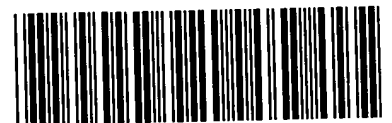

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

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LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

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LARK RISE ACADEMY TRUST, DUNSTABLE
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Governors

Mrs Patrica Wilson, Chairman¹
Mr Graham Pryor¹
Mrs Charlotte Mansfield, Co-opted
Mr Tom Waterworth, Co-opted
Mr Marcus Ray, Staff Trustee¹
Miss Amanda Hazell, Staff Trustee
Councillor David McVicar, Local Authority
Mrs Rebecca Baker, Head Teacher and Accounting Officer¹
Mrs Joanne Patis, Responsible Officer¹
Mrs Linda Berry, Staff Trustee
Mr Graham Page, Staff Trustee¹
Mr Paul Keen, Co-opted
Mr David Woodward, Co-opted
Mr Simon Bidgood, Co-opted

Members

Mrs Patricia Wilson
Mr Graham Pryor
Mrs Joanne Patis

¹ Finance Committee

Company registered number

07359630

Principal and registered office

Lark Rise Academy
Cartmel Drive
Dunstable
Bedfordshire
LU6 3PT

Company secretary

Mrs Alison Gransby

Senior management team

Mrs Rebecca Baker
Mr Marcus Ray
Miss Romina Pagano
Mrs Hannah Hartley
Mrs Amanda Hazell
Mrs Lorna Francis
Mrs Katie Waterman

LARK RISE ACADEMY TRUST, DUNSTABLE
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Administrative details (continued)

Independent auditors

Streets Audit LLP
Chartered Accountants
Statutory Auditors
Potton House
Wyboston Lakes
Great North Road
Wyboston
Bedfordshire
MK44 3BZ

Bankers

Natwest Bank plc
4 High Street North
Dunstable
Bedfordshire
LU6 1JU

Solicitors

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

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The governors present their fifth annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2015.

Lark Rise Academy Trust, Dunstable (the 'Academy') was formed on 27 August 2010. The Academy took over the management of Lark Rise Lower School on 1 October 2010.

Structure, governance and management

a. CONSTITUTION

The Academy 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 trustees for the charitable activities of the Lark Rise Academy Trust, Dunstable. Trust board members are the directors of the charitable company for the purpose of company law. The Charitable Company is known as Lark Rise Academy.

Details of the governors who served throughout the period are included in the reference and administrative details on page 1.

b. 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.

c. GOVERNORS' INDEMNITIES

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 £1,000,000 on any one claim.

d. PRINCIPAL ACTIVITIES

Lark Rise Academy Trust's principal activity is specifically restricted to the following:

- To advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.
- Lark Rise Academy is a non-selective school which provides education for pupils of different abilities between the ages of 3 and 11. Our pupils are drawn from the local area in accordance with the local authority's admission criteria.

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

e. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

Trust Board Members, who are the directors of the Charitable Company for the purpose of company law are nominated by either the Secretary of State for Education, the Chairman of the Governors, or by all the existing members. The articles of association require the trust board members to appoint a minimum of 3 and a maximum of 8 governors to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Academy. The articles of association contain provisions for the appointment of additional governors including staff governors, a local authority governor and parent governors. There is no maximum number of governors.

Governors are appointed for a fixed term of four years, but are eligible for re-election at the end of the fixed term.

The Governing Body currently comprises 3 trust board members (who are appointed as directors under the Companies Act 2006), 4 co-opted governors whose appointments are determined by the trust board members), the Headteacher and 4 staff governors (all employed by the trust), a local authority governor and 2 parent governors (elected by the parents).

The Head teacher is an ex-officio governor.

f. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

New Governors receive induction training and support from the Clerk to the Governing Body. All Governors are offered training opportunities through the Central Bedfordshire Governor Training Programme.

g. ORGANISATIONAL STRUCTURE

The governing body roles and responsibilities were reviewed in September 2014.

The governors are organised into a number of committees who form policy about key areas. The bodies comprise Health and Safety, Finance, Pay and Staffing, Teaching and Learning, Complaints and Discipline and Independent Appeals.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments. During the year under review the governors held 3 full Governing Body meetings.

Regular emails have been sent to the Governing Body keeping them informed of significant events. All governors are attached to a curriculum subject and some have visited the school during the day activities. All governors have access to all policies, procedures, minutes, accounts, budgets and plans that they need to discharge their governing body duties.

The Responsible Officer has monitored the changes to processes and makes regular reports to the governing body. The Governing Body approves the Statutory Accounts. The levels of authorisation of budget spend are detailed in the Academy Finance manual.

The day to day management of the academy is delegated by the Governing Body to the Headteacher who is the Accounting Officer. The Headteacher is supported by the Deputy Headteacher and the Finance Officer.

LARK RISE ACADEMY TRUST, DUNSTABLE
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

h. RISK MANAGEMENT

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the operational areas of the site and facilities and of teaching and the finances. The governors have implemented a system to assess risks faced by the Academy, especially in operational areas such as teaching, health and safety and finance. The governors have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls. The governors are satisfied that systems and procedures are established in order to manage all risks.

i. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

There are no related parties which either control or significantly influence the decisions and operations of Lark Rise Academy. There are no sponsors.

The Academy continues to work closely with the Parents' Association (FALLS – Friends of Lark Rise Lower School) to further the principal activities of the academy.

The Academy works with many school networks, both locally, nationally and internationally to further the principal activities of the academy.

Objectives and Activities

a. OBJECTS AND AIMS

The principal object and activity of the Charitable Company is the operation of Lark Rise Academy.

In accordance with the articles of association the Charitable Company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

The main objectives of the Academy during the year ended 31 August 2015 were detailed in the Academy's vision statement:

LARK RISE ACADEMY TRUST, DUNSTABLE
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015



Lark Rise Academy

Vision Statement

2014-2015

At Lark Rise Academy, we are passionate about learning and the education of our children and we therefore strive for continuous growth and improvement in order to make these the best they can be. We will work in a way that places the children at the heart of all the decisions that we make and the actions that we take, with the intention of making the children's time in school inspiring, exciting and purposeful. In turn, we believe that this will enable every child to understand the importance of learning and instil in them a love for learning that is life-long.

We believe that in order for all of our children to reach their full potential we must maintain our high expectations with regards to their academic development from their time in the Early Years through to the end of Year Six and beyond, as well as the social, emotional, physical and behavioural aspects of their growth; we will strive to ensure that there is fair and equal opportunity for all, regardless of ages and stages of development. We wish to offer an outstanding and innovative primary provision that positively challenges and supports all children to the end of Year 6, instilling the skills and enthusiasm needed for further success in their secondary education. We will achieve this through a fully inclusive creative curriculum, which will incorporate the new National Curriculum; this will present the children with learning experiences which will meet their individual needs whilst motivating them, promoting independence, filling them with confidence and enabling them to flourish. We want our school to be a place where individuality, personal achievements and strengths are identified and celebrated; a place where children feel happy, safe, included and able to learn.

To support the wishes detailed above, we want to offer the children an ever-improving and modernised learning environment that makes it possible to offer a current and ever-evolving curriculum; including even more of a focus on computing and the safe use of our new technology. We aim to provide physical surroundings that feel welcoming and enhance the children's learning. This will be helped further by continuing to support children to make positive relationships with a wide range of adults and their peers; a place where all parties feel respected, cared for and listened to...our school will be a place where the voice of all is heard!

At the same time as wanting every one of our children to be successful learners, we also wish for them to be both successful and active members of the community (locally and in the wider world) now and in the future. Therefore, we will continue to work hard in order to help children understand the importance of community spirit, of diversity, of the importance of being tolerant of others and of belonging; ultimately helping them to understand British Values in order that they make the right choices in life and are positive citizens. We aim to model effective citizenship by working closely with a range of partners, including the children's parents and carers, colleagues from other schools and those in the local and global communities; learning from them in order to achieve ever improving outcomes for children. Our environment will encourage all adults to continue as learners; they will be given the opportunity to develop their skills and expertise working with colleagues and peers from across the community - thus, improving outcomes for all of our children. We will warmly welcome all stake holders into our school and we will be committed to forging positive relationships with them. We will also consider the contributions that Lark Rise can make to the community and the world and give children the opportunity to make a difference...they are, after all, the future!

To achieve all of this is to provide an outstanding education for every child; this is the basis of our vision.

LARK RISE ACADEMY TRUST, DUNSTABLE
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The Academy's mission is to raise the achievement of all who work in the school through systematic planning, reviewing and developing in order to gain optimum attainment in life skills. To this end the activities provided include:

- Well planned learning opportunities for all pupils to attain appropriate academic levels in Early Years Foundation Stage and Key Stage 1 statutory assessments and end of Year 4 midpoint Key Stage 2
- Professional development opportunities for staff
- Performance management for staff where objectives are set and reviewed
- Pupil involvement in leadership decisions through the use of POWWOW
- A broad and balanced creative curriculum provided for all pupils
- Opportunities for extended learning clubs (3.20 – 4.30pm) to allow pupils to explore practical areas
- Before school (breakfast club 8.00 – 8.45am) and after school childcare (4.30- 6.00pm) which is purchased by the parents/carers
- A fully inclusive education available to all

c. PUBLIC BENEFIT

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the public benefit.

Achievements and performance

a. ACHIEVEMENTS AND PERFORMANCE

The Academy is in its fifth year of operation and continues to achieve the forecast numbers of pupils. Total students in the year ended 31 August 2015 numbered 311 (including nursery) and the Academy is virtually full in all year groups. The Academy has a standard number of 45 per year group and is almost full. The local authority maintains a waiting list for available places where appropriate.

The staff and governors at the Academy continue to be proud of the achievements of the children at Lark Rise Academy. Data, when compared to national figures, is significantly higher.

The Academy ensures the accuracy of its teacher assessment through moderation exercises. The Academy uses exemplar examples of levels and national and local benchmarking.

b. KEY FINANCIAL PERFORMANCE INDICATORS

The Academy is committed to observing the importance of performance indicators, to ensure that it continues to strive for both educational and financial excellence.

In its last inspection in December 2013, Ofsted assessed Lark Rise Academy as 'outstanding' in all areas.

The Academy is also monitored through the completion and submission to the EFA of:

- The budget forecast for the year ahead;
- The Accounts Annual Return produced from the annual financial statements.

LARK RISE ACADEMY TRUST, DUNSTABLE
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

c. 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.

Financial review

a. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The Academy's financial objectives are to:

- Generate extra income through consultancy work
- Apply at all times best value principles in all purchases
- Monitor and evaluate the value for money of all staff
- Prevent all areas of wastage

These objectives were achieved in the year ended 31 August 2015.

FINANCIAL REPORT FOR THE PERIOD

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 2015 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 2015, total income (excluding capital funding) was £1,395,166 and expenditure was £1,342,332. The excess of income over expenditure for the period (excluding restricted fixed asset funds) was £52,834.

At 31 August 2015 the net book value of fixed assets was £1,963,612 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to pupils.

FINANCIAL POSITION

The Academy held fund balances at 31 August 2015 of £1,804,341. This comprised restricted fixed asset funds of £1,963,612; £23,358 of restricted funds less a pension reserve deficit of £328,000 and £145,371 of unrestricted general funds.

LARK RISE ACADEMY TRUST, DUNSTABLE
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

b. RESERVES POLICY

The governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The governors have determined that the appropriate level of free reserves should be equivalent to 6 weeks expenditure, approximately £155,000. 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 free reserves is £169,000.

c. INVESTMENTS POLICY

The academy holds surplus cash balances on short fixed term deposits with NatWest Bank plc.

d. PRINCIPAL RISKS AND UNCERTAINTIES

The Academy has undertaken work during the year to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the Academy's assets and reputation.

The Governors undertake a comprehensive review of the risks to which the Academy is exposed. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the Academy. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the Governors will also consider any risks which may arise as a result of a new area of work being undertaken by the Academy.

A risk register is maintained at the Academy level which is reviewed at least annually by the Finance Committee and more frequently where necessary. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

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

1. Government funding

The Academy has considerable reliance on continued government funding through the EFA. In 2014/15, 79% of the Academy's revenue was ultimately public funded and this level of requirement is expected to continue. There are can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

This risk is mitigated in a number of ways:

- Funding is derived through a number of direct and indirect contractual arrangements
- Ensuring the Academy is rigorous in delivering high quality education and training
- Placing considerable focus and investment on maintaining and managing key relationships with the EFA

LARK RISE ACADEMY TRUST, DUNSTABLE
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

2. Maintain adequate funding of pension liabilities

The financial statements report the share of the pension scheme deficit on the Academy's balance sheet in line with the requirements of Financial Reporting Standard (FRS) 17. This deficit relates to non-teaching staff who are members of the Bedfordshire Pension Fund. At 31 August 2015 the deficit amounted to £328,000.

The pension scheme liability is an on-going liability which is not expected to crystallise until the retirement of the employees in the scheme. The Academy makes contributions to the scheme on behalf of its employees. During the year the Academy made contributions to the scheme of £46,000. The contributions are determined by the scheme's actuaries and are designed to eliminate the deficit over the estimated future working lives of the employees in the scheme.

Plans for future periods

a. PLANS FOR FUTURE DEVELOPMENT

The Academy intends to action fully the areas of development as detailed on the Academy Improvement Plan 2015/2016.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

There are no funds held as Custodian Trustee on behalf of others

DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the governors are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware;
- 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.

AUDITORS

The auditors, Streets Audit LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

This report was approved by order of the board of governors on 26 November 2015 and signed on the board's behalf by:



Mrs Patricia Wilson
Chair of Governors

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of governors has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Lark Rise Academy Trust, Dunstable and the Secretary of State for Education. They are also responsible for reporting to the board of governors 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 Governors' Responsibilities Statement. The board of governors has formally met 3 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governor	Meetings attended	Out of a possible
Mrs Patrica Wilson, Chairman	3	3
Mr Graham Pryor	2	3
Mrs Charlotte Mansfield, Co-opted	3	3
Mr Tom Waterworth, Co-opted	2	3
Mr Marcus Ray, Staff Trustee	3	3
Miss Amanda Hazell, Staff Trustee	3	3
Councillor David McVicar, Local Authority	2	3
Mrs Rebecca Baker, Head Teacher and Accounting Officer	3	3
Mrs Joanne Patis, Responsible Officer	3	3
Mrs Linda Berry, Staff Trustee	3	3
Mr Graham Page, Staff Trustee	3	3
Mr Paul Keen, Co-opted	3	3
Mr David Woodward, Co-opted	2	3
Mr Simon Bidgood, Co-opted	2	3

Governance reviews:

The latest Ofsted Report for Lark Rise Academy under the New Framework stated:

"The Governing Body works very effectively with the school's leaders and managers in raising achievement and improving the quality of teaching. Governors fully contribute to the success of the academy and are rigorous in how they support and challenge the staff."

Lark Rise is an 'outstanding' Academy and the Governors play their part in this whole team achievement. However there is no sense of complacency and Governors and school staff have benefitted during the year from input, support and training from external advisers who have a clear understanding of Ofsted expectations and school improvement experience. Governors have attended staff in-house training sessions on 'Assessment without Levels', data analysis, radicalisation issues and also take every opportunity to visit their subject links in the Academy. Where deemed appropriate, Governors attend Central Bedfordshire's Governor training sessions and Governor Forum Meetings.

A Governor skills survey has been completed in order to ascertain any skill areas that are weak; this information will be used when considering the appointment of new Governors or Trust Members for Lark Rise Academy.

LARK RISE ACADEMY TRUST, DUNSTABLE
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GOVERNANCE STATEMENT (continued)

Governors have a very good relationship with the school leadership team and receive all the relevant information necessary for them to be focused and effective in their role as a critical friend.

The Trust is continually reviewing the effectiveness of governance and seeking to identify priorities for improvement in order to ensure the very best outcomes possible for all our children.

The Finance Committee has formally met 3 times during the year.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mrs Patrica Wilson, Chairman	3	3
Mr Graham Pryor	3	3
Mrs Joanne Patis, Responsible Officer	3	3
Mr Marcus Ray, Staff Trustee	3	3
Mr Graham Page, Staff Trustee	3	3
Mrs Rebecca Baker, Head Teacher and Accounting Officer	3	3

REVIEW OF VALUE FOR MONEY

The accounting officer of Lark Rise Academy Trust is responsible and accountable for ensuring that the Academy trust delivers good value in the use of public resources. The accounting officer is aware of the guide to academy value for money statements published by the Education Funding Agency and understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer has set out below how the academy trust's use of its resources has provided good value for money during the academic year.

The staff and Governors at Lark Rise Academy understand that they rely on public funds for best provision. Therefore, it is seen as vital that the Academy achieves best value for money particularly because it has a large amount of control over its spending decisions.

The staff and Governors at Lark Rise Academy feel that it is their statutory duty to ensure that best value principles are adopted in order that the Academy can be successful in raising standards. The staff and Governors will endeavour to raise standards by the most economic, efficient and effective means available. In all purchasing decisions the best value principles will be applied.

The four best value principles are:

- **COMPARE**
How a school's performance compares with that of other schools.
- **CHALLENGE**
Whether the school's performance is high enough, and why and how a service is being provided.
- **COMPETE**
How the school secures economic, efficient and effective services.
- **CONSULT**
Seeking the views of stakeholders about the services provided.

LARK RISE ACADEMY TRUST, DUNSTABLE
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GOVERNANCE STATEMENT (continued)

In relation to the Academy's expenditure and delegated budget, the main features of best value can be monitored by the governing body, who will ensure that the Academy's budget is allocated, as far as possible, to assist with the raising of standards.

In order to deliver better value for money in the Trust during the year, we have acquired various quotes from suppliers for services received, examples of these are :

- Refurbishment of pupil toilets
- Staff absence insurance
- Various ongoing price matching for regular school supplies (eg janitorial supplies)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Lark Rise Academy Trust, Dunstable for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of governors has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of governors;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Mrs Joanne Patis, a governor, as Responsible Officer (RO).

The Responsible Officer's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems.

On a termly basis, the Responsible Officer reports to the board of governors on the operation of the systems of control and on the discharge of the board of governors' financial responsibilities.

LARK RISE ACADEMY TRUST, DUNSTABLE
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GOVERNANCE STATEMENT (continued)

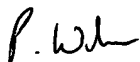
REVIEW OF EFFECTIVENESS

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance 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 board of governors on 26 November 2015 and signed on its behalf, by:



Mrs Patricia Wilson
Chair of Governors



Mrs Rebecca Baker
Accounting Officer

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Lark Rise Academy Trust, Dunstable I have considered my responsibility to notify the academy board of governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the academy board of governors are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook (2014).

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of governors and EFA.

R Baker

Mrs Rebecca Baker
Accounting Officer

Date: 26 November 2015

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

GOVERNORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

The governors (who act as trustees of Lark Rise Academy Trust, Dunstable 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 Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the 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 of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from EFADfE 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 board of governors on 26 November 2015 and signed on its behalf by:



Mrs Patricia Wilson
Chair of Governors

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LARK RISE ACADEMY TRUST,
DUNSTABLE**

We have audited the financial statements of Lark Rise Academy Trust, Dunstable for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LARK RISE ACADEMY TRUST,
DUNSTABLE**

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:

- adequate accounting records have not been kept, 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 take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

However, only partial disclosure has been made in respect of governors' remuneration (note 12).



Martin Leafe (Senior Statutory Auditor)

for and on behalf of

Streets Audit LLP

Chartered Accountants
Statutory Auditors

Potton House
Wyboston Lakes
Great North Road
Wyboston
Bedfordshire
MK44 3BZ

Date:

16 December 2015

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO LARK RISE
ACADEMY TRUST, DUNSTABLE AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 3 November 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lark Rise Academy Trust, Dunstable during the year 1 September 2014 to 31 August 2015 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 Lark Rise Academy Trust, Dunstable and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Lark Rise Academy Trust, Dunstable and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Lark Rise Academy Trust, Dunstable and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF LARK RISE ACADEMY TRUST, DUNSTABLE'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Lark Rise Academy Trust, Dunstable's funding agreement with the Secretary of State for Education dated 1 October 2010, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO LARK RISE
ACADEMY TRUST, DUNSTABLE AND THE EDUCATION FUNDING AGENCY (continued)**

The work undertaken to draw our conclusions included:

- Review of the Academy's systems and controls to ensure effective design;
- Confirmation of satisfactory operation of controls during the year, including authorisation of invoices, payments and salary adjustments;
- Review of a sample of expenses focussing on those nominal codes considered to include transactions of a greater risk;
- Review of the reports from internal scrutiny work undertaken during the year;
- Discussions with the Finance Team.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Martin Leafe

Streets Audit LLP

Chartered Accountants
Statutory Auditors

Potton House
Wyboston Lakes
Great North Road
Wyboston
Bedfordshire
MK44 3BZ

Date: 16 December 2015

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	-	6,632	-	6,632	2,670
Activities for generating funds	3	3,342	69,213	-	72,555	72,873
Investment income	4	707	-	-	707	2,898
Incoming resources from charitable activities	5	-	1,300,750	6,787	1,307,537	1,350,905
Other incoming resources	6	-	14,522	-	14,522	24,877
TOTAL INCOMING RESOURCES		4,049	1,391,117	6,787	1,401,953	1,454,223
RESOURCES EXPENDED						
Charitable activities	8	-	1,336,482	451,451	1,787,933	1,133,096
Governance costs	9	-	5,850	-	5,850	8,690
TOTAL RESOURCES EXPENDED	7	-	1,342,332	451,451	1,793,783	1,141,786
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		4,049	48,785	(444,664)	(391,830)	312,437

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	18	(11,843)	(47,427)	59,270	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		(7,794)	1,358	(385,394)	(391,830)	312,437
Actuarial gains and losses on defined benefit pension schemes		-	9,000	-	9,000	(56,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		(7,794)	10,358	(385,394)	(382,830)	256,437
<i>Total funds at 1 September 2014</i>		<i>153,165</i>	<i>(315,000)</i>	<i>2,349,006</i>	<i>2,187,171</i>	<i>1,930,734</i>
TOTAL FUNDS AT 31 AUGUST 2015		145,371	(304,642)	1,963,612	1,804,341	2,187,171

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

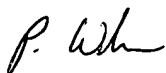
The notes on pages 25 to 44 form part of these financial statements.

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07359630

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	15		1,963,612		2,024,115
CURRENT ASSETS					
Debtors	16	83,382		335,961	
Cash at bank		351,582		444,684	
		<u>434,964</u>		<u>780,645</u>	
CREDITORS: amounts falling due within one year	17	(266,235)		(302,589)	
NET CURRENT ASSETS			<u>168,729</u>		<u>478,056</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,132,341</u>		<u>2,502,171</u>
Defined benefit pension scheme liability	24		(328,000)		(315,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>1,804,341</u></u>		<u><u>2,187,171</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	18	23,358		-	
Restricted fixed asset funds	18	1,963,612		2,349,006	
Restricted funds excluding pension liability		<u>1,986,970</u>		<u>2,349,006</u>	
Pension reserve		<u>(328,000)</u>		<u>(315,000)</u>	
Total restricted funds			<u>1,658,970</u>		<u>2,034,006</u>
Unrestricted funds	18		<u>145,371</u>		<u>153,165</u>
TOTAL FUNDS			<u><u>1,804,341</u></u>		<u><u>2,187,171</u></u>

The financial statements were approved by the governors, and authorised for issue, on 26 November 2015 and are signed on their behalf, by:



Mrs Patricia Wilson
Chair of Governors

The notes on pages 25 to 44 form part of these financial statements.

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	20	(12,083)	333,328
Returns on investments and servicing of finance	21	707	2,898
Capital expenditure and financial investment	21	(81,726)	(510,084)
DECREASE IN CASH IN THE YEAR		(93,102)	(173,858)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
Decrease in cash in the year	(93,102)	(173,858)
MOVEMENT IN NET FUNDS IN THE YEAR	(93,102)	(173,858)
Net funds at 1 September 2014	444,684	618,542
NET FUNDS AT 31 AUGUST 2015	351,582	444,684

The notes on pages 25 to 44 form part of these financial statements.

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 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 academy 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.

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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.

Charitable activities are costs incurred in the academy's educational operations.

Governance costs include the costs attributable to the academy's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are 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's depreciation policy.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	28 years straight line
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	15% reducing balance
Computer equipment	-	33% reducing balance
Property improvements	-	10% reducing balance

1.6 Operating leases

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

1.7 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.8 Pensions

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 24, the TPS is a multi-employer scheme and the academy 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 recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 the 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 vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.9 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

Investment income, gains and losses are allocated to the appropriate fund.

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	-	6,632	6,632	2,670

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Lettings income	1,440	-	1,440	1,490
Educational trips	-	28,449	28,449	22,801
Skylarks income (childcare)	-	20,154	20,154	20,728
Extended learning clubs	-	17,510	17,510	15,046
School product sales	-	200	200	1,480
Consultancy income	400	-	400	8,420
Photography commission	1,502	-	1,502	1,366
Enthuse and impact awards	-	2,900	2,900	1,542
	<u>3,342</u>	<u>69,213</u>	<u>72,555</u>	<u>72,873</u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	<u>707</u>	<u>-</u>	<u>707</u>	<u>2,898</u>

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	959,286	959,286	810,267
Other DfE/EFA grants	-	86,336	86,336	29,155
EFA Teaching School Income	-	66,000	66,000	-
EFA Capital Funding	-	6,787	6,787	327,694
	-	1,118,409	1,118,409	1,167,116
Other government grants				
LA Funding Early Years	-	118,315	118,315	141,421
LA SEN	-	15,087	15,087	8,790
LA Teaching School Income	-	47,465	47,465	-
	-	180,867	180,867	150,211
Other funding				
Other Teaching School Income	-	7,180	7,180	-
Other Income	-	1,081	1,081	33,578
	-	8,261	8,261	33,578
	-	1,307,537	1,307,537	1,350,905

6. OTHER INCOMING RESOURCES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Income from school meals	-	10,942	10,942	23,977
University income for GTPs	-	3,580	3,580	900
	-	14,522	14,522	24,877

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

7. RESOURCES EXPENDED

	Staff costs	Non Pay	Expenditure	Total	Total
	2015	Premises	Other costs	2015	2014
	£	2015	2015	£	£
Direct costs	881,029	-	197,091	1,078,120	899,155
Support costs	157,181	367,208	185,424	709,813	233,941
Charitable activities	1,038,210	367,208	382,515	1,787,933	1,133,096
Governance	-	-	5,850	5,850	8,690
	1,038,210	367,208	388,365	1,793,783	1,141,786

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

8. CHARITABLE ACTIVITIES

	Total funds 2015 £	<i>Total funds 2014 £</i>
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	738,524	599,564
National insurance	42,004	38,707
Pension cost	100,501	83,712
Depreciation	115,299	68,628
Educational supplies	29,458	42,823
Staff development	20,517	9,695
Other direct costs	31,817	50,026
	<u>1,078,120</u>	<u>893,155</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	115,644	78,381
National insurance	4,060	2,021
Pension cost	37,477	23,026
Depreciation	26,931	9,489
Pension cost (FRS 17)	5,000	6,000
Recruitment	2,784	2,147
Heat and light	12,088	9,744
Maintenance of premises and equipment	40,681	30,244
Catering	26,514	19,129
Technology costs	30,104	16,301
Other support and admin expenses	25,227	18,155
Insurance	20,989	17,216
Teaching school expenditure	38,897	-
Rent and rates	5,218	3,400
Cleaning	8,978	4,688
ACMF expenditure - toilet block and playground	309,221	-
	<u>709,813</u>	<u>239,941</u>
	<u><u>1,787,933</u></u>	<u><u>1,133,096</u></u>

LARK RISE ACADEMY TRUST, DUNSTABLE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

9. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Governance Auditors' remuneration	-	5,350	5,350	8,200
Governance Auditors' non audit costs	-	500	500	490
	<u>-</u>	<u>5,850</u>	<u>5,850</u>	<u>8,690</u>

10. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	142,229	78,117
Auditors' remuneration	5,350	8,200
Operating lease rentals:		
- other operating leases	7,136	6,709
	<u>154,715</u>	<u>92,826</u>

11. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	854,168	677,945
Social security costs	46,064	40,728
Other pension costs (Note 24)	137,978	106,738
	<u>1,038,210</u>	<u>825,411</u>

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NOTES TO THE FINANCIAL STATEMENTS
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11. STAFF (continued)

b. Staff numbers

The average number of persons employed by the academy during the year expressed as full time equivalents was as follows:

	2015	<i>2014</i>
	No.	<i>No.</i>
Teachers	11	<i>10</i>
Support and Administration	15	<i>15</i>
Management	1	<i>1</i>
	<hr/> 27 <hr/>	<hr/> <i>26</i> <hr/>

c. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2015	<i>2014</i>
	No.	<i>No.</i>
In the band £70,001 - £80,000	0	<i>1</i>
In the band £80,001 - £90,000	1	<i>0</i>
	<hr/> <hr/>	<hr/> <i></i> <hr/>

The above employee participated in the Teachers' Pension Scheme.

12. GOVERNORS' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 5 governors (2014 - 4) in respect of defined contribution pension schemes.

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The Headteacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and other staff members under their contracts of employment, and not in respect of their role as Governors. The value of Governors' remuneration and other benefits was as follows:

Head Teacher and Accounting Officer

Remuneration £80,000 - £85,000 (2014 £75,000 - £80,000)

Employer's pension contributions £5,000 - £10,000 (2014 £5,000 - £10,000)

Staff Governors

Remuneration £145,000 - £150,000 (2014 £90,000 - £95,000)

Employer's pension contributions £20,000 - £25,000 (2014 £10,000 - £15,000)

During the year, no governors received any benefits in kind (2014 - £NIL).

During the year, no governors received any reimbursement of expenses (2014 - £NIL).

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FOR THE YEAR ENDED 31 AUGUST 2015**

13. 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 £1,000,000 on any one claim and the cost for the year ended 31 August 2015 was £450 (2014 - £450). The cost of this insurance is included in the total insurance cost.

14. OTHER FINANCE INCOME

	2015 £	2014 £
Expected return on pension scheme assets	22,000	22,000
Interest on pension scheme liabilities	(27,000)	(28,000)
	<u>(5,000)</u>	<u>(6,000)</u>

15. TANGIBLE FIXED ASSETS

	Long leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Property improve- ments £	Total £
Cost						
At 1 September 2014	1,967,503	22,995	19,666	25,374	197,434	2,232,972
Additions	-	-	3,690	40,558	37,478	81,726
Transfer between classes	(510,585)	-	7,917	25,756	476,912	-
At 31 August 2015	<u>1,456,918</u>	<u>22,995</u>	<u>31,273</u>	<u>91,688</u>	<u>711,824</u>	<u>2,314,698</u>
Depreciation						
At 1 September 2014	123,358	13,025	6,209	18,576	47,689	208,857
Charge for the year	51,990	2,492	3,450	20,989	63,308	142,229
At 31 August 2015	<u>175,348</u>	<u>15,517</u>	<u>9,659</u>	<u>39,565</u>	<u>110,997</u>	<u>351,086</u>
Net book value						
At 31 August 2015	<u>1,281,570</u>	<u>7,478</u>	<u>21,614</u>	<u>52,123</u>	<u>600,827</u>	<u>1,963,612</u>
At 31 August 2014	<u>1,844,145</u>	<u>9,970</u>	<u>13,457</u>	<u>6,798</u>	<u>149,745</u>	<u>2,024,115</u>

LARK RISE ACADEMY TRUST, DUNSTABLE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

16. DEBTORS

	2015 £	2014 £
Trade debtors	4,460	-
ACMF accrued income	-	245,375
Prepayments and accrued income	44,686	41,966
VAT recoverable	34,236	48,620
	<u>83,382</u>	<u>335,961</u>

17. CREDITORS:
Amounts falling due within one year

	2015 £	2014 £
Trade creditors	167,670	148,471
Other taxation and social security	17,506	13,415
Accruals and deferred income	81,059	140,703
	<u>266,235</u>	<u>302,589</u>

Deferred income

Deferred income at 1 September 2014	35,004
Amounts released from previous years	(35,004)
Catering and Autumn Clubs	3,777
Devolved formula capital	4,007
Universal infant free school meals	27,531
Deferred income at 31 August 2015	<u>35,315</u>

LARK RISE ACADEMY TRUST, DUNSTABLE
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**NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Fund	153,165	4,049	-	(11,843)	-	145,371
Restricted funds						
General Annual Grant (GAG)	-	959,286	(970,249)	10,963	-	-
Other EFA Grants	-	86,336	(86,336)	-	-	-
LA Grants	-	133,402	(133,402)	-	-	-
Teaching School	-	120,645	(38,897)	(58,390)	-	23,358
Other Income	-	91,448	(91,448)	-	-	-
Pension reserve	(315,000)	-	(22,000)	-	9,000	(328,000)
	<u>(315,000)</u>	<u>1,391,117</u>	<u>(1,342,332)</u>	<u>(47,427)</u>	<u>9,000</u>	<u>(304,642)</u>
Restricted fixed asset funds						
Tangible fixed assets	2,024,115	-	(142,229)	81,726	-	1,963,612
Devolved Formula Capital	-	6,787	-	(6,787)	-	-
ACMF Grant - Toilets	117,567	-	(135,609)	18,042	-	-
ACMF Grant - Playground	207,324	-	(173,613)	(33,711)	-	-
	<u>2,349,006</u>	<u>6,787</u>	<u>(451,451)</u>	<u>59,270</u>	<u>-</u>	<u>1,963,612</u>
Total restricted funds	<u>2,034,006</u>	<u>1,397,904</u>	<u>(1,793,783)</u>	<u>11,843</u>	<u>9,000</u>	<u>1,658,970</u>
Total of funds	<u>2,187,171</u>	<u>1,401,953</u>	<u>(1,793,783)</u>	<u>-</u>	<u>9,000</u>	<u>1,804,341</u>

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

General Funds:

The Academy's general funds represents income and expenditure relating to activities undertaken by the Academy as part of its charitable activities. The Academy can then use these funds for any purpose.

LARK RISE ACADEMY TRUST, DUNSTABLE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

18. STATEMENT OF FUNDS (continued)

Restricted Funds:

The Academy received a number of grants during the year for the purpose of providing educational services to its pupils. These funds included grants from the EFA for the General Annual Grant (GAG) and Pupil Premium. Special Educational Needs grants were also received from the Local Authority. These grants have been used for staff costs, educational resources and general costs incurred in the running of the Academy. The unspent funds have been carried forward to future accounting periods.

Teaching School - The Academy received other restricted income for the provision of teaching school which has been used to provide a number of courses for staff of the Academy and other schools. The teaching school activities have also generated other income from participation and the unspent funds have been carried forward to future accounting periods.

Pension Reserve - As stated in note 24 the Academy is a participating employer in two defined benefit pension schemes. The liabilities relating to Lark Rise Academy Trust can only be determined for one of these schemes. A separate reserve has been included to show the impact of the changes in valuation of this pension scheme.

Restricted Fixed Asset Funds:

The Academy received Capital Formula funding to be spent on capital repairs and the purchase of new equipment. Assets which are capitalised in the accounts are represented by a separate fund within the Restricted Fixed Assets reserve.

The Academy Trust also received grants from the EFA's Academies Capital and Maintenance Fund to enable toilet refurbishment and playground improvement works to be undertaken. All the income was recognised on entitlement in the year ended 31 August 2014, and fully utilised during the year ended 31 August 2015.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	153,165	4,049	-	(11,843)	-	145,371
Restricted funds	(315,000)	1,391,117	(1,342,332)	(47,427)	9,000	(304,642)
Restricted fixed asset funds	2,349,006	6,787	(451,451)	59,270	-	1,963,612
	2,187,171	1,401,953	(1,793,783)	-	9,000	1,804,341

LARK RISE ACADEMY TRUST, DUNSTABLE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	1,963,612	1,963,612	2,024,115
Current assets	145,371	289,593	-	434,964	780,646
Creditors due within one year	-	(266,235)	-	(266,235)	(302,589)
Provisions for liabilities and charges	-	(328,000)	-	(328,000)	(315,000)
	<u>145,371</u>	<u>(304,642)</u>	<u>1,963,612</u>	<u>1,804,341</u>	<u>2,187,171</u>

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	(391,830)	312,437
Returns on investments and servicing of finance	(707)	(2,898)
Depreciation of tangible fixed assets	142,229	78,117
Deficit on disposal of tangible fixed assets	-	3,033
Decrease/(increase) in debtors	252,579	(320,199)
(Decrease)/increase in creditors	(36,354)	246,838
Increase in provisions	22,000	16,000
Net cash (outflow)/inflow from operations	<u>(12,083)</u>	<u>333,328</u>

21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Income from investments	<u>707</u>	<u>2,898</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(81,726)	(510,585)
Sale of tangible fixed assets	-	501
Net cash outflow capital expenditure	<u>(81,726)</u>	<u>(510,084)</u>

LARK RISE ACADEMY TRUST, DUNSTABLE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

22. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	31 August 2015 £
Cash at bank and in hand:	444,684	(93,102)	351,582
Net funds	444,684	(93,102)	351,582

23. CAPITAL COMMITMENTS

At 31 August 2015 the academy had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	-	324,891

24. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Bedford Borough Council. 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 related to the period ended 31 March 2012 and of the LGPS 31 August 2015.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

24. PENSION COMMITMENTS (continued)

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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

The pension costs paid to TPS in the period amounted to £100,501 (2014: £83,712).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy 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.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £60,000, of which employer's contributions totalled £46,000 and employees' contributions totalled £14,000. The agreed contribution rates for future years are 17.9% for employers and varying rates for employees.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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24. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	3.80	295,000	6.30	257,000
Bonds	3.80	80,000	3.30	71,000
Property	3.80	49,000	4.50	34,000
Cash	3.80	18,000	3.30	11,000
Total market value of assets		<u>442,000</u>		<u>373,000</u>
Present value of scheme liabilities		<u>(770,000)</u>		<u>(688,000)</u>
(Deficit)/surplus in the scheme		<u><u>(328,000)</u></u>		<u><u>(315,000)</u></u>

The amounts recognised in the Balance Sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(770,000)	(688,000)
Fair value of scheme assets	<u>442,000</u>	<u>373,000</u>
Net liability	<u><u>(328,000)</u></u>	<u><u>(315,000)</u></u>

The amounts recognised in the Statement of Financial Activities are as follows:

	2015 £	2014 £
Current service cost	(63,000)	(41,000)
Interest on obligation	(27,000)	(28,000)
Expected return on scheme assets	<u>22,000</u>	<u>22,000</u>
Total	<u><u>(68,000)</u></u>	<u><u>(47,000)</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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24. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening defined benefit obligation	688,000	592,000
Current service cost	63,000	41,000
Interest cost	27,000	28,000
Contributions by scheme participants	14,000	10,000
Actuarial (Gains)/losses	(22,000)	17,000
	<u>770,000</u>	<u>688,000</u>
Closing defined benefit obligation	<u>770,000</u>	<u>688,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	373,000	349,000
Expected return on assets	22,000	22,000
Actuarial gains and (losses)	(13,000)	(39,000)
Contributions by employer	46,000	31,000
Contributions by employees	14,000	10,000
	<u>442,000</u>	<u>373,000</u>
	<u>442,000</u>	<u>373,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £93,000 (2014 - £102,000).

The academy expects to contribute £48,000 to its Defined Benefit Pension Scheme in 2016.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2015	2014
Equities	67.00 %	69.00 %
Bonds	18.00 %	19.00 %
Property	11.00 %	9.00 %
Cash	4.00 %	3.00 %

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Expected return on scheme assets at 31 August	3.80 %	5.40 %
Rate of increase in salaries	3.60 %	3.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %

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24. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	22.4	22.4
Females	24.3	24.3
Retiring in 20 years		
Males	24.4	24.4
Females	26.8	26.8

Amounts for the current and previous two periods are as follows:

Defined benefit pension schemes

	2015 £	2014 £	2013 £
Defined benefit obligation	(770,000)	(688,000)	(592,000)
Scheme assets	442,000	373,000	349,000
Deficit	(328,000)	(315,000)	(243,000)
Experience adjustments on scheme liabilities	22,000	(17,000)	(18,000)
Experience adjustments on scheme assets	(13,000)	(39,000)	17,000

25. OPERATING LEASE COMMITMENTS

At 31 August 2015 the academy had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2015 £	2014 £	2015 £	2014 £
Expiry date:				
Between 2 and 5 years	-	-	2,693	721

26. 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 whilst 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.

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NOTES TO THE FINANCIAL STATEMENTS
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27. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which a governors has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

The daughter of Mrs P Wilson, Chair of Governors, is employed by Lark Rise Academy. The appointment followed the correct staff recruitment policy. During the year the value of remuneration fell within the band £30,000 - £35,000 (2014 £30,000 - £35,000).

The sister in law of Mrs R Baker, Headteacher and Accounting Officer, is employed by Lark Rise Academy. The appointment followed the correct staff recruitment policy. During the year the value of remuneration fell within the band £5,000 - £10,000 (2014 £Nil).

The mother of Mrs R Baker, Headteacher and Accounting Officer, works as a supply teacher at Lark Rise Academy. The procurement of the services has followed the Academies policies. During the year the value of services provided fell within the band £5,000 - £10,000 (2014 Nil).

The wife of Mr S Bidgood, Co-opted Governor, is employed by Lark Rise Academy. The appointment followed the correct staff recruitment policy. During the year the value of remuneration fell within the band £10,000 - £15,000 (2014 £0 - £5,000).