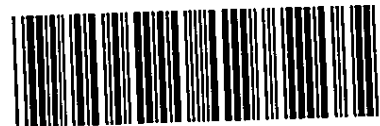


Company Registration Number  
07342848 (England and Wales)

**St. Buryan Academy Primary School  
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements  
Year Ended 31 August 2012**

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## **St. Buryan Academy Primary School**

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## **St. Buryan Academy Primary School**

### **Reference and Administrative Details**

Governors (Trustees and Directors)    A George – Chair \*  
P Hersant – Vice Chair \*  
R Care (Resigned 6 March 2012)  
P Matthew – Responsible Officer and Parent Governor \*  
R Gwennap – Parent Governor  
R Thomas – Parent Governor  
D Hardy  
Rev A Burlton  
J Piper  
M Murrish \*  
B Thomas (Appointed 28 May 2012)

Governors (not Trustees or Directors) J Pascoe – Principal and Accounting Officer  
O Connell – Teacher Governor  
S Thomas – Support Staff Governor (Resigned 12 March 2012)  
L Sullivan – Support Staff Governor (Appointed 12 March 2012)

\* Members of the Finance and General Purpose Committee. Although all finance matters are discussed at full governing body level.

Clerk to the Governors                    T Care

Senior Management Team                Consists of the Principal and Clerk to the Governors They are assisted by the Bursar.

Principal and Registered Office        Rectory Road  
St Buryan  
Penzance  
TR18 6BB

Company Registration Number        07342848 (England and Wales)

Senior Statutory Auditor                Paula Thomas BA FCA DChA

Independent Auditor                    Walker Moyle Chartered Accountants  
Alverton Pavilion  
Trewithen Road  
Penzance  
Cornwall  
TR18 4LS

Bankers                                    NatWest Bank  
Royal Bank of Scotland Group Plc  
Penzance Branch  
31 Alverton Street  
Penzance  
Cornwall  
TR18 2QQ

**St. Buryan Academy Primary School**

**Reference and Administrative Details (Continued)**

**Bankers**

Santander UK Plc  
2 Triton Square  
Regents Place  
London  
NW1 3AN

Crédit Agricole du Morbihan  
SCOP  
Avenue de Kerenguen  
Vannes Cedex 9  
Vannes 56956  
FRANCE

**Solicitors**

Porter Dodson Solicitors and Advisors  
15 High Street  
Wellington  
Somerset  
TA21 8QR

## **St. Buryan Academy Primary School**

### **Governors' Report**

The governors present their report, which includes the Directors' Report, together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2012. The comparatives relate to the year ended 31 August 2011.

### **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 governors act as the trustees for the charitable activities of St. Buryan Academy Primary School. The governors, except as noted on Page 1, are also the directors of the charitable company for the purposes of company law. The governors employed by the academy are not Directors or Trustees. The charitable company is known as St. Buryan Academy Primary School.

Details of the governors who served throughout 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 while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

#### Governors' Indemnities

The Directors and Officers (employees whilst acting in a managerial or supervisory capacity) of the academy are covered against claims as part of the Academy's Professional Indemnity Insurance. The total cost of the insurance is £50,350.

#### Principal Activities

The Principal Activity of St. Buryan Academy Primary School 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 and balanced curriculum.

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

The first governors are those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

Other governors are appointed as follows.

- a) By members – The members may appoint up to 10 governors, save that there shall be no more than three employees of the academy trust (including the Principal).
- b) Local Authority – The Local Authority may appoint the Local Authority Governor.
- c) Ex-Officio Governor – Shall be the Principal.
- d) By parents – The parent governors shall be elected by parents of registered pupils at the academy. A parent governor must be a parent of a pupil at the academy at the time when elected.

## **St. Buryan Academy Primary School**

### **Governors' Report (Continued)**

- e) Governing body - Can appoint parent governors if the number of parents standing for election is less than the number of vacancies
- f) The Governors - The governors may appoint up to 3 co-opted governors. The governors may not co-opt an employee of the academy trust as a co-opted governor if the number of governors who are employed by the academy trust would exceed 3 (including the Principal)
- g) The Secretary of State - May appoint Additional Governors in the following circumstances.
  - i) If the governors have received a warning notice and the governors have failed to comply with the notice
  - ii) Where following an Inspection by the Chief Inspector in accordance with the Education Act 2005 (an "Inspection") the academy trust receives an Ofsted grading (being a grade referred to in The Framework for School Inspection or any modification or replacement of that document for the time being in force) which amounts to a drop, either from one Inspection to the next Inspection or between any two Inspections carried out within a 5 year period, of two Ofsted grades. For the purposes of the foregoing the grade received by St Buryan Primary School shall be regarded as the grade received by the academy
  - iii) The Secretary of State may also appoint such Further Governors as he thinks fit if a Special Measures Termination Event (as defined in the Funding Agreement) occurs in respect of the academy.

Within 5 days of the Secretary of State appointing any Additional or Further Governors, any governors appointed under Article 50 of the Memorandum and Articles of Association and holding office immediately preceding the appointment of such governors, shall resign immediately and the Members' power to appoint governors under Article 50 shall remain suspended until the Secretary of State removes one or more of the Additional or Further Governors.

The term of office for any governor except the Principal shall be 4 years. Subject to remaining eligible to be a particular type of governor, any governor may be reappointed or re-elected.

### **Policies and Procedures Adopted for the Induction and Training of Governors**

All governors are related to the academy in some way and are therefore familiar with the academy. All governors have the opportunity to go on training courses and receive guidance and training from existing governors.

### **Organisational Structure**

The decisions relating to the running of the school are made by the Board of Governors, who meet on a regular basis. Academy policies and recommendations for future action can be put to the Board of Governors by any governor. Although the majority of the recommendations are by the three governors employed by the academy, the day to day running of the academy is delegated to the Principal. The Clerk to the Governors, who is also the Academy Secretary, supports the Principal in the day to day management of the academy.

### **Risk Management**

The major risk to which the academy is exposed is a reduction in funding either due to a reduction in pupil numbers or a change in the funding from the government. This risk is mitigated by an annual budget being prepared and regularly reviewed to ensure that resources expended do not exceed incoming resources.

The charity also has a risk of misstatement of income, however this is mitigated as the majority of the academy's income is from the Education Funding Agency via the General Annual Grant (GAG). Sufficient paperwork exists to support the payment and adequate systems are in place to ensure that the income is included in the accounts.

## **St. Buryan Academy Primary School**

### **Governors' Report (Continued)**

#### Connected Organisations, including Related Party Relationships

All of the governors are related parties of the academy. Full details of related party transactions are included at Note 23 to the accounts.

### **Objectives and Activities**

#### Objects and Aims

The 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 and balanced curriculum.

The academy's mission statement is 'FIRM FOUNDATIONS for the FUTURE'.

The academy's aims are

**HIGH STANDARDS:** Our whole school community strives for our best in all aspects of school life.

**ENJOYMENT in LEARNING:** Our school was one of the first schools nationally to recognise the importance of a creative curriculum to ensure enjoyment in the learning process. We believe that school should be fun and exciting for everyone in order for our children to understand how they learn and to develop a love for lifelong learning.

**RESPECT:** We encourage respect for everyone, regardless of who they are or what they have. We respect the environment as a source of life and inspiration.

At St Buryan Academy we believe in making children's learning relevant and do all we can to link our learning to the world around us.

#### Objectives, Strategies and Activities

In response to data analysis, considering all aspects of school performance, it was decided to concentrate effort on improving results and performance at upper Key Stage 2 – an area for development.

Intervention groups were formed, targeting those pupils whose past performance indicated that they were in danger of not achieving nationally expected targets in statutory SATs at the end of Key Stage 2.

#### Public Benefit

The academy benefits the public by being open to all children with no fees being charged for admittance to the school. The academy is also an important central part of the local community.

The trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008 to have due regard to the public benefit guidance, published by the Charity Commission.

### **Achievements and Performance**

Having formed intervention (or one-to-one) candidates, a teacher was employed to work specifically with those children using a nationally certified programme of study.

The outcomes of this intervention strategy was that 78% of pupils achieved national targets in English and 86% were successful in Mathematics.

## **St. Buryan Academy Primary School**

### **Governors' Report (Continued)**

#### Going Concern

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

#### Key Financial Performance Indicators

The Key Financial Performance Indicators are

General Annual Grant (GAG) received in year to 31 August 2012	£524,918	(2011: £447,255)
General Annual Grant carried forward at 31 August 2012	£40,684	(2011: £2,032)
Level of unrestricted reserves carried forward at 31 August 2012	£84,429	(2011: £79,275)

#### **Financial Review**

##### Financial and Risk Management Objectives and Policies

The academy's principal financial instruments comprise bank balances, trade creditors and other debtors. The main purpose of these instruments is to finance the academy's operations.

Due to the nature of the financial instruments used by the academy there is no exposure to price risk. The academy's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by a continual review of the balance and the forecast expenditure, to ensure that the account never goes overdrawn and all liabilities are met.

Other debtors mainly consist of grants due but not yet paid. Due to their nature and recognition when the income is almost certain, the risk is minimal.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

##### Principal Risks and Uncertainties

The largest financial risk would relate to an unexpected liability. All resources expended are only paid when properly authorised and expenditure is continually reviewed. Reserves are kept at a level to try to ensure that any unexpected expenditure can be met.

##### Reserves Policy

There are no designated reserves. All restricted reserves relate to income received with conditions regarding expenditure. The pension deficit of £19,000 (31 August 2011: £7,000) represents the deficit on the Local Government Pension Scheme. An immediate liability does not arise for this amount. The level of free, unrestricted reserves at the 31 August 2012 is £82,543 (31 August 2011: £79,275).

##### Investment Policy

The academy retains surplus funds in its bank accounts. The Board of Governors monitor the type of bank accounts held and decide to either close or open additional accounts if necessary.

The governors have the power to invest any funds of the academy not immediately required for the furtherance of its objects, but to invest only after obtaining such advice from a financial expert as the governors consider necessary and having regard to the suitability of investments and the need for diversification.



## **St. Buryan Academy Primary School**

### **Governors' Report (Continued)**

#### **Plans for Future Periods**

Building on the success of the school's intervention programme, we intend to run a similar programme this year. Intervention will be extended to encompass Year 1, with the statutory phonics test in mind.

It is also an intention of the school to formulate longer term plans to teach every year group as a single year, rather than mixed year grouping.

This plan would have implications for buildings as, at present, we do not have the physical space to accommodate an extra year group.

It has been proposed that, should we acquire sufficient funding to build a single-storey extension which would serve as a secure Disability Discrimination Act compliant Reception area, the area currently used for administration purposes could be reclaimed as a teaching/library area, enabling this proposal to become viable.

To this end a bid is currently being compiled for submission to the Academies Central Maintenance Fund. This bid will be submitted by 18 December 2012 and the outcome is expected early Spring 2013.

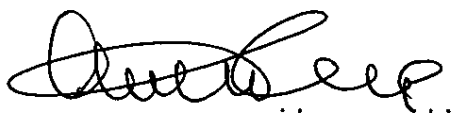
#### **Auditor**

In so far as the governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the small companies regime of the Companies Act 2006.

Approved by order of the members of the governing body on 14-01-2013... and signed on its behalf by



**A George (Chair)**

## **St. Buryan Academy Primary School**

### **Governance Statement**

#### **Scope of Responsibility**

As governors, we acknowledge we have overall responsibility for ensuring that St Buryan Academy Primary 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 governing body has delegated the day-to-day responsibility to the Principal, 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 St Buryan Academy Primary School and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

#### **Governance**

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The **governing body** has formally met 6 times during the year. Attendance during the year at meetings of the governing body was as follows:

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
A George – Chair	6	6
P Hersant – Vice Chair	6	6
R Care (Resigned 6 March 2012)	0	3
P Matthew – Responsible Officer and Parent Governor	6	6
R Wennap – Parent Governor	4	6
R Thomas – Parent Governor	6	6
D Hardy	4	6
Rev A Burlton	6	6
J Piper	6	6
M Murrish	6	6
B Thomas (Appointed 28 May 2012)	2	2
J Pascoe – Principal and Accounting Officer	6	6
O Connell – Teacher Governor	6	6
S Thomas – Support Staff Governor (Resigned 12 March 2012)	3	3
L Sullivan – Support Staff Governor (Appointed 12 March 2012)	4	4

The **Finance and General Purposes Committee** is a sub-committee of the main governing body. However, all financial reviews and decisions are made at the full governors' meetings.

## **St. Buryan Academy Primary School**

### **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 on-going process designed to identify and prioritise the risks to the achievement of academy trust 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 St. Buryan Academy Primary School for the year ended 31 August 2012 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The governing body has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ending 31 August 2012 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

#### **The Risk and Control Framework**

The academy trust'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 report which are reviewed and agreed by the governing body,
- regular reviews by the Finance and General Purposes Committee 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 governing body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed P. Matthew, a Governor, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a regular basis the RO reports to the governing body at the half-termly meetings on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

The RO function has been fully delivered in line with the Education Funding Agency's requirements.

No material control issues have been identified by the RO during the performance of his role as RO.

## **St. Buryan Academy Primary School**

### **Governance Statement (Continued)**

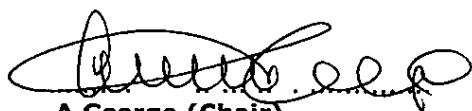
#### **Review of Effectiveness**

As accounting officer, the Principal has responsibility for reviewing the effectiveness of internal control. During the year in question the review has been informed by

- the work of the Responsible Officer,
- the work of the external auditor,
- the financial management and governance of self-assessment process,
- the work of the executive managers within the academy trust 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 system of internal control by the Finance and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place

Approved by order of the members of the governing body on .. 14-01-2013 and signed on its behalf by



A George (Chair)



J Pascoe (Accounting Officer)

## **St. Buryan Academy Primary School**

### **Statement of Regularity, Propriety and Compliance**

As accounting officer of St Buryan Academy Primary School I have considered my responsibility to notify the academy trust governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with the Education Funding Agency terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. 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 trust governing body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust'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.

  
**J Pascoe (Accounting Officer)**

## **St. Buryan Academy Primary School**

### **Statement of Governors' Responsibilities**

The governors (who, with the exception of the staff governors as recorded on Page 1, act as trustees for charitable activities of St Buryan Academy Primary School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the governors' report and the financial statements in accordance with the Annual Accounts Requirements 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 governors to prepare financial statements for each financial year. Under company law the governors 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 governors are required to:

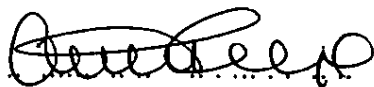
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 governors 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.

The governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirement both of propriety and of good financial management. They are also responsible for ensuring grants received from the Education Funding Agency/Department for Education have been applied for the purposes intended.

The governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company'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 governing body on 14/01/2013 and signed on its behalf by.



A George (Chair)

## **St. Buryan Academy Primary School**

### **Independent Auditor's Report on the Financial Statements to the Governing Body of St. Buryan Academy Primary School**

We have audited the financial statements of St Buryan Academy School for the year ended 31 August 2012 which comprise the Statement of Financial Activities, incorporating the income and expenditure account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), the Annual Accounts Direction 2011/12 issued by the Education Funding Agency and applicable law.

This report is made solely to the company'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 company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective Responsibilities of Governors and Auditor**

As explained more fully in the Statement of Governors' Responsibilities set out on Page 12 the governors (who with the exception of the three governors employed by the academy trust, are also the directors of the charitable company 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 (APB's) Ethical Standards for Auditors.

#### **Scope of the Audit of the Financial Statements**

A description of the scope of an audit of financial statements is provided by the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

#### **Opinion on Financial Statements**

In our opinion, the financial statements:

- give a true and fair view of the academy's affairs as at 31 August 2012 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- have been properly prepared in accordance with the financial reporting framework, including United Kingdom Generally Accepted Accounting Practice, the Accounts Direction 2011/12 issued by the Education Funding Agency, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on Other Matters Prescribed by the Companies Act 2006**

In our opinion, the information given in the Governors' Annual Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

**St. Buryan Academy Primary School**

**Independent Auditor's Report on the Financial Statements to the Governing Body of  
St. Buryan Academy Primary School (Continued)**

**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 academy trust has not kept proper accounting records or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report

**Paula Thomas BA FCA DChA (Senior Statutory Auditor)**

for and on behalf of Walker Moyle Chartered Accountants and Statutory Auditors  
Alverton Pavilion  
Trewithen Road  
Penzance  
Cornwall  
TR18 4LS

Date 15 January 2013



## **St. Buryan Academy Primary School**

### **Independent Auditor's Report on Regularity to the Governing Body of St. Buryan Academy Primary School and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 5 November 2012 and further to the requirements of the Education Funding Agency (EFA), we have carried out a review to obtain assurance about whether, in all material respects, the expenditure disbursed and income received by the academy trust during the period 1 September 2011 to 31 August 2012 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 the governing body and the EFA. Our review work has been undertaken so that we might state to the governing body and the EFA those matters we are required to state to it 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 the governing body and the EFA, for our review work, for this report, or for the opinion we have formed.

#### **Respective responsibilities of the governing body and Auditors**

The governing body is responsible, under the requirements of the Academies Act 2010, subsequent legislation and related regulations, 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 review are established in the United Kingdom by our profession's ethical guidance and the audit guidance set out in the EFA's Financial Handbook and Accounts Direction. We report to you whether, in our opinion, anything has come to our attention in carrying out our review which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2011 to 31 August 2012 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

#### **Basis of opinion**

We conducted our review in accordance with the Academies Handbook and the Accounts Direction issued by the EFA.

#### **Opinion**

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 period 1 September 2011 to 31 August 2012 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

#### **Paula Thomas BA FCA DChA (Senior Statutory Auditor)**

for and on behalf of Walker Moyle Chartered Accountants and Statutory Auditors  
Alverton Pavilion  
Trewithen Road  
Penzance  
Cornwall  
TR18 4LS

Date: 15 January 2013

# St. Buryan Academy Primary School

## Statement of Financial Activities for the Year Ended 31 August 2012

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)


	Note	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Year Ended 31 Aug 2012	Total Year Ended 31 Aug 2011 As Restated
		£	£	£	£	£
<b>Incoming resources</b>						
Incoming resources from generated funds						
• Voluntary income	3	3,052	1,571	695	5,318	716,463
• Activities for generating funds	4	4,233	42,077	-	46,310	70,650
• Investment income	5	-	-	-	-	3
Incoming resources from charitable activities.						
• Funding for the Academy's educational operations	6	1,238	540,306	12,139	553,683	549,173
Other Incoming resources		-	-	180	180	-
<b>Total incoming resources</b>		<u>8,523</u>	<u>583,954</u>	<u>13,014</u>	<u>605,491</u>	<u>1,336,289</u>
<b>Resources expended</b>						
Cost of generating funds.						
• Costs of generating voluntary income		-	-	-	-	-
• Fundraising trading		-	-	-	-	-
Charitable activities						
• Academy's educational operations	8	4,197	529,321	21,792	555,310	588,762
Governance costs	9	-	8,624	-	8,624	7,522
<b>Total resources expended</b>	7	<u>4,197</u>	<u>537,945</u>	<u>21,792</u>	<u>563,934</u>	<u>596,284</u>
<b>Net incoming/(outgoing) resources before transfers</b>		4,326	46,009	(8,778)	41,557	740,005
Gross transfers between funds	17	828	(4,802)	3,974	-	-
<b>Net income/(expenditure) for the year before other recognised gains and losses</b>		<u>5,154</u>	<u>41,207</u>	<u>(4,804)</u>	<u>41,557</u>	<u>740,005</u>
Actuarial (losses)/gains on defined benefit pension scheme	22	-	(13,000)	-	(13,000)	13,000
<b>Net movement in funds</b>		<u>5,154</u>	<u>28,207</u>	<u>(4,804)</u>	<u>28,557</u>	<u>753,005</u>
<b>Reconciliation of funds</b>						
Total funds brought forward at 1 September 2011		79,275	1,518	672,212	753,005	-
<b>Funds carried forward at 31 August 2012</b>	17	<u>84,429</u>	<u>29,725</u>	<u>667,408</u>	<u>781,562</u>	<u>753,005</u>

All of the academy's activities for the year ended 31 August 2012 derive from continuing operations. For the year ended 31 August 2011 all of the academy's activities derive from the acquisition of the academy school on the 1 September 2010. There were no other activities acquired or disposed of during either year. A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

**St. Buryan Academy Primary School**
**Company Number  
07342848**
**Balance Sheet as at 31 August 2012**

		<b>2012</b>		<b>2011 Restated</b>	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		653,223		655,979
<b>Current assets</b>					
Stock	14	550		550	
Debtors	15	10,204		39,480	
Cash at bank and in hand		184,930		113,376	
		<u>195,684</u>		<u>153,406</u>	
<b>Creditors</b> Amounts falling due within one year	16	48,345		49,380	
<b>Net current assets</b>			<u>147,339</u>		<u>104,026</u>
<b>Net assets excluding pension liability</b>			800,562		760,005
Pension scheme liability	22		(19,000)		(7,000)
<b>Net assets including pension liability</b>			<u>781,562</u>		<u>753,005</u>
<b>Funds of the academy:</b>					
<b>Restricted funds</b>					
• Fixed asset funds	17		667,408		672,212
• General funds	17		48,725		8,518
• Pension reserve	17+22		(19,000)		(7,000)
Total restricted funds			<u>697,133</u>		<u>673,730</u>
<b>Unrestricted funds</b>					
• General fund	17		84,429		79,275
<b>Total unrestricted funds</b>			<u>84,429</u>		<u>79,275</u>
<b>Total funds</b>			<u><u>781,562</u></u>		<u><u>753,005</u></u>

The financial statements on Pages 1 to 36 were approved by the governors, and authorised for issue on .. 14-01-13 and are signed on their behalf by

  
A George (Chair)

## **St. Buryan Academy Primary School**

### **Notes to the Financial Statements for the Year Ended 31 August 2012**

#### **1. Statement of Accounting Policies**

##### **Basis of Preparation**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice' Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction issued by the Education Funding Agency, the Companies Act 2006, the Financial Reporting Standard for Smaller Entities (2008) and the historic cost basis of accounting. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

##### **Going Concern**

The governors 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 company to continue as a going concern. The governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

##### **Incoming Resources**

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. The income is derived from the Ordinary Activities and is stated after trade discounts, other sales taxes and net of VAT (if charged).

- **Grants receivable**

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.

The General Annual Grant (GAG) is received for each school year, which is the same as the accounting reference date. The full entitlement for the school year is included in the accounts.

Fixed asset grants are included when the academy is certain that it will receive the grant and the amount can be reliably measured.

- **Donations**

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

- **Other income**

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

- **Donated services and gifts in kind**

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with academy trust's policies.

## **St. Buryan Academy Primary School**

### **Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)**

#### **1. Statement of Accounting Policies (Continued)**

##### **Incoming Resources (Continued)**

- **Transfer of assets and liabilities from the Local Authority**

The assets and liabilities transferred on conversion to an academy are included at valuation at 1 September 2010. The assets were valued at current market value at 1 September 2010. The significant asset, the school building, and the other stock and assets have been valued based on the governors' best estimate of the value of the school and land. The money transferred from the Local Authority was included at the value transferred. The pension scheme deficit is the deficit identified from the scheme report.

##### **Resources Expended**

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

- **Costs of generating funds**

These are costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

- **Charitable activities**

These are costs incurred on the academy trust's educational operations. All support costs not analysed as governance costs are allocated to charitable activities.

- **Governance Costs**

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses. 5% of the Principal's gross salary including employers pension and National Insurance and 12.5% of the academy's secretary's gross salary including employers pension and National Insurance have been allocated to governance costs.

All resources expended are inclusive of irrecoverable VAT.

##### **Tangible Fixed Assets**

Assets costing £100 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

## **St. Buryan Academy Primary School**

### **Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)**

#### **1. Statement of Accounting Policies (Continued)**

##### **Tangible Fixed Assets (Continued)**

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, as follows:

Freehold buildings	Equally over 50 years
Fixtures, fittings and equipment	Equally over 10 years
ICT equipment	Equally over 3 years
Motor vehicles	On a reducing balance basis at 25% per year

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.

##### **Leased Assets**

Rentals under operating leases are charged equally over the term of lease.

##### **Stock**

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

##### **Taxation**

The academy trust 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 trust 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 Charitable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable processes.

##### **Pension Benefits**

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the academy trust.

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 trust 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 quinquennial valuations using a prospective benefit method. As stated in Note 22, the TPS is a multi employer scheme, and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

The LGPS is known as the 'Cornwall Pension Fund'. It is a funded scheme and the assets are held separately from those of the academy trust 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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

## St. Buryan Academy Primary School

### Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)

#### 1. Statement of Accounting Policies (Continued)

##### Foreign Exchange

Resources expended in Euro's from the French bank accounts are converted into Sterling at the average rate of exchange for the period of the financial statements.

##### Fund Accounting

Incoming resources and resources expended are allocated to the appropriate fund. Any transfers between funds are done at the year end to subsidise any funds in deficit. All restricted balances are retained where there is agreement with the fund provider to do so.

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

##### Volunteers

The parent and other volunteer time given freely has not been included in the accounts.

#### 2. General Annual Grant (GAG)

##### a) Results and Carry Forward for the Year

	2012 £	2011 £
GAG brought forward from previous year	2,032	-
GAG allocation for current year	524,918	447,255
<b>Total GAG available to spend</b>	<b>526,950</b>	<b>447,255</b>
Recurrent expenditure from GAG	(481,417)	(445,223)
Fixed assets purchased from GAG	(4,849)	-
<b>GAG carried forward to next year</b>	<b>40,684</b>	<b>2,032</b>
Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)	(62,990)	(53,671)
<b>GAG to surrender to DfE</b>		
(12% rule breached if result is positive)	(22,306)	(51,639)
	no breach	no breach

# St. Buryan Academy Primary School

## Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)

### 2. General Annual Grant (GAG) (Continued)

#### b) Use of GAG brought forward from previous year for recurrent purposes

	2012 £	2011 £
(Of the amount carried forward each year, a maximum of 2% of GAG can be used for recurrent purposes. Any balance, up to a maximum of 12%, can only be used for capital purposes)		
Recurrent expenditure from GAG in current year	481,417	445,223
GAG allocation for current year	(524,918)	(447,255)
GAG allocation for previous year x 2% - limited to actual carried forward balance	(2,032)	-
<b>GAG brought forward from previous year in excess of 2%, used on recurrent expenditure in current year</b>		
(2% rule breached if result is positive)	(45,533)	(2,032)
	no breach	no breach

### 3. Voluntary Income

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2012 £	Total 2011 Restated £
Donations on conversion to academy status	-	-	-	-	712,249
Other donations	3,052	1,571	695	5,318	4,214
	<u>3,052</u>	<u>1,571</u>	<u>695</u>	<u>5,318</u>	<u>716,463</u>

### 4. Activities for Generating Funds

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2012 £	Total 2011 £
Fundraising	1,323	33	-	1,356	-
School trips, Swimming, After School Club and Music		21,831	-	21,831	33,533
Catering Income	-	20,213	-	20,213	23,242
Uniforms	2,695	-	-	2,695	3,464
Other	215	-	-	215	10,411
	<u>4,233</u>	<u>42,077</u>	<u>-</u>	<u>46,310</u>	<u>70,650</u>



**St. Buryan Academy Primary School**

**Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)**

**5. Investment Income**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Restricted Fixed Asset Funds £</b>	<b>Total 2012 £</b>	<b>Total 2011 £</b>
Short term deposits	-	-	-	-	3
	-	-	-	-	3

**6. Funding for Academy's educational operations**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Restricted Fixed Asset Funds £</b>	<b>Total 2012 £</b>	<b>Total 2011 £</b>
<b>DfE/EFA capital grant</b>					
Grant for new boiler and replacement heating system	-	-	-	-	27,400
Devolved Formula Capital Grant	-	-	2,239	2,239	5,254
	-	-	2,239	2,239	32,654
<b>DfE/EFA revenue grants</b>					
General Annual Grant (GAG) Note 2	-	524,918	-	524,918	447,255
Start Up Grant	-	-	-	-	25,000
Other DfE/EFA Grants	-	13,770	-	13,770	16,223
	-	538,688	-	538,688	488,478
<b>Other government grants</b>					
School Standard Funds	-	-	-	-	28,041
Big Lottery grant towards new conservatory	-	-	9,900	9,900	-
School Development grant	-	1,618	-	1,618	-
<b>Other</b>					
Insurance Settlement	1,238	-	-	1,238	-
	1,238	540,306	12,139	553,683	549,173

**7. Resources Expended**

	<b>Staff Costs £</b>	<b>Non pay Premises £</b>	<b>Expenditure Other Costs £</b>	<b>Total 2012 £</b>	<b>Total 2011 As Restated £</b>
Costs of generating voluntary income	-	-	-	-	-
Costs of activities for generating funds	-	-	-	-	-
Academy's educational operations					
• Direct costs	353,478	-	54,375	407,853	434,613
• Allocated support costs	51,514	26,693	69,250	147,457	154,149
	404,992	26,693	123,625	555,310	588,762
Governance costs including allocated support costs	4,624	-	4,000	8,624	7,522
	409,616	26,693	127,625	563,934	596,284

# **St. Buryan Academy Primary School**

## **Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)**

### **7. Resources Expended (Continued)**

Due to a change in the analysis of expenditure the 31 August 2011 resources expended have been restated. The costs of generating voluntary income and costs of activities for generating funds have both been reduced to zero and the costs have been allocated to the academy's educational operations.

The comparatives have also been restated to include the pension deficit on conversion, see Note 22 for details.

#### **Incoming/outgoing resources for the year include:**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Operating leases	1,440	1,202
Depreciation	21,559	21,012
Net book value of disposed assets	315	-
Fees payable to auditor		
• Audit	3,000	2,000
• Other services	1,000	750

### **8. Charitable Activities – Academy's educational operations**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Restricted Fixed Asset Funds</b>	<b>Total 2012</b>	<b>Total 2011 As Restated</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Direct costs</b>					
Teaching and educational support staff costs	-	353,478	-	353,478	355,290
Educational supplies	2,633	32,125	-	34,758	67,272
Staff development	-	1,508	-	1,508	2,514
ICT costs	-	13,894	-	13,894	6,693
After school club	-	1,727	-	1,727	-
Music tuition	-	2,516	-	2,516	1,236
Other direct costs	-	972	-	972	608
Pension(Income)/Cost	-	(1,000)	-	(1,000)	1,000
	<u>2,633</u>	<u>405,220</u>	<u>-</u>	<u>407,853</u>	<u>434,613</u>
<b>Allocated support costs</b>					
Support staff costs	-	51,514	-	51,514	39,716
Depreciation and net book value on disposal	82	-	21,792	21,874	21,012
Recruitment and support	-	-	-	-	74
Maintenance of premises and equipment	-	4,088	-	4,088	6,321
Cleaning	-	2,867	-	2,867	3,084
Rent and rates	-	2,915	-	2,915	10,231
Heating and Lighting	-	4,989	-	4,989	7,159
Insurance	-	13,379	-	13,379	9,772
Security and transport	-	1,643	-	1,643	1,952
Office expenses, including telephone, printing and photocopying	-	27,404	-	27,404	16,738
Catering	-	15,222	-	15,222	13,753
Other support costs	1,482	80	-	1,562	11,386
Academy set-up	-	-	-	-	12,951
	<u>1,564</u>	<u>124,101</u>	<u>21,792</u>	<u>147,457</u>	<u>154,149</u>
	<u>4,197</u>	<u>529,321</u>	<u>21,792</u>	<u>555,310</u>	<u>588,762</u>

As recorded at Note 7 the comparatives have been restated so that they are in line with the current analysis of expenditure.

# **St. Buryan Academy Primary School**

## **Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)**

### **9. Governance Costs**

	<b>Restricted Funds £</b>	<b>Total 2012 £</b>	<b>Total 2011 £</b>
Auditor's remuneration			
• Audit of financial statements	3,000	3,000	2,000
• Other Services	1,000	1,000	750
Support costs	4,624	4,624	4,722
	<u>8,624</u>	<u>8,624</u>	<u>7,522</u>

### **10. Staff Costs**

Staff costs during the period were.

	<b>2012 £</b>	<b>2011 £</b>
Wages and salaries	340,797	317,936
Social security costs	20,470	21,192
Pension costs	45,372	52,293
	<u>406,639</u>	<u>391,421</u>
Supply teachers costs	2,977	8,357
	<u>409,616</u>	<u>399,778</u>

The average number of persons (including senior management team) employed by the academy during the period expressed as full time equivalents were as follows

	<b>2012 No.</b>	<b>2011 No.</b>
<b>Charitable Activities</b>		
Teachers	9	9
Administration and support	18	12
Management	-	-
	<u>27</u>	<u>21</u>

There were no employees who were remunerated more than £60,000 during the year (2011 None).

9 of the above average number of teacher employees participated in the Teachers' Pension Scheme During the year ended 31 August 2012, pension contributions for these staff amounted to £32,019 (2011. 45,587) The other employees participated in the Local Government Pension Scheme, pension contributions amounted to £13,353 (2011 £9,706)

# St. Buryan Academy Primary School

## Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)

### 11. Governors' remuneration and expenses

Principal and Staff Governors who are not trustees, members or directors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as governors

Other Governors did not receive any payments from the academy in respect of their role as governors, trustees or directors.

Other related party transactions involving the governors are set out in Note 23.

### 12. Governors' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2012 was £50 (2011 It was not possible to identify the insurance separately).

### 13. Tangible Fixed Assets

	Freehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 September 2011	601,285	39,583	30,123	6,000	676,991
Additions	13,073	5,656	389	-	19,118
Disposals	-	(350)	-	-	(350)
At 31 August 2012	614,358	44,889	30,512	6,000	695,759
<b>Depreciation</b>					
At 1 September 2011	5,513	3,959	10,040	1,500	21,012
Charged in year	5,775	4,489	10,170	1,125	21,559
Disposals	-	(35)	-	-	(35)
At 31 August 2012	11,288	8,413	20,210	2,625	42,536
<b>Net book values</b>					
At 31 August 2012	603,070	36,476	10,302	3,375	653,223
At 31 August 2011	595,772	35,624	20,083	4,500	655,979

**St. Buryan Academy Primary School**

**Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)**

**14. Stock**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Clothing	400	400
Catering	100	100
Stationery	50	50
	<u>550</u>	<u>550</u>

**15. Debtors**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Trade debtors	3,671	30,975
Prepayments	3,573	1,061
Other debtors	2,960	7,444
	<u>10,204</u>	<u>39,480</u>

**16. Creditors: amounts falling due within one year**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Trade creditors	19,094	23,918
PAYE and NIC creditor	6,189	5,346
Other creditors	5,638	11,225
Accruals and deferred income	17,424	8,891
	<u>48,345</u>	<u>49,380</u>

**Deferred income:**

	<b>2012</b>
	<b>£</b>
Deferred income at 1 September 2011	3,070
Resources deferred in year	10,354
Deferred income at 31 August 2012	<u>13,424</u>
Analysed as.	
Deposit for future trips	10,290
EFA capital funding for future periods	3,134
	<u>13,424</u>

# St. Buryan Academy Primary School

## Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)

### 17. Funds

Fund	Note	Balance at 1 September 2011 £	Incoming Resources £	Resources Expended £	Gains, losses and transfers £	Balance at 31 August 2012 £
<b>Restricted general funds:</b>						
General Annual Grant (GAG)	a	2,032	524,918	(474,867)	(11,399)	40,684
Rates Relief	b	748	-	(748)	-	-
Dedicated Schools Grant	c	5,666	-	-	-	5,666
Lets Get Cooking Grant	d	-	1,000	(832)	-	168
Outside activities	d	-	571	(571)	-	-
School Development Grant	e	-	1,618	-	-	1,618
3/4 year old free nursery places	f	-	13,770	(13,770)	-	-
Catering	g	-	18,082	(23,911)	5,829	-
Breakfast Club	g	-	2,131	(2,279)	148	-
Music Classes	g	-	2,563	(2,516)	-	47
After School Club	g	-	8,020	(8,593)	573	-
Swimming	g	-	2,673	(2,673)	-	-
School Trips	h	71	8,575	(8,105)	-	541
Fundraising for Other Charities	h	1	33	(80)	47	1
Pension Fund	p	(7,000)	-	1,000	(13,000)	(19,000)
		<u>1,518</u>	<u>583,954</u>	<u>(537,945)</u>	<u>(17,802)</u>	<u>29,725</u>
<b>Restricted fixed asset funds:</b>						
Devolved Formula Capital Grant	i	5,254	2,239	-	-	7,493
Capital Grant	j	24,911	-	(2,539)	-	22,372
Transferred to the academy on conversion – restricted fixed asset fund	k	642,047	180	(18,477)	(180)	623,570
Friends of St Buryan School	l	-	695	-	(695)	-
From GAG	m	-	-	(577)	4,849	4,272
Big Lottery Grant towards conservatory	n	-	9,900	(199)	-	9,701
		<u>672,212</u>	<u>13,014</u>	<u>(21,792)</u>	<u>3,974</u>	<u>667,408</u>
<b>Total restricted funds</b>		<b>673,730</b>	<b>596,968</b>	<b>(559,737)</b>	<b>(13,828)</b>	<b>697,133</b>
Unrestricted funds	o	79,275	8,523	(4,197)	828	84,429
<b>Total funds</b>		<u><b>753,005</b></u>	<u><b>605,491</b></u>	<u><b>(563,934)</b></u>	<u><b>(13,000)</b></u>	<u><b>781,562</b></u>

## St. Buryan Academy Primary School

### Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)

#### 17. Funds (Continued)

##### Notes on funds:

a - This is the GAG, the main source of funding for the academy See Note 2 for details

b - During the year ended 31 August 2011 the Department for Education provided a specific grant towards the cost of council rates.

c - The Dedicated Schools Grant represents funding to replace the services provided centrally for non-academy schools

d - The Lets Get Cooking Grant and outside activities grant are for the activities stated in the fund name Unspent balances can be carried forward to future periods

e - The School Development Grant was a balance received relating to unallocated government funds It can be carried forward to be spent in future periods.

f - The free places for 3/4 years old, relates to the provision of free nursery school places A proportion of the nursery staff wages have been allocated to the fund

g - All of these funds relate to trips, outings, dinner, breakfast club or music classes where the parents voluntarily contribute to the cost Where the funds have been overspent in the year, as the contributions do not cover the running costs, the deficits have been funded from the GAG

h - These funds are as stated and the balances have been carried forward

i - The Devolved Formula Capital Grant received in the year, is to be spent on capital projects. No such projects were undertaken in the year, where funding was not previously available, therefore the balance on this fund has been carried forward

j - This fund relates to a specific capital grant received to replace the boiler and install a new heating system The boiler and heating system are held as fixed assets

k - This consists of the assets transferred to the academy and the balance on the Devolved Formula Capital Grant (DFCG) that were transferred on conversion to academy status. Part of the DFCG was expended in the year and the balance on the fund is to be carried forward to future years

l - A specific donation was received from The Friends of St Buryan School for a new shed As the expenditure has been defrayed the asset has been transferred to unrestricted reserves

m - This represents fixed assets purchased from the GAG, see Note 2

n - A specific grant from Big Lottery towards the cost of a new conservatory. The fund has been fully spent in the year and the balance relates to the amount held in fixed assets

o - The transfers on the unrestricted fund relate to the transfer of the proceeds of the disposal of a fixed asset of £180, to fund the fundraising for other charities deficit of £47 and the transfer of the shed per l above

p - This represents the deficit of the Local Government Pension Scheme See Note 22 for details **An immediate liability does not arise for this amount.** As with most pension schemes this is currently in deficit due to the excess of scheme liabilities over scheme assets which was inherited on conversion to an academy The academy will follow the recommendations of the actuary to reduce the deficit over a number of years

# **St. Buryan Academy Primary School**

## **Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)**

### **18. Analysis of net assets between funds**

Fund balances at 31 August 2012 are represented by

	<b>Unrestricted Funds £</b>	<b>Restricted General Funds £</b>	<b>Restricted Fixed Asset Funds £</b>	<b>Total Funds 2012 £</b>	<b>Total Funds 2011 £</b>
Tangible fixed assets	1,886	-	651,337	653,223	655,979
Current assets	82,543	97,070	16,071	195,684	153,406
Current liabilities	-	(48,345)	-	(48,345)	(49,380)
Pension Fund	-	(19,000)	-	(19,000)	(7,000)
	<u>84,429</u>	<u>29,725</u>	<u>667,408</u>	<u>781,562</u>	<u>753,005</u>

### **19. Financial Commitments**

#### **a) Contingent Liabilities**

There were no contingent liabilities at 31 August 2012

#### **b) Capital Commitments**

There were no capital commitments at 31 August 2012 or 31 August 2011

### **20. Financial Commitments**

#### **Operating Leases**

At 31 August 2012 the academy had annual commitments under non-cancellable operating leases as follows

	<b>2012 £</b>	<b>2011 £</b>
Other (non land and buildings)		
Expiring within 1 year	960	-
Expiring within 2 – 5 years inclusive	-	1,077
	<u>960</u>	<u>1,007</u>

### **21. 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



## **St. Buryan Academy Primary School**

### **Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)**

#### **22. Pension and similar obligations**

The academy's employees belong to two principal pension schemes the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the 'Cornwall Pension Fund'. Both are defined-benefit schemes

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS was 31 March 2010.

Contributions amounting to £4,833 (2011 £4,082) were payable to the TPS and £805 (2011 £737) was payable to the LGPS at 31 August and both are included within creditors.

##### **Teachers' Pension Scheme**

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010.

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act

The Teachers' Pension Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases) From 1 April 2001, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce the real rate of return.

The Government Actuary ("GA"), using normal actuarial principles, conducts formal actuarial reviews of the TPS The aim of the reviews is to specify the level of future contributions

The contributions rate paid into the TPS is assessed in two parts First, a standard contribution rate ("SCR") is determined This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions The total contribution rate payable is the sum of the SCR and the supplementary contribution rate

The last valuation of the TPS related to the period 1 April 2001 – 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings The rate of real earnings growth is assumed to be 1.5% The assumed gross rate of return is 6.5%

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years) This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable The cost-sharing agreement also introduced – effective for the first time for the 2008 valuation – a 14% cap on employer contributions payable

## St. Buryan Academy Primary School

### Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)

#### 22. Pension and similar obligations (Continued)

##### Teachers' Pension Scheme (Continued)

From 1 April 2012 to 31 March 2013, the employee contribution rate will range between 6.4% and 8.8%, depending on a member's Full Time Equivalent salary. Further changes to the employee contribution rate will be applied in 2013-14 and 2014-15.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these are being discussed in the context of the design for a reformed TPS and scheme valuations are, therefore, currently suspended. The Government, however, has set out a future process for determining the employer contribution rate under the new scheme, and this process will involve a full actuarial valuation.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme and the implications for the academy in terms of the anticipated contribution rates.

##### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made by the academy for the period ended 31 August 2012 was £13,353, of which employer's contributions totalled £10,554 and employees' contributions totalled £2,799. The agreed contribution rates for future years are 16% for employers and the following rates for employees:

<u>Band</u>	<u>Whole Time pay of</u>	<u>Contribution rate</u>
1	£0 - £12,900	5.5%
2	£12,900 - £15,100	5.8%
3	£15,100 - £19,400	5.9%
4	£19,400 - £32,400	6.5%
5	£22,400 - £43,300	6.8%
6	£43,300 - £81,100	7.2%
7	More than £81,100	7.5%

<b>Principal Actuarial Assumptions</b>	<b>At 31 August 2012</b>	<b>At 31 August 2011</b>
Rate of increase in salaries *	4.5%	4.9%
Rate of increase for pensions in payment/inflation	2.2%	2.6%
Discount rate for scheme liabilities	4.1%	5.4%
Expected return on assets	4.8%	6.1%
Inflation assumption (CPI)	RPI Less 0.8% p.a.	RPI Less 0.8% p.a.
Commutation of pensions to lump sums	40%	40%

\* Salary increases are assumed to be 1% per annum until 31 March 2015 reverting to the long term assumption shown thereafter.

# **St. Buryan Academy Primary School**

## **Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)**

### **22. Pension and similar obligations (Continued)**

#### **Local Government Pension Scheme (Continued)**

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

	<b>At 31 August 2012</b>	<b>At 31 August 2011</b>
Current Pensioners		
Males	21.3 Years	21.3 Years
Females	23.4 Years	23.4 Years
Future pensioners **		
Males	23.2 Years	23.2 Years
Females	25.6 Years	25.6 Years

\*\* Figures assume members aged 45 as at the formal valuation date

#### **Balance Sheet**

The academy's share of the assets and liabilities in the scheme and the expected rates of return were

	<b>Expected return at 31 August 2012</b>	<b>Fair value at 31 August 2012 £</b>	<b>Expected return at 31 August 2011</b>	<b>Fair value at 31 August 2011 £</b>
Equities	5.5%	47,000	6.8%	35,000
Bonds	3.4%	12,000	4.6%	8,000
Property	3.7%	5,000	4.8%	4,000
Cash	2.8%	6,000	3.9%	5,000
<b>Total market value of assets</b>		<u>70,000</u>		<u>52,000</u>
Present value of scheme liabilities				
- Funded		(89,000)		(59,000)
<b>Deficit in the scheme/net liability</b>		<u>(19,000)</u>		<u>(7,000)</u>

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. 1 September 2011).

The actual return on scheme assets was £4,000 (2011: £2,000)

**St. Buryan Academy Primary School**

**Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)**

**22. Pension and similar obligations (Continued)**

**Local Government Pension Scheme (Continued)**

**Amounts recognised in the Statement of Financial Activities**

	<b>2012 £</b>	<b>2011 £</b>
Current service cost (net of employee contributions)	10,000	9,000
Past service cost	-	-
Total operating charge	<u>10,000</u>	<u>9,000</u>

**Analysis of pension finance income/(costs)**

Expected return on pension scheme assets	4,000	3,000
Interest on pension liabilities	(4,000)	(3,000)
<b>Pension finance income/(costs)</b>	<u>-</u>	<u>-</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is NIL (2011: £13,000 gain).

Movements in the present value of defined benefit obligations were as follows.

	<b>2012 £</b>	<b>2011 £</b>
Opening defined benefit obligation	59,000	57,000
Current service cost	10,000	9,000
Interest cost	4,000	3,000
Employee contributions	3,000	2,000
Actuarial (gain)/loss	13,000	(12,000)
Closing defined benefit obligation	<u>89,000</u>	<u>59,000</u>

**St. Buryan Academy Primary School****Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)****22. Pension and similar obligations (Continued)****Local Government Pension Scheme (Continued)**

Movements in the fair value of academy's share of scheme assets.

	<b>2012 £</b>	<b>2011 £</b>
Opening fair value of scheme assets	52,000	38,000
Expected return on assets	4,000	3,000
Actuarial gain/(loss)	-	1,000
Employer contributions	11,000	8,000
Employee contributions	3,000	2,000
Closing fair value of scheme assets	<u>70,000</u>	<u>52,000</u>

The estimated value of employer contributions for the year ended 31 August 2013 is £11,000

**Amounts for the Current and Previous Accounting Periods**

The two-year (since conversion) history of experience adjustments is as follows:-

	<b>2012 £</b>	<b>2011 £</b>
Present value of defined benefit obligations	(89,000)	(59,000)
Fair value of share of scheme assets	70,000	52,000
Deficit in the scheme	<u>(19,000)</u>	<u>(7,000)</u>

Experience adjustments on share of scheme assets

Amount	NIL	1,000
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Experience adjustments on scheme liabilities

Amount	NIL	NIL
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The comparatives have been restated to include the deficit on conversion of £19,000 and the deficit at 31 August 2011 of £7,000. The movement of £12,000 has been included in the restated SOFA.

## **St. Buryan Academy Primary School**

### **Notes to the Financial Statements for the Year Ended 31 August 2012 (Continued)**

#### **23. Related Party Transactions**

In addition to the transactions recorded at Note 11 there were the following related party transactions during the year:

Governor O Connell is also a governor at Mounts Bay School (MBS). During the year MBS gave a restricted grant towards outside activities of £571. The grant has been fully spent in the year.

Governor A Burlton's wife is employed by the academy as a teaching assistant. She has been paid a salary at the market rate from the academy.

Governor P Matthew's wife is employed by the academy as a teaching assistant and lunchtime supervisor. She has been paid a salary at the market rate from the academy.

The total payments of salary to the above for the year ended 31 August 2012 are £12,448.

#### **24. Controlling Party**

The academy is controlled by the Board of Governors.

#### **25. Prior Year Adjustment**

The prior year adjustment reflects the inclusion of the Local Government Pension Scheme as a defined benefit scheme per Note 22.