

CLAREMONT HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**GOVERNORS' REPORT &
FINANCIAL STATEMENTS**

**for the period
1 September 2013 to 31 August 2014**



**Company Registration Number:
07557868 (England and Wales)**

CLAREMONT HIGH SCHOOL ACADEMY TRUST

FINANCIAL STATEMENTS

Period 1 September 2013 to 31 August 2014

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FINANCIAL STATEMENTS**Period 1 September 2013 to 31 August 2014****REFERENCE & ADMINISTRATIVE DETAILS****Governors**

Mr S.R. Brunswick*	(Chairman)
Mr H. Bowen*	
Mr H. Bennett	
Ms B. Campbell	
Ms E.J.P. Coles	
Ms S. Cooper	
Mr W.A. Cuggy*	
Mr J. Jhally*	(Vice-Chairman)
Dr N.C. Molden*	
Mr F.T. Molloy*	(Headteacher & Accounting Officer)
Mrs S.O. Parmar	
Mrs M. Patel	(Staff Governor)
Mr U. Raichada	
Ms B. Ragheb	
Mr G. Stewart	(Staff Governor)
Mr K. Tailor*	
Dr D.J.M. Wright	
Mr S. Yanmaz	(Staff Governor)

* Member of the Finance and Buildings Committee

Senior Management Team

Mr F.T. Molloy	(Headteacher & Accounting Officer)
Ms G. Aspinall	(Associate Headteacher)
Ms N. Boughey	(Deputy Headteacher)
Ms B. Thomas	(Deputy Headteacher)
Ms B. Ragheb	(Acting Deputy Headteacher)
Mr C. Digby	(Associate Deputy Headteacher)
Mr S. Arnell	(Associate Deputy Headteacher)

Internal Auditor

MCA Cooper Associates
The Quadrant
99 Parkway Avenue
Sheffield S9 4WG

Company Number

7557868 (England & Wales)

Principal and Registered Office

Claremont Avenue
Kenton
Harrow
Middlesex HA3 0UH

CLAREMONT HIGH SCHOOL ACADEMY TRUST

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REFERENCE & ADMINISTRATIVE DETAILS (Continued)

External Auditor

Chantrey Vellacott DFK
Russell Square House
10/12 Russell Square
London WC1B 5LF

Bankers

Barclays Business Banking
P.O. Box 13555
Acorn House
36/38 Park Royal Road
London NW10 7WJ

Solicitors

Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

GOVERNORS' REPORT**Period 1 September 2013 to 31 August 2014**

The Governors' present their Annual Report together with the Financial Statements and Auditors' Report of the charitable company for the year ended 31 August 2014.

STRUCTURE, GOVERNANCE AND MANAGEMENT**Constitution**

Claremont High School Academy Trust which is a Company Limited by Guarantee incorporated in England & Wales on 9 March 2011 (Number 7557868) is also an Exempt Charity. The Charitable Company's Memorandum and Articles of Association which are the primary governing documents of the Academy also define Claremont High School as "The Academy Trust".

The term "Governors" which has been used throughout these Financial Statements also covers the roles as Trustees for the charitable activities of Claremont High School Academy Trust and as Directors of the Charitable Company for the purposes of Company Law.

Details of the Governors who served throughout the period are included in Reference and Administrative Details on page 1.

Members Liability

Each Member of the Claremont High School Academy Trust 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' Indemnity

The Academy has taken out cover with third party insurance providers relating to Governors' indemnity at a total cost of £983. The limit of indemnity cover is £1 million.

Principal Activities

The principal activity of the Academy is to advance, for the public benefit, education in the United Kingdom 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 number of Governors shall not be less than three and unless determined by ordinary resolution the total number of Governors shall not be subject to any maximum.

The Articles of Association provide for the appointment or election of the undernoted categories of Governors;

- | | |
|-----------------------------------|---|
| • Principal Governor (ex officio) | Headteacher |
| • 7 Parent Governors | Elected by Parents of registered pupils at the Academy |
| • Up to 3 Staff Governors | The Governing Body shall make all necessary arrangements for, and determine all matters relating to, the election and removal of Staff Governors. |
| • Up to 2 Partnership Governors | Appointed by the Governing Body |
| • Up to 5 Community Governors | Appointed by the Governing Body |
| • Up to 3 Co-Opted Governors | Appointed by the Governing Body |

GOVERNORS' REPORT (Continued)**STRUCTURE, GOVERNANCE AND MANAGEMENT** (Continued)**Method of Recruitment and Appointment or Election of Governors** (Continued)

The election of Parent and Staff Governors is outside the control of the Governing Body.

The appointment of Governors which fall within the jurisdiction of the Governing Body are made on the basis of what skills and contribution new Governors can make to the Governing Body in the conduct of the business of the Academy.

Policies and Procedures Adopted for the Induction and Training of Governors

On an appointment or election, each new Governor is issued with a Handbook giving details relevant to being a Governor at Claremont High School Academy Trust.

Arranged induction meetings include;

A meeting with the Chairman who will explain the structure and workings of the Academy, and a meeting with the Headteacher who will;

- Discuss all current issues being dealt with by the Governing Body
- Explain the roles and responsibilities of Managers within the Academy
- Take the new Governor on a tour of the Academy
- Introduce the new Governor to personnel within the Academy

Governors are made aware of what training courses are available and are encouraged to attend courses to enhance their contribution to their role as a Governor of Claremont High School Academy Trust.

Organisational Structure**Governing Body**

The Governing Body is responsible for strategic planning and for monitoring of actions taken by the Headteacher in the implementation of those plans.

Sub-Committees of the Governing Body

Constituted sub-committees each of which has oversight responsibilities and deals with;

- Finance and Buildings
- Personnel
- Curriculum
- Pupils - Admissions
- Pupil Discipline
- Inclusion & Child Protection / Safeguarding

Headteacher & Senior Management Team

The Headteacher in association with the Senior Management Team, is responsible for the day-to-day management of the Academy and for the implementation of the strategic decisions of the Governing Body.

GOVERNORS' REPORT (Continued)**STRUCTURE, GOVERNANCE AND MANAGEMENT** (Continued)**Organisational Structure** (Continued)**Accounting Officer**

The Headteacher is the Accounting Officer.

Internal Auditor

The professional services of MCA Cooper Associates have been engaged in the role of Internal Auditor to carry out internal audits of financial procedures and controls.

Risk Management

Major risks identified and addressed by Governors include;

Strategic Risks

- Fraud
- Failure to comply with UK or EU Legislation
- Failure to comply with Health & Safety Legislation
- Failure to comply with HR Legislation

Operational Risks

- Production of inaccurate information for consideration by Governors
- Long-term illness of Finance Staff
- Computer system crashes
- Fire & Flood

Financial Risks

- Loss of funding
- Budget holder overspends
- Contractors ceasing to trade part way through Capital Projects
- Risks relating to financial control and procedures

The Governors have established rigorous systems and procedures to identify and manage issues of risk. These procedures include the development of a Risk Register which is subject to annual review and a risk management policy.

GOVERNORS' REPORT (Continued)**OBJECTIVES AND ACTIVITIES****Objects and Aims**

As defined in the Articles of Association, the principal object of the Academy is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

This principal objective incorporates the provision and maintenance of the highest attainable education standards for its students.

In setting objectives and planning activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

The main objectives of the Academy are summarised below;

Achievement and Outcomes Objective

To continue the achievement of high educational standards taking into account the profiles of each year group.

Teaching and Learning Objective

To ensure, with greater emphasis being given to the quality of Teaching and Learning, that provision across the Academy meets the needs and matches the aspirations of all learners at all key stages.

Behaviour and Safety Objective

To ensure that all learners are able to learn and participate to the best of their ability in a calm and purposeful atmosphere which is conducive to high levels of engagement, challenge and enjoyment.

Leadership and Management Objective

To ensure that all leaders across the Academy make a positive contribution to:

- The achievement of pupil outcomes in accordance with the Academy Improvement Plan
- The Academy's ambition to move beyond "Outstanding"

6th Form Objective

To ensure:

- That all learners in the 6th Form make or exceed their expected progress across Years 12 and 13 using the Fischer & ALPS data.
- That the 6th Form becomes a Centre of Excellence for teaching and learning.

GOVERNORS' REPORT (Continued)**Equal Opportunities Policy**

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

Disabled Persons

The Governors recognise their responsibility under disability legislation in relation to disabled students and employees and accessibility, in order to ensure that disabled students and employees do not receive less favourable treatment. The policy of the Academy is to support the recruitment and retention of students and employees with disabilities by making resources available and through training and career development, and supports this by adapting the physical environment where practicable and reasonable.

Public Benefit

In setting the Academy's objectives and planning activities the Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

Achievements and Performance

Achievements in 2013/14 were in line with defined objectives, aims and planning.

The allocation of resources and dedicated action by teaching staff ensured that students had access to high quality education which in turn had positive impact on the public examination passes. Notable achievements in public examinations include;

- Year 11: Results continue to exceed the National Average with 84% of all student achieving 5 A*- C GCSE (National Average 68.8%).
- At AS and A2 Levels there was a 98% pass rate.

The Academy environment has been, and continues to be improved by the allocation of financial resources.

Going Concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that Claremont High School 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.

CLAREMONT HIGH SCHOOL ACADEMY TRUST

GOVERNORS' REPORT (Continued)

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OPERATING & FINANCIAL REVIEW (Continued)

The Academy's main source of income is derived from the Education Funding Agency and the Academy ensures that all of the terms and conditions of the funding agreement are complied with. The grants received during the year ended 31 August 2014 and the associated expenditure are shown in the Statement of Financial Activities - Page 19.

Unrestricted Fund

Net incoming resources for the year amounted to £160K (2013 £210K). The carry-forward surplus for the year is £106k.

Restricted General Funds

Restricted incoming resources for the year which amounts to £10,189K (2013: £10,406K) is mainly comprised of grants receivable from Education Funding Agency. Restricted expenditure for the year amounted to £9,722K (2013: £10,002K) giving a surplus of £467K (2013: £404K) before Funds transfers.

Expenditure of £13K (2013: £24K) has been charged to satisfy the requirements of FRS17, Retirement Benefits, in relation to the Academy's pension scheme liabilities - see Note 25 to the Financial Statements. The total Local Government Pension scheme (LGPS) liability stands at £1,625k (2013: £1,542k) and in the event of the Academy closing the local government pension scheme liabilities will be met by the Department for Education.

The deficit (including LGPS pension) carried forward at 31 August 2014 amounts to £1,350K (2013 £877K).

Restricted Fixed Assets Fund

The balance on the Fund at 31 August 2014 is net of depreciation at £28,085K (2013: £27,074K). Details of the movement are highlighted in Note 16 to the Financial Statements.

Reserves and their Application

Reserves at 31 August 2014 comprise;

	2014 £000	2013 £000
a) Restricted Fixed Assets Fund	28,085	27,074
b) Restricted General Fund	(1,350)	(877)
c) Unrestricted Fund	106	528

The Academy has an established reserves policy which is reviewed by Governors 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 determine what the appropriate level of uncommitted reserves should be.

The aims are (i) to provide sufficient working capital to cover delays between spending and receipt of grants, (ii) to provide contingency funding for unexpected emergencies, (iii) to remain appropriately funded over the medium term, (iv) to provide funding for future estate maintenance and planned capital investment.

CLAREMONT HIGH SCHOOL ACADEMY TRUST

GOVERNORS' REPORT (Continued)

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OPERATING & FINANCIAL REVIEW (Continued)

Commencing with financial year 2011/2012 there are no expenditure restrictions imposed on carry-forward GAG amounts.

Principal Risks and Uncertainties

Principal risks and uncertainties faced by Claremont High School Academy Trust are outlined within the Risk Register (reviewed annually by the Governors):

Strategic Risks

- Fraud & Failure to comply with UK or EU Legislation
- Failure to comply with Health & Safety Legislation
- Failure to comply with HR Legislation

Operational Risks

- Production of inaccurate information for consideration by Governors
- Long-term illness of Finance Staff
- Computer system crashes
- Fire & Flood

Financial Risks

- Loss of funding
- Budget Holder overspends
- Contractors ceasing to trade part way through Capital Projects
- Risks relating to financial control and procedures

Investment Policy

The Governors invest only in low risk bank deposit accounts with the flexibility to invest across a range of account terms in order to balance liquidity and return.

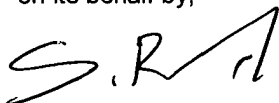
Auditor

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 they ought to have taken to make themselves aware of any relevant audit information and to establish the Auditor is aware of that information.

Chantrey Vellacott who were appointed to undertake the audit of Claremont High School Academy Trust for the year ended 31 August 2014 have indicated willingness to stand for reappointment for the 2014/2015 financial year.

Approved by orders of the Members of the Governing Body on 11th December 2014 and signed on its behalf by;



Mr S.R. Brunswick
Chairman

GOVERNANCE STATEMENT**Period 1 September 2013 to 31 August 2014****Scope of Responsibility**

As Governors, we acknowledge we have overall responsibility for ensuring that Claremont High School Academy Trust 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 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 Claremont High School Academy Trust and the Secretary of State for Education. The Accounting Officer is 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 four times during the year. Attendance during the year at meetings of the Governing Body was as follows;

Governors – Meetings attended out of a possible number

4/4	Mr S.R. Brunswick*	(Chairman)
3/3	Mr H.Bennett	
3/4	Mr H. Bowen*	
2/4	Ms B. Campbell	
4/4	Ms E.J.P. Côles	
2/3	Ms S. Cooper	
4/4	Mr W.A. Cuggy*	
2/4	Mr J. Jhally*	(Vice-Chairman)
3/4	Dr N.C. Molden*	
3/4	Mr F.T. Molloy*	(Headteacher & Accounting Officer)
3/4	Mrs S.O. Parmar	
3/3	Mrs M. Patel	(Staff Governor)
2/3	Mr U. Raichada	
3/4	Ms B. Ragheb	
4/4	Mr G. Stewart	(Staff Governor)
3/4	Mr K. Tailor*	
4/4	Dr D.J.M. Wright	
3/3	Mr S. Yanmaz	(Staff Governor)

* Member of the Finance and Buildings Committee

GOVERNANCE STATEMENT (Continued)**The Finance and Building Committee**

The Finance and Building Committee is a sub-committee of the main Governing Body. Its purpose is to;

- Draw any matters of significance or concern to the attention of the Governing Body
- Consider and recommend acceptance or non-acceptance of the Academy Budget for approval at the start of each financial year
- Monitor and review expenditure on a regular basis and ensure compliance with overall financial planning and Education Funding Agency financial regulations.

Governors – Meetings attended out of a possible number

3/3	Mr S.R. Brunswick	(Chairman)
0/3	Mr H. Bowen	
2/3	Mr W.A. Cuggy	
3/3	Mr J. Jhally	(Vice-Chairman)
3/3	Dr N.C. Molden	
3/3	Mr F.T. Molloy	(Headteacher & Accounting Officer)
3/3	Mr K. Tailor	

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 Claremont High School 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 Claremont High School Academy Trust for the year ended 31 August 2014 and up to the date of approval of the Governors Report & Financial Statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks (via the annual update of the Risk Register) to which Claremont High School Academy Trust is exposed together with the operating, financial and compliance controls which have been implemented to mitigate those risks. The Governing Body is of the view that there was a formal ongoing process for identifying, evaluating and managing the significant risks of Claremont High School Academy Trust in the year ended 31 August 2014 (via the date of approval of the Governors' Report & Financial Statements).

GOVERNANCE STATEMENT (Continued)**The Risk and Control Framework**

The Claremont High School Academy Trust 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 Governing Body
- Regular reviews by the Finance and Building Committee of reports which indicate financial performance against the annual budget/ 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 via annual update of Risk Register

The Governing Body has considered the need for a specific internal audit function and has decided to appoint MCA Cooper Associates, as Internal Auditor ("IA"). The IA's role includes giving advice on financial matters and performing a range of checks on the Claremont High School Academy Trust financial systems.

During the year ended 31 August 2014 the IA has submitted reports to the Governing Body covering system and procedural reviews principally relating to cash management, payroll, risk and control, purchases and a review of the new SAGE accounting system.

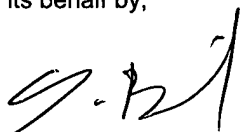
Review of Effectiveness

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 Internal Auditor
- The work of the External Auditor
- The financial management and governance self assessment process
- The work of the executive managers within Claremont High School 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 reviews of the system of internal control by the Finance and Building 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 11 December 2014 and signed on its behalf by;



Mr S.R. Brunswick
Chairman



Mr F.T. Molloy
Accounting Officer

**STATEMENT ON REGULARITY, PROPRIETY
AND COMPLIANCE****Period 1 September 2013 to 31 August 2014**

As Accounting Officer of Claremont High School Academy Trust I have considered my responsibility to notify the Governing Body and the Education Funding Agency of any material irregularity, impropriety and non-compliance with Education Funding Agency terms and conditions of funding, under the Funding Agreement in place between Claremont High School Academy and the Secretary of State for Education.

As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Claremont High School Academy Trust Governing Body are able to identify any material irregular or improper use of funds, or material non-compliance with the terms and conditions of funding under the Claremont High School Academy Trust 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. If any instances are identified after the date of this statement, these will be notified to the Governing Body and the Education Funding Agency.



Mr F.T. Molloy
Accounting Officer

STATEMENT OF GOVERNORS' RESPONSIBILITIES**Period 1 September 2013 to 31 August 2014**

The Governors (who act as Trustees for the charitable activities of Claremont High School Academy Trust and are also the Directors of the Charitable Company for the purposes of Company Law) are responsible for preparing the Governors' Report and 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 the income and expenditure, for that period.

In preparing these Financial Statements, the Governors are required to;

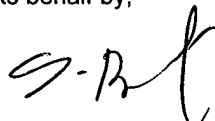
- Select suitable accounting policies and then apply them consistently
- Observe the method and principles of the Charities SORP
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures 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 Claremont High School Academy Trust transactions and disclose with reasonable accuracy at any time the financial position of Claremont High School Academy Trust and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of Claremont High School Academy Trust 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 Claremont High School Academy Trust applies financial and other controls, which conform with the requirements of both proprietary and good financial management. They are also responsible for ensuring grants received from 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 Claremont High School Academy Trust 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 11 December 2014 and signed on its behalf by;



Mr S.R. Brunswick
Chairman

Independent Auditor's report on the Financial Statements to the members of Claremont High School Academy Trust

We have audited the financial statements of Claremont High School Academy Trust for the year ended 31 August 2014 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 United Kingdom Standards (United Kingdom Generally Accepted Accounting Practice), the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency and applicable law.

This report is made solely to the charitable 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 charitable company'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 charitable company and its members as a body, for our audit work, for this report, or for the opinions 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 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 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 charitable company'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 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.. In addition, we read all the financial and non-financial information in the Governors' Report to identify material inconsistencies with the audited financial statements. 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 company's affairs as at 31 August 2014 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 United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2013 – 2013 issued by the Education Funding Agency.

Independent Auditor's report on the Financial Statements to the members of Claremont High School Academy Trust (continued)**Opinion on matters prescribed by the Companies Act 2006**

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

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.

Chantrey Vellacott DFK LLP

PHILIP CLARK (Senior Statutory Auditor)
for and on behalf of **CHANTREY VELLACOTT DFK LLP**
Chartered Accountants and Statutory Auditor
London, UK

Date: *16 December 2014*

Independent Reporting Accountant's Assurance Report on Regularity to the Governing Body of Claremont High School Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 17 July 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Claremont High School Academy Trust during the year ended 31 August 2013 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 Claremont High School Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Claremont High School Academy Trust and the 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 Claremont High School Academy Trust and the EFA, for our review work, for this report, or for the conclusion we have formed.

Respective responsibilities of Claremont High School Academy Trust's accounting officer and the reporting accountant.

The accounting officer is responsible, under the requirements of the Academy's funding agreement with the Secretary of State for Education dated 28 March 2011 and the Academies Financial Handbook, extant from 1 September 2012 as published by DfES on 2006, 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 2013. 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 ended 31 August 2013 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 2013 issued by the 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.

Independent Reporting Accountant's Assurance Report on Regularity to the Governing Body of Claremont High School Academy Trust and the Education Funding Agency (continued)

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

We have undertaken testing as appropriate in accordance with the Academies Accounts Direction 2013. This includes an evaluation of the control environment of the school, enquiry, analytical review and substantive testing.

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 ended 31 August 2013 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Chantrey Vellacott DFK LLP

Chantrey Vellacott DFK LLP
Chartered Accountants and Statutory Auditor
London, UK

Date: *16 December 2014*

CLAREMONT HIGH SCHOOL ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES

19

For the year ended 31 August 2014

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

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	2014 Total £000	2013 Total £000
Incoming Resources						
Incoming resources from generated funds :						
Voluntary Income	2	212	168	-	380	506
Activities for generating funds	3	197	268	-	465	398
Investment Income	4	4	-	-	4	4
Incoming resources from charitable activities						
Funding for the Academy's educational operations	5	-	9,753	117	9,870	10,056
Total Incoming Resources		413	10,189	117	10,719	10,964
Resources Expended						
Cost of generating funds						
Costs of generating voluntary income	6	253	59	-	312	311
Fundraising trading	6	-	188	-	188	156
Charitable activities						
Academy's educational operations	7	-	9,443	615	10,058	10,303
Governance costs	8	-	32	-	32	58
Total Resources Expended		253	9,722	615	10,590	10,828
Net Incoming / (Outgoing) Resources before Transfers		160	467	(498)	129	136
Gross transfers between funds		(582)	(927)	1,509	-	-
Net (Expenditure) / Income for the Period		(422)	(460)	1,011	129	136
Other Recognised Gains and Losses						
Actuarial (losses) gains on defined benefit pension scheme	25	-	(13)	-	(13)	(24)
Net Movement in Funds		(422)	(473)	1,011	116	112
Funds B/Fwd at 1 September 2013		528	(877)	27,074	26,725	26,613
Funds C/Fwd at 31 August 2014	17	106	(1,350)	28,085	26,841	26,725

All of the Academy's activities derive from continuing operations during the above two financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

The attached Notes to Financial Statements on pages 23 to 38 form an integral part of the Financial Statements.

CLAREMONT HIGH SCHOOL ACADEMY TRUST**20****BALANCE SHEET****as at 31 August 2014**

	Note	2014 £000	2013 £000
Fixed Assets			
Tangible Assets	12	28,452	27,559
Current Assets			
Stock		-	-
Debtors	13	427	406
Cash at bank and in hand		1,027	1,493
		<u>1,454</u>	<u>1,899</u>
Creditors:			
Amounts falling due within one year	14	<u>(972)</u>	<u>(655)</u>
Net Current Assets		482	1,244
Creditors:			
Amounts falling due after one year	15	<u>(468)</u>	<u>(536)</u>
Net Assets excluding Pension Liability		28,466	28,267
Pension scheme liability	25	<u>(1,625)</u>	<u>(1,542)</u>
Net Assets including Pension Liability		26,841	26,725
Funds of the Academy	16		
Restricted Funds			
Fixed Assets Fund		28,085	27,074
General Funds		275	665
Pension Reserve		<u>(1,625)</u>	<u>(1,542)</u>
Total Restricted Funds		26,735	26,197
Unrestricted Funds			
General Funds		<u>106</u>	<u>528</u>
Total Unrestricted Funds		106	528
Total Funds		26,841	26,725

The financial statements on pages 23 to 38 were approved by the Governors and authorised for issue on 11th December 2014 and are signed on their behalf by:



Mr S.R. Brunswick
Chairman

Company number: 07557868

CLAREMONT HIGH SCHOOL ACADEMY TRUST**21****CASHFLOW STATEMENT****For the year ended 31 August 2014**

	Note	2014 £000	2013 £000
Net cash inflow from operating activities	18	1,017	625
Returns on investments	19	4	4
Capital expenditure	20	(1,392)	(215)
Financing	21	(95)	(91)
		<hr/>	<hr/>
(Decrease) / increase in cash in the year		(466)	323

Reconciliation of net cash flow to movement in net debt

(Decrease) / increase in cash in the year	(466)	323
Cash repayment of loan	65	61
	<hr/>	<hr/>
Movement in net debt in the period	(401)	384
Net debt at 1 September 2013	892	508
	<hr/>	<hr/>
Net debt at 31 August 2014	491	892

Reconciliation of net cash flow

	2013 £000	Cashflows £000	Other Changes £000	2014 £000
Cash in hand and at bank	1,493	(466)	-	1,027
Debt due within 1 year	(65)	65	(68)	(68)
Debt due after 1 year	(536)	-	68	(468)
	<hr/>	<hr/>	<hr/>	<hr/>
Net funds at 31 August 2014	892	(401)	-	491

NOTES TO THE FINANCIAL STATEMENTS**Period 1 September 2013 to 31 August 2014****Note Page**

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NOTES TO THE FINANCIAL STATEMENTS**Period 1 September 2013 to 31 August 2014****1. STATEMENT OF ACCOUNTING POLICIES****1.1 Basis of Preparation**

The Financial Statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Standards, the Charity Commission "Statement of Recommended Practice : Accounting and Reporting by Charities ("SORP")", the Academies Accounts Direction issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, is set out below.

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 which may cast significant doubt on the ability of the Company to continue as a going concern. The Governors make the 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 recognised when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **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 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**

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

- **Other Income**

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

1.4 Resources Expended

All expenditure is recognised in the period in which the liability is incurred and has been classified under headings which aggregate all costs relating 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)**1. STATEMENT OF ACCOUNTING POLICIES (Continued)****1.4 Resources Expended (Continued)**

- **Costs of Generating Funds**

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

- **Charitable Activities (Academy's Educational Operations)**

These are costs incurred relating to the Academy's educational operations.

- **Governance Costs**

These include costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and other support costs.

All resources expended are inclusive of any irrecoverable VAT.

1.5 Tangible Fixed Assets

Individual assets costing £500 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 are acquired with the aid of specific grants, either from the Government or 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's depreciation policy.

An analysis of Tangible Fixed Assets on Claremont High School Academy's balance sheet as at the 31st of August 2014 is shown in Note 12 to the Financial Statements.

Depreciation Policy

Depreciation is provided on all Tangible Fixed Assets other than Freehold Land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows;

• Freehold Buildings	2 - 6%
• Fixtures, Fittings & Equipment	20%
• Computer Equipment & Software	33 1/3%
• Motor Vehicles	33 1/3%

NOTES TO THE FINANCIAL STATEMENTS (Continued)**1. STATEMENT OF ACCOUNTING POLICIES** (Continued)**1.5 Tangible Fixed Assets** (Continued)**Depreciation Policy** (Continued)

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

A review for impairment of fixed assets 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.

1.6 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.

1.7 Pension Benefits

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, are contracted out of the State Earnings - Related Pension Scheme ("SERPS"), and the assets of which are held separately from those of the Academy.

TPS Scheme

The TPS is an unfunded scheme and contributions are calculated to spread the pension cost over employees' working lives with the Academy to ensure 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 25, 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)**1. STATEMENT OF ACCOUNTING POLICIES (Continued)****1.7 Pension Benefits (Continued)****LGPS Scheme**

The LGPS scheme 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 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 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.

1.8 Fund Accounting**Unrestricted Income Funds**

Are resources which may be used towards meeting any of the charitable objects of the Academy at the discretion of the Governors.

Restricted Fixed Assets Funds

Are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency where the assets acquired or created are held for a specific purpose.

Restricted General Funds

Comprise all other restricted funds received and include grants from the Education Funding Agency.

NOTES TO FINANCIAL STATEMENTS (continued)

For the year ended 31 August 2014

2 VOLUNTARY INCOME

	Unrestricted Funds £000	Restricted Funds £000	2014 Total £000	2013 Total £000
Trips & other related activities	212	168	380	506
	212	168	380	506

3 ACTIVITIES FOR GENERATING FUNDS

Hire of facilities	197	-	197	164
Catering Income	-	255	255	216
Other	-	13	13	18
	197	268	465	398

4 INVESTMENT INCOME

Bank Interest	4	-	4	4
	4	-	4	4

**5 FUNDING FOR ACADEMY'S
EDUCATIONAL OPERATIONS**

	Unrestricted Funds £000	Restricted Funds £000	Restricted Fixed Assets Funds £000	2014 Total £000	2013 Total £000
DfE/EFA grants					
GAG allocation for the year	-	9,112	-	9,112	9,118
Capital grants	-		117	117	116
Other DfE/EFA grants	-	306	-	306	368
Other Government Grants					
Local Authority Grants	-	335	-	335	454
Special educational projects	-	-	-	-	-
	-	9,753	117	9,870	10,056

NOTES TO FINANCIAL STATEMENTS (continued)

For the year ended 31 August 2014

6 RESOURCES EXPENDED

	Staff Costs £000	Non-Pay Expenditure Premises £000	Other £000	2014 Total £000	2013 Total £000
Costs of voluntary income					
Trips & Other related activities	-	-	312	312	311
Costs of generating funds					
Catering	-	-	188	188	156
	-	-	500	500	467
Incoming/(Outgoing) resources for the year include:				2014 £000	2013 £000
Fees payable to auditors - audit				12	11
- other services				-	2
				<u>12</u>	<u>13</u>

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 August 2014

7 CHARITABLE ACTIVITIES - ACADEMY'S
EDUCATIONAL OPERATIONS

	Unrestricted Funds £000	Restricted Funds £000	2014 Total £000	2013 Total £000
Direct Costs				
Teaching & educational support staff costs	-	6,719	6,719	6,846
Depreciation	-	75	75	62
Educational Supplies	-	152	152	257
Examination fees	-	160	160	194
Staff development	-	78	78	96
Other Direct Costs	-	254	254	302
	-	7,438	7,438	7,757

Allocated Support Costs

Support staff costs	-	1,218	1,218	1,080
Depreciation	-	540	540	536
Recruitment & support	-	21	21	42
Maintenance of premises & equipment	-	120	120	137
Cleaning	-	16	16	11
Rent & rates	-	38	38	37
Insurances	-	60	60	45
Security & transport	-	14	14	15
Bank interest & charges	-	35	35	37
Other support costs	-	558	558	606
	-	2,620	2,620	2,546
	-	10,058	10,058	10,303

8 GOVERNANCE COSTS

Legal & professional fees	-	4	4	19
Auditor's remuneration:				
audit of the financial statements	-	12	12	11
other audit costs	-	-	-	2
Support costs	-	16	16	26
	-	32	32	58

NOTES TO FINANCIAL STATEMENTS (continued)

For the year ended 31 August 2014

9 STAFF COSTS

	2014 £000	2013 £000
Staff costs during the year were:		
Wages & salaries	6,488	6,406
Social security costs	544	557
Pension costs	817	834
	<hr/>	<hr/>
	7,849	7,797
Other staff-related costs	88	129
	<hr/>	<hr/>
	7,937	7,926
	<hr/>	<hr/>

The average number of persons (including senior management team) employed by the Academy during the period expressed as full time equivalents was as follow:

	2014 Number	2013 Number
Charitable Activities		
Teachers	100	100
Administration & support	71	69
Management	15	15
	<hr/>	<hr/>
	186	184
	<hr/>	<hr/>

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

	2014 Number	2013 Number
£60,001 - £70,000	6	7
£70,001 - £80,000	3	2
£110,001 - £120,000	1	1

Each of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2014 pension contributions for these staff amounted to £93,211 (2013: £90,827).

10 GOVERNORS' REMUNERATION AND EXPENSES

The Principal and Staff Governors only receive remuneration in respect of services they provide undertaking the roles as members of staff and not in respect of their services as Governors.

Mr F. T. Molloy	£118,000
Ms B. Ragheb	£67,000
Mr G. Stewart	£44,000
Mr S. Yanmaz	£39,000
Ms M. Patel	£21,000

Other Governors did not receive any payments, inclusive of expenses, from the Academy in respect of their role as Governors.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the year ended 31 August 2014

11 GOVERNORS' & OFFICERS' INSURANCE

In accordance with 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 cover has an indemnity limit of £1,000,000 and the annual premium cost approximates £1,000.

12 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £000	Buildings Capital Improves £000	Furniture & Equipment £000	Computer Equipment £000	Motor Vehicle £000	Under Construction £000	Total £000
Cost or Valuation							
At 1 September 2013	27,507	1,231	100	109	3	-	28,950
Additions	-	153	17	28	-	1,311	1,509
Disposals	-	-	-	-	-	-	-
Reclassification	-	(45)	-	-	-	45	-
At 31 August 2014	27,507	1,339	117	137	3	1,356	30,459
Depreciation							
At 1 September 2013	1,235	44	38	72	3	-	1,392
Charged in the year	512	28	29	46	-	-	615
At 31 August 2014	1,747	72	67	118	3	-	2,007
Net Book Value							
At 31 August 2014	25,760	1,267	50	19	-	1,356	28,452
At 31 August 2013	26,272	1,187	62	38	-	-	27,559

The values for Freehold Land & Buildings are based on a professional valuation at 1 April 2011 carried out by DVS, a business regulated by the Royal Institution of Chartered Surveyors.

13 DEBTORS

	2014 £000	2013 £000
Value Added Tax	137	79
Prepayments and accrued income	244	297
Other Debtors	46	30
	427	406

NOTES TO FINANCIAL STATEMENTS (continued)

For the year ended 31 August 2014

14 CREDITORS :

AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£000	£000
Trade creditors	491	271
Other taxation & social security	165	169
Pension liabilities	92	93
Loan (Note 15)	68	65
Accruals & other creditors	156	57
	<hr/>	<hr/>
	972	655
	<hr/>	<hr/>

15 LOAN

A Loan Agreement between LB Brent and Claremont High School Academy Trust was executed on 31 March 2011. The loan which is for a 10 year period at an interest rate of 5% per annum is repayable in equal instalments on a calendar quarterly basis subsequent to a lump sum repayment of £200,000 on 1 May 2011.

	2014	2013
		£000
Amounts due within one year	68	65
Amount due after one year	468	536
	<hr/>	<hr/>
	536	601
	<hr/>	<hr/>

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the year ended 31 August 2014

16 FUNDS

	Balance 01-Sep £000	Incoming 2013 Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Transfers Between Funds £000	Balance 31-Aug 2014 £000
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	434	9,107	(8,410)	-	(927)	204
Pension Reserve	(1,542)	-	(70)	(13)	-	(1,625)
Non DfE/EFA grants	231	1,082	(1,242)	-	-	71
	(877)	10,189	(9,722)	(13)	(927)	(1,350)
RESTRICTED FIXED ASSET FUND						
Capital expenditure from GAG	27,074	117	(615)	-	1,509	28,085
Total Restricted funds	27,074	117	(615)	-	1,509	28,085
UNRESTRICTED FUNDS						
Unrestricted funds	528	413	(253)	-	(582)	106
Total unrestricted funds	528	413	(253)	-	(582)	106
TOTAL FUNDS	26,725	10,719	(10,590)	(13)	-	26,841

The purpose of the Restricted Fixed Asset Fund is to hold the Academy's fixed assets recorded net of depreciation.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amounts of GAG that it could carry forward at 31 August 2014.

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2014 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total £000
Tangible fixed assets	-	-	28,452	28,452
Current assets	106	1,182	166	1,454
Creditors due within 1 year	-	(907)	(65)	(972)
Creditors due after 1 year	-	-	(468)	(468)
Pension Scheme Liability	-	(1,625)	-	(1,625)
	106	(1,350)	28,085	26,841

CLAREMONT HIGH SCHOOL ACADEMY TRUST**34****NOTES TO FINANCIAL STATEMENTS (continued)****For the year ended 31 August 2014****18 RECONCILIATION OF NET INCOME TO
NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2014	2013
	£000	£000
Net income	129	136
ADD:		
Depreciation	615	594
FRS 17 pension adjustment	70	44
Interest paid	30	30
LESS:		
Capital grant	(117)	(116)
Interest received	(4)	(4)
Decrease/(Increase) in stock	-	4
(Decrease)/Increase in debtors	(21)	8
Decrease/(Increase) in creditors	315	(71)
Net Cash inflow from operating activities	<u>1,017</u>	<u>625</u>

**19 RETURNS ON INVESTMENTS AND
SERVICING OF FINANCE**

	2014	2013
	£000	£000
Interest received	<u>4</u>	<u>4</u>
Net Cash Inflow from Returns on Investments	<u>4</u>	<u>4</u>

20 CAPITAL EXPENDITURE

	2014	2013
	£000	£000
Purchase of tangible fixed assets	(1,509)	(331)
Capital Grants from EFA	117	116
Net Cash Outflow from Capital Expenditure	<u>(1,392)</u>	<u>(215)</u>

NOTES TO FINANCIAL STATEMENTS (continued)**For the year ended 31 August 2014****21 FINANCING**

	2014	2013
	£000	£000
Capital repayment of loan	(65)	(61)
Interest paid on loan	(30)	(30)
	<hr/>	<hr/>
Net Cash Outflow from Financing	(95)	(91)
	<hr/>	<hr/>

22 CAPITAL COMMITMENTS

Capital expenditure for land and buildings and capital improvements in respect of the building of a new Hall and Lecture rooms that was authorised and contracted for but not provided for in the financial statements amounted to £500k.

23 MEMBER'S 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.

24 RELATED PARTIES

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 Governor 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. No related party transactions took place in the period of account.

CLAREMONT HIGH SCHOOL ACADEMY TRUST**36****NOTES TO FINANCIAL STATEMENTS (continued)****For the year ended 31 August 2014****25 PENSION & SIMILAR OBLIGATIONS**

	2014 £000	2013 £000
Present value of funded liabilities	2,274	1,967
Fair value of Employer assets	(649)	(425)
	1,625	1,542

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.

The undernoted assumptions have been applied for the assessment of the initial asset allocation ;

	2014	2013
a) Rate of increase in salaries	4.2%	5.1%
b) Rate of increase for pensions in payment / inflation	2.6%	2.8%
c) Discount Rate for scheme liabilities	3.7%	4.6%
d) Expected return on Assets	5.4%	6.5%
e) The average future life expectancies at age 65 are:		
Current Pensioners		
Males	22.0 years	23.8 Years
Females	24.3 years	26.6 Years
Future Pensioners		
Males		25.6 Years
Females		28.6 Years

f) Commutation - An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 75% of the maximum tax-free cash for post-April 2008 service.

NOTES TO FINANCIAL STATEMENTS (continued)

For the year ended 31 August 2014

24 PENSION & SIMILAR OBLIGATIONS

(Continued)

Local Government Pension Scheme

(Continued)

Sensitivity Analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below ;

Change in assumptions at year ended 31 August 2014	Approximate % Increase to Employer Liability	Approximate monetary amount £000
0.5% decrease in Real Discount Rate	11%	254
1 Year increase in member life expectancy	3%	68
0.5% increase in the Salary Increase Rate	4%	100
0.5% increase in the Pension Increase Rate	7%	148

Share of Assets & Liabilities

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

	Expected Return at 31 Aug 14	Fair Value at 31 Aug 14	Expected Return at 31 Aug 13	Fair Value at 31 Aug 2013
		£000		£000
Equities	6.3%	442	6.6%	225
Bonds	3.2%	149	3.8%	89
Property	4.5%	39	4.7%	26
Cash	3.3%	19	3.6%	4
Private Equity & infrastructure	1.6%]	0	10%	81
Total Market Value of Assets		649		425
Present value of scheme liabilities - funded		(2,274)		(1,967)
Deficit in the scheme		(1,625)		(1,542)
Actual return on scheme assets		62		35

Actuarial Gains and Losses

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 a loss of £13,000 (2013: £24,000).

CLAREMONT HIGH SCHOOL ACADEMY TRUST**38****NOTES TO FINANCIAL STATEMENTS (continued)****For the year ended 31 August 2014****24 PENSION & SIMILAR OBLIGATIONS****(Continued)****Local Government Pension Scheme****(Continued)****Movements in the present value of defined benefit obligations were as follows:**

	31 Aug 14	31 Aug 13
	£000	£000
Opening Defined Benefit Obligation	1,967	1,686
Current Service Cost	177	133
Interest Cost	95	73
Employee Contributions	39	33
Actuarial Losses / (Gains)	(4)	42
Estimated Benefits Paid	-	-
Total	2,274	1,967

Movement in the fair value of the Academy's share of scheme assets:

	31 Aug 14	31 Aug 13
	£000	£000
Opening Fair Value of Employer Assets	425	212
Expected Return on Assets	34	17
Contributions by Members	39	33
Contributions by Employers	168	145
Actuarial Gains / (Losses)	(17)	18
Benefits Paid	-	-
Total	649	425

The estimated value of employer contributions for the year ending 31 August 2014 is £212,000.

Amounts recognised in the Statement of financial activities

	31 Aug 14	31 Aug 13
	£000	£000
Current service cost	177	133
Interest cost	95	73
Expected return	(34)	(17)
Total	238	189

Amounts for the current and previous accounting periods

	31 Aug 14	31 Aug 13	31 Aug 12
	£000	£000	£000
Fair value of the employers assets	649	425	212
Present value of defined benefit obligations	(2,274)	(1,967)	(1,686)
Surplus/(losses) on assets	(1,625)	(1,542)	(1,474)
Experience gains/(losses) on assets	(17)	18	(13)
Experience gains/(losses) on liabilities	-	-	-
Cumulative actuarial gains and losses	79	(168)	(144)