in the Academy for the next academic year will be 1223. The Academy continues to be extremely popular and oversubscribed. Whilst the Local Authority continues to manage admissions into year 7 (KS3), the Academy will maintain a waiting list for allocation of places, into year 7 and will, using the admissions criteria, allocate places. The Local Authority is then informed of any children who are being admitted to the Academy.

### **Staffing**

The Academy is fully staffed and there continues to be a relatively low staff turnover. The new financial and academic year will see 1 GTTP (Graduate Teacher Training Programme) teachers in Art and 7 Newly Qualified Teachers across the school.

### **Financial Review**

#### **a. Financial review for the year**

Most of the Academy's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2013 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 EFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), 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.

During the year ended 31 August 2013, the excess of expenditure over income for the period was £287,945 (before pension scheme actuarial gains and losses).

At 31 August 2013 the net book value of fixed assets was £12,740,148 as 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 Academy's support staff is entitled to membership of the Local Government Pension Scheme. The Academy's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme, and consequently the Academy balance sheet shows a net liability of £1,088,000.

#### **b. Financial and risk management objectives and policies**

As an Academy funded directly by the Department for Education funding streams are considered to be reasonably safe and secure. The risk mainly arises from changes in Government policy and funding levels. However the key risk is falling numbers on roll. The Governors have a risk management strategy which is managed and reviewed on a regular basis.

#### **c. Principal risks and uncertainties**

The Magna Carta School Academy is over subscribed at entry and main Academy numbers are sustained year on year representing a low risk.

#### **d. Reserves policy**

The Academy's "free reserves" are its funds after excluding restricted funds. "Free reserves" are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More "free reserves" represent income to the

# The Magna Carta School

## TRUSTEES' REPORT (CONTINUED)

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Academy which is to be spent at the Trustees' discretion in furtherance of any of the Academy's objects but which is not yet spent, committed or designated.

The Academy's current level of free reserves is £177,987.

Demands on the Academy's restricted general reserves will vary over the coming years. The Academy's long-term policy is that the appropriate level of restricted general reserves should be at least £500,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The Academy's current level of restricted general reserves is £12,070,459.

### **Investment policy**

During the Academy's first year the Governors have considered various approaches to investment and will formulate an action plan and policy early in the next financial year.

### **Plans for future periods**

The Academy will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure all students are secure in their next steps on leaving the Academy with regard to continuing in training or formal education. The Academy continuously strives to be at the forefront of innovation in education and we are perpetually revising our curriculum offer to suit the needs of our students.

As the Academy continues to go from strength to strength, we are better able to exploit partnerships with our local primary schools to work on innovative models of delivery and share our expertise and facilities.

### **Funds held as custodian**

The Magna Carta School holds funds as agent on behalf of parents in relation to catering and free school meals as custodian of the Catering Fund. This fund is run for a non-profit basis with material surpluses being refunded to parents.

### **Responsibilities of the Trustees**

The Trustees (who are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction 2013 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 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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## TRUSTEES' REPORT (CONTINUED)

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The Trustees are responsible for ensuring that in its conduct and operation the Charitable Company 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.

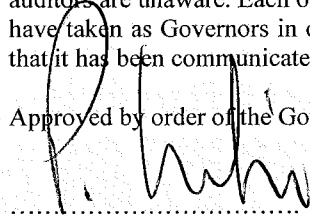
### **Auditor**

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

### **Statement as to disclosure of information to auditors**

The Governors have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Governors have confirmed that they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Approved by order of the Governing Board at its meeting on 5 December 2013 and signed on its behalf by:



**P J White**  
CHAIR

