

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

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STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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The following pages do not form part of the statutory financial statements

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2012

Governors

S Clarke, Head Teacher (appointed 1 September 2011)^{1,2}
W Copeman (appointed 1 September 2011)²
J Hall (appointed 1 September 2011)^{1,2}
G Lovell (appointed 1 September 2011, resigned 1 May 2012)¹
M Parris (appointed 1 September 2011)²
Rev A McCollum (appointed 1 September 2011)^{2,3}
W Robinson, Chair of Governors (appointed 1 September 2011)^{2,3}
C Rudolph (appointed 1 September 2011)¹
M Thornberry (appointed 1 September 2011)²
A Whitten (appointed 1 September 2011)^{1,2}
S Hawkings (appointed 8 May 2012)
J Leaver (appointed 18 May 2012)¹

¹ Finance and Resources
² Teaching and Learning
³ Audit Committee

Company registered number 07717215

Principal and Registered office Stockland
Nr Honiton
Devon
EX14 9EF

Chief executive officer S Clarke, Head Teacher

Senior Management Team S Clarke, Head Teacher

Auditors Bishop Fleming
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Bankers Lloyds TSB Plc
82 High Street
Honiton
Devon
EX12 1JJ

**STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2012**

The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the period ended 31 August 2012

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy (was incorporated on 25 July 2011 and opened as an Academy on 1 September 2011) is a charitable 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.

The Governors act as the Trustees for the charitable activities of Stockland (C of E) Primary Academy Trust Limited and are also the directors of the charitable company for the purposes of company law.

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

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the 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 they cease to be a member.

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.

Principal Activity

The principal activity of the Academy is to provide free education for pupils of different abilities between the ages of 4 and 11 with an emphasis on literacy, maths, sport and music.

GOVERNORS

Method of recruitment and appointment or election of Governors

On 1 September 2011 the Trustees appointed all those Governors that served the predecessor school to be Governors of the newly formed Academy. These Governors were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy's Governing Body comprises the Head teacher, 4 Parent Governors, 2 Staff Governors (including the Head teacher), 3 Foundation Governors (of which one is the current Incumbent) and 3 Governors appointed by the members.

Governors are appointed for a four year period, except that this time limit does not apply to the Head teacher or the Incumbent. Subject to remaining eligible to be a particular type of Governor, any Governor can be reappointed or re-elected.

When appointing new Governors, the Board will give consideration to the skills and experience mix of existing Governors in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures adopted for the Induction and Training of Governors

The training and induction provided for new Governors will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

**STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
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**GOVERNORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2012**

Organisational Structure

The Board of Governors normally meets once each half term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 2 committees as follows,

- Finance and Resources Committee - this meets at least 6 times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer and drafting the annual budget including setting staffing levels
- Teaching and learning Committee - this meets once per half term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues. It also incorporates the role of an audit committee.

The following decisions are reserved for the Board of Governors, to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Governors, to approve the Annual Development Plan and budget.

The Trustees and Board of Governors have devolved responsibility for day to day management of the Academy to the Head teacher.

The Head teacher and Finance & Resources Committee are responsible for the authorisation of spending within agreed budgets, a summary of this is in the Finance Policy. Some spending control is devolved to the Senior Administrator which must be authorised in line with the Finance Policy. The Head teacher is responsible for the appointment of staff, through appointment panels including at least one Governor, for all posts.

The Head teacher is the Accounting officer.

Risk management

The Academy has undertaken a full review of the main areas of risks which it faces. This includes all health and safety and child protection policies and procedures. In addition a review of all financial risks is undertaken on a regular basis.

Connected Organisations, including Related Party

There are no related parties which either control or significantly influence the decisions and operations of Stockland C of E Primary Academy Trust. There are no sponsors but there is a Parent Teacher Association associated with the Academy.

OBJECTIVES AND ACTIVITIES

Objects and Aims

To be judged "Outstanding" in the next Ofsted inspection and to be judged the top performing small school in the country, judged by the Sunday Times Parent Power Survey by 2016.

Objectives, Strategies and Activities

Key activities and targets were identified in the Academy Development Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding, including the conversion to Academy status.

The main areas of focus were

- Pupil numbers

Through general reputation as well as some strategic marketing for the change to Academy, numbers have been increased dramatically. The original budget for the year was based on 87 pupils however by the end of the summer term Stockland C of E Primary Academy had 108 on roll.

**STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
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**GOVERNORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2012**

• **Staff**

A key aim for this year was to be able to teach the core subjects of Maths and Literacy in single year groups. With this in mind there has been a proactive recruitment drive this year. There have been huge changes made, including

1 **TA – Maths**

This position to support the Maths teaching in the Academy took place at the beginning of September and has allowed the children to be taught in single year groups

2 **TA – Literacy**

Following the success of the year group teaching in Maths, the Academy employed a TA to support Literacy teaching at the beginning of the spring term. Although still reasonably early days, the advantages are already becoming clear

3 **TA – SEN**

Following a statement for a child in Class 2, the Academy has been able to invest in recruiting a TA to work one on one in the classroom

• **Financial Management**

The Academy moved, mid-year, to a Sage Accounting package. Although initially an unforeseen expense to the academy, and a vast amount of work for the administrator, the move has been seen as a great success in allowing the Academy to have more control over finances and to be able to produce clear and concise reports for the Governors. This is an area where there is still room for development in order for the Governors to get exactly what is wanted from each report, but the initial leg work has been done and the ongoing costs will be reduced

• **Uniform/Dinner**

The supply of uniforms has been outsourced relieving the Academy of having to hold any stock. This means that the Academy no longer has any budgetary constraints linked to this service. Dinners had become an issue for the Academy but, by a slight increase in cost to parents, a member of staff employed directly by the Academy to collect and serve the dinners, and a new clearer and more cost effective contract with Innovate, all issues have been resolved

Both of the above have given the Academy more control over the tight finances

Public Benefit

The Governors confirm that they have complied with the requirement in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the academy's aims and objectives and in planning its future activities

ACHIEVEMENTS AND PERFORMANCE

Achievements and Performance

SATS

- English – At KS2 100% of the children achieved level 4 and above in reading comprehension, 92% achieved level 5
- Maths – 92% of the children achieved level 4 and above, 83% achieved level 5, and 25% achieved level 6

Going Concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the academy 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 accounting policies

Key Financial Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention as the amount of carry forward is restricted. In the period under review, £11,597 deficit was carried forward

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**GOVERNORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2012**

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2012 were 104, an increase of 17 over 2011. It is anticipated that this number will continue to rise.

Another key financial performance indicator is staffing costs as a percentage of GAG. This has been kept below 80% of overall costs.

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2012 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE and 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 useful life of the assets concerned, as defined in the Academy's accounting policies.

The balance of the former school's budget share (deficit £10,691) was transferred across on conversion and is shown as Unrestricted Funds.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head teacher and other staff, as well as delegated authority for spending.

Governors have adopted a Responsible Officer Policy and appointed Juliet Hall, a Governor who is not a member of the Finance Committee, to undertake a programme of internal checks on financial controls. During the year, the Governors received reports from the Responsible Officer which contained no matters of significance.

Financial and Risk Management Objectives and Policies

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Governors have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Governors examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular updated reports at all full Governors' and Finance Committee meetings. The Governors also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

Principal Risks and Uncertainties

The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the EFA. In the last year 99.9% of the Academy's incoming resources was ultimately Government funded (with a minimal amount from PTFA fundraising and donations) and whilst this level is expected to continue, there is 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.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively

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**GOVERNORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2012**

manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Governors continue to review and ensure that appropriate measures are in place to mitigate these risks

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Governors ensure that student success and achievement are closely monitored and reviewed

Safeguarding and child protection - the Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline

Staffing - the success of the Academy is reliant on the quality of its staff and so the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning

Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area

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 take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review

Investment Policy

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Governors have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives

We plan to maintain small class sizes with teaching assistants in each class supporting the delivery of Literacy and Maths through single year teaching, which will reflect in academic outcomes being improved

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Governors do not act as the Custodian Trustees of any other Charity

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**GOVERNORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2012**

AUDITORS

In so far as the Governors are aware

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

The auditors, Bishop Fleming, 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 members of the Governing Body on 12/12/12 and signed on its behalf by

A handwritten signature in black ink, consisting of a large, stylized 'W' followed by a horizontal line extending to the right.

**W Robinson
Chair of Governors**

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As governors, we acknowledge we have overall responsibility for ensuring that Stockland (C of E) Primary Academy Trust Limited 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 Head Teacher, 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 Stockland (C of E) Primary Academy Trust Limited and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' report and in the Governors' responsibilities statement. The Governing Body has formally met 6 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
S Clarke, Head Teacher	6	6
W Copeman	5	6
J Hall	4	6
G Lovell	1	3
M Parris	6	6
Rev A McCoillum	3	6
W Robinson, Chair of Governors	6	6
C Rudolph	5	6
M Thornberry	5	6
A Whitten	3	6
S Hawkings	2	3
J Leaver	2	2

The **Finance and Resources Committee** is a sub-committee of the main Governing Body. Its purpose is to monitor, evaluate and review policy and performance in relation to financial management, compliance with reporting and regulatory requirements and report, receive reports from the Responsible Officer and draft the annual budget including setting staffing levels.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
G Lovell	1	3
S Clarke, Head Teacher	6	6
J Hall	5	6
A Whitten	5	6
C Rudolph	6	6
J Leaver	1	1

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 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 Stockland (C of E) Primary Academy Trust Limited for the period ended 31 August 2012 and up to the date of approval of the annual report.

**STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
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GOVERNANCE STATEMENT (continued)

and financial statements

CAPACITY TO HANDLE RISK

The Governing Body 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 Governing Body 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 period ending 31 August 2012 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

THE RISK AND CONTROL FRAMEWORK

The academy'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 Governing Body,
- regular reviews by the Finance and Resources 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 (as set purchase or capital investment) guidelines
- delegation of authority and segregation of duties,
- identification and management of risks

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed J Hall, a Governor, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a quarterly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

REVIEW OF EFFECTIVENESS

As Accounting officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the work of the Responsible Officer,
- the work of the external auditor,
- the financial management and governance 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 and Resources 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 and signed on their behalf, by



W Robinson
Chair of Governor 12/12/12



S Clarke
Accounting Officer 21/2/12

**STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting officer of Stockland (C of E) Primary Academy Trust Limited I have considered my responsibility to notify the academy Governing Body 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.

I confirm that I and the academy Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.



**S Clarke
Governor**

12/12/12

**STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
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**GOVERNORS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2012**

The Governors (who act as trustees for charitable activities of Stockland (C of E) Primary Academy Trust Limited and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to

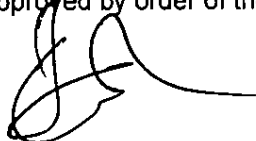
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles of the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

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 the EFA/DfE have been applied for the purposes intended.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Governing Body and signed on its behalf by



W Robinson
Chair of Governors

Date: 12/12/12

**STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED

We have audited the financial statements of Stockland (C of E) Primary Academy Trust Limited for the period ended 31 August 2012 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 Annual Accounts Direction 2011/12 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. 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 2012 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Annual Accounts Direction 2011/12 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 period for which the financial statements are prepared is consistent with the financial statements.

**STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED

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



Tim Borton FCA DChA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS
Date

19 December 2012

**STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STOCKLAND
(C OF E) PRIMARY ACADEMY TRUST LIMITED AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 19 October 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Stockland (C of E) Primary Academy Trust Limited during the period 25 July 2011 to 31 August 2012 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

This report is made solely to Stockland (C of E) Primary Academy Trust Limited and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Stockland (C of E) Primary Academy Trust Limited 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 Stockland (C of E) Primary Academy Trust Limited and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT'S**

The Accounting officer is responsible, under the requirements of Stockland (C of E) Primary Academy Trust Limited's funding agreement with the Secretary of State for Education dated 1 September 2011, and the Academies Financial Handbook as published by DfE in 2012, 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. 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 period 25 July 2011 to 31 August 2012 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 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.

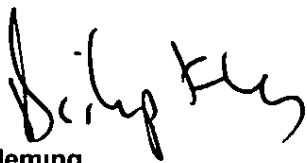
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

**STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STOCKLAND
(C OF E) PRIMARY ACADEMY TRUST LIMITED AND THE EDUCATION FUNDING AGENCY (continued)**

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 period 25 July 2011 to 31 August 2012 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them



Bishop Fleming

Chartered Accountants
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Date

14 Dec 2012

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of recognised gains and losses)
FOR THE PERIOD ENDED 31 AUGUST 2012

	Note	Unrestricted funds 2012 £	Restricted funds 2012 £	Restricted fixed asset funds 2012 £	Total funds 2012 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Transfer from local authority on conversion	3	(10,691)	(10,000)	24,807	4,116
Other voluntary income	3	8,059	-	5,013	13,072
Investment income	4	47	-	-	47
Incoming resources from charitable activities		8,733	386,105	-	394,838
TOTAL INCOMING RESOURCES		6,148	376,105	29,820	412,073
RESOURCES EXPENDED					
Charitable activities	11	3,134	380,296	9,758	393,188
Governance costs	7	-	14,272	-	14,272
TOTAL RESOURCES EXPENDED	10	3,134	394,568	9,758	407,460
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE REVALUATIONS		3,014	(18,463)	20,062	4,613
Actuarial gains and losses on defined benefit pension schemes		-	(7,000)	-	(7,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		3,014	(25,463)	20,062	(2,387)
Total funds at 25 July 2011		-	-	-	-
TOTAL FUNDS AT 31 AUGUST 2012		3,014	(25,463)	20,062	(2,387)

All activities relate to continuing operations

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

The notes on pages 19 to 35 form part of these financial statements

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER. 07717215

BALANCE SHEET
AS AT 31 AUGUST 2012

	Note	£	2012 £
FIXED ASSETS			
Tangible assets	16		16,794
CURRENT ASSETS			
Debtors	17	14,134	
Cash at bank and in hand		45,088	
		<u>59,222</u>	
CREDITORS: amounts falling due within one year	18	(61,403)	
NET CURRENT LIABILITIES			<u>(2,181)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			14,613
Defined benefit pension scheme liability	25		<u>(17,000)</u>
NET LIABILITIES INCLUDING PENSION SCHEME LIABILITIES			<u>(2,387)</u>
FUNDS OF THE ACADEMY			
Restricted funds			
General funds	19	(8,463)	
Fixed asset funds	19	20,062	
		<u>11,599</u>	
Restricted funds excluding pension liability			
Pension reserve		<u>(17,000)</u>	
Total restricted funds			(5,401)
Unrestricted funds	19		<u>3,014</u>
TOTAL DEFICIT			<u>(2,387)</u>

The financial statements were approved by the Governors, and authorised for issue, on and are signed on their behalf, by



W Robinson, Chair of Governors

12/12/12

The notes on pages 19 to 35 form part of these financial statements

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2012

	Note	2012 £
Net cash flow from operating activities	21	46,786
Returns on investments and servicing of finance	22	47
Capital expenditure and financial investment	22	(3,332)
Cash transferred on conversion to an academy trust	24	1,587
INCREASE IN CASH IN THE PERIOD		45,088

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE PERIOD ENDED 31 AUGUST 2012

	2012 £
Increase in cash in the period	45,088
MOVEMENT IN NET FUNDS IN THE PERIOD	45,088
NET FUNDS AT 31 AUGUST 2012	45,088

The notes on pages 19 to 35 form part of these financial statements

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

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 issued by the EFA, applicable accounting standards and the Companies Act 2006.

1.2 COMPANY STATUS

The academy is a company limited by guarantee. In the event of the academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the academy.

1.3 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 the Department for Education 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.

1.4 INCOMING RESOURCES

All incoming resources are included in the Statement of financial activities when the academy is legally entitled to the income and the amount can be quantified with reasonable accuracy.

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.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt.

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

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.

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

1. ACCOUNTING POLICIES (continued)

1.5 RESOURCES EXPENDED

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

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.

1.6 GOING CONCERN

The governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 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:

Office equipment	- 20% straight line
Computer equipment	- 33% straight line

1.8 OPERATING LEASES

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

1. ACCOUNTING POLICIES (continued)

1 9 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 10 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, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), 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 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.

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.

1.11 CONVERSION TO AN ACADEMY TRUST

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Stockland Primary School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Governors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for academy. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 24.

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

2. GENERAL ANNUAL GRANT (GAG)

	2012 £
Result and Carry Forward for the Year	
GAG Allocation for current year	357,591
Total GAG Available to spend	357,591
Recurrent expenditure from GAG	(366,054)
GAG Carried forward to next year	(8,463)
Maximum permitted GAG carried forward at end of current year (12% allocation for current year)	(38,106)
GAG to surrender to DfE	(46,569)
(12% rule breached if result is positive)	No breach

3. VOLUNTARY INCOME

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £
Transfer from local authority on conversion	(10,691)	14,807	4,116
Donations	8,059	-	8,059
Government grants	-	5,013	5,013
Subtotal	8,059	5,013	13,072
Voluntary income	(2,632)	19,820	17,188

4. INVESTMENT INCOME

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £
Bank interest	47	-	47

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £
Education	8,733	386,105	394,838

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £
DfE/EFA revenue grant			
General Annual Grant	-	357,591	357,591
Start up Grants	-	25,000	25,000
	-	382,591	382,591
Other government grants			
Special Educational Needs	-	3,514	3,514
	-	3,514	3,514
Other funding			
Other	8,733	-	8,733
	8,733	-	8,733
	8,733	386,105	394,838

6. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £
Education	3,134	390,054	393,188

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

7. GOVERNANCE COSTS

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £
Auditors' remuneration	-	4,150	4,150
Auditors' non audit costs	-	2,208	2,208
Governance expense - wages and salaries	-	6,699	6,699
Governance expense - NI	-	488	488
Governance expense - pension costs	-	727	727
	<u>-</u>	<u>14,272</u>	<u>14,272</u>

8. DIRECT COSTS

	Education £
Educational supplies	21,929
Other costs	12,754
Wages and salaries	218,641
National insurance	15,060
Pension cost	32,356
Depreciation	9,758
	<u>310,498</u>

9. SUPPORT COSTS

	Education £
Supply teachers	9,110
Recruitment and other staff costs	1,583
Maintenance of premises and equipment	11,079
Cleaning	6,791
Rent and rates	4,779
Heat and light	3,462
Security and transport	244
Catering	2,329
Technology costs	8,055
Office overheads	19,985
Legal and professional	6,776
Bank interest and charges	123
Wages and salaries	8,016
National insurance	358
	<u>82,690</u>

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

10. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2012 £	Depreciation 2012 £	Other costs 2012 £	Total 2012 £
Education	274,431	9,758	108,999	393,188
Governance	7,914	-	6,358	14,272
	<u>282,345</u>	<u>9,758</u>	<u>115,357</u>	<u>407,460</u>

11. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2012 £	Support costs 2012 £	Total 2012 £
Education	<u>310,498</u>	<u>82,690</u>	<u>393,188</u>

12. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging

	2012 £
Depreciation of tangible fixed assets - owned by the charity	9,758
Auditors' remuneration	4,150
Auditors' remuneration - non-audit	<u>2,208</u>

During the period, no Governors received any benefits in kind

During the period, no Governors received any reimbursement of expenses

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

13. STAFF COSTS

Staff costs were as follows

	2012 £
Wages and salaries	233,356
Social security costs	15,906
Other pension costs (Note 25)	33,083
	<u>282,345</u>

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

	2012 No.
Management	1
Administration and support	4
Teachers	4
	<u>9</u>

No employee received remuneration amounting to more than £60,000 in either year

14. GOVERNORS' REMUNERATION

During the period retirement benefits were accruing to 2 Governors in respect of defined benefit pension schemes

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the academy in respect of their role as governors. The value of governors' remuneration was as follows: S Clarke £50,000 - £55,000, A Whitten £20,000 - £25,000

15. 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 period ended 31 August 2012 was included in insurance costs of £7,143.

The cost of this insurance is included in the total insurance cost.

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

16. TANGIBLE FIXED ASSETS

	Office equipment £	Computer equipment £	Total £
COST			
At 25 July 2011	-	-	-
Additions	3,332	-	3,332
Transfer on conversion	15,069	8,151	23,220
At 31 August 2012	18,401	8,151	26,552
DEPRECIATION			
At 25 July 2011	-	-	-
Charge for the period	5,689	4,069	9,758
At 31 August 2012	5,689	4,069	9,758
NET BOOK VALUE			
At 31 August 2012	12,712	4,082	16,794

A portion of the land and buildings occupied by the Academy Trust is subject to a Model Supplemental Agreement between the beneficial owners (The Diocese of Exeter). Under this agreement the land and buildings are made available for the use of the Academy Trust for the shorter of the duration of the funding agreement or, two years notice from the beneficial owners.

Additionally the playing field and small car park is leased from Devon County Council on a 125 year lease. There is no separate valuation of this land, but the directors believe that this is likely to be a small proportion of the land value occupied by the Academy Trust.

On the basis of both of the above factors the Directors have determined that it is not appropriate to recognise the value of land and buildings on conversion in the financial statements.

17. DEBTORS

	2012 £
Other debtors	9,755
Prepayments and accrued income	4,379
	<u>14,134</u>

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

18. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £
Trade creditors	5,994
Social security and other taxes	6,163
Other creditors	45,596
Accruals and deferred income	3,650
	<u>61,403</u>

19. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS					
General funds	-	6,148	(3,134)	-	3,014
RESTRICTED FUNDS					
General Annual Grant (GAG)	-	357,591	(366,054)	-	(8,463)
Special needs funding	-	3,514	(3,514)	-	-
Start up grant	-	25,000	(25,000)	-	-
Pension reserve	-	(10,000)	-	(7,000)	(17,000)
	-	376,105	(394,568)	(7,000)	(25,463)
RESTRICTED FIXED ASSET FUNDS					
Fixed assets transferred on conversion	-	23,220	(9,092)	-	14,128
DfE/EFA Capital grants	-	6,600	(666)	-	5,934
	-	29,820	(9,758)	-	20,062
Total restricted funds	-	405,925	(404,326)	(7,000)	(5,401)
Total of funds	-	412,073	(407,460)	(7,000)	(2,387)

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

Restricted Funds

General Annual Grant - Income from the EFA which is to be used for the normal running costs of the Academy, including education and support costs. The Governors are implementing changes to address the deficit in GAG carry forward

Special Needs Funding - Funding received by the Local Authority to fund further support for students with additional needs

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

19. STATEMENT OF FUNDS (continued)

Start up Grant - One off Grant from EFA (YPLA) which will be used to help towards the costs associated with running a larger school and to cover the economies of scale, as well as to cover start up costs

Pension Reserve – This represents the academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy. The academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Restricted Fixed Asset Funds

Fixed Assets Transferred on Conversion – This represents the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

DfE/EFA Capital Grants – These funds were received for direct expenditure on fixed asset projects. The balance at the year end represents the NBV of assets and any unspent grant amounts.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
General funds	-	6,148	(3,134)	-	3,014
Restricted funds	-	376,105	(394,568)	(7,000)	(25,463)
Restricted fixed asset funds	-	29,820	(9,758)	-	20,062
	-	412,073	(407,460)	(7,000)	(2,387)

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2012 £	Restricted funds 2012 £	Restricted fixed asset funds 2012 £	Total funds 2012 £
Tangible fixed assets	-	-	16,794	16,794
Current assets	3,014	52,940	3,268	59,222
Creditors due within one year	-	(61,403)	-	(61,403)
Provisions for liabilities and charges	-	(17,000)	-	(17,000)
	3,014	(25,463)	20,062	(2,387)

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	2012 £
Net incoming resources before revaluations	4,613
Returns on investments and servicing of finance	(47)
Net assets transferred on conversion	(4,116)
Depreciation of tangible fixed assets	9,758
Decrease in stocks	-
	-
Increase in debtors	(13,931)
Increase in creditors	50,509
NET CASH INFLOW FROM OPERATIONS	46,786

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

	2012 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	
Interest received	47
	47
	2012 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	
Purchase of tangible fixed assets	(3,332)

23. ANALYSIS OF CHANGES IN NET DEBT

	25 July 2011 £	Cash flow £	Other non-cash changes £	31 August 2012 £
Cash at bank and in hand	-	45,088	-	45,088
NET FUNDS	-	45,088	-	45,088

24. CONVERSION TO AN ACADEMY TRUST

On 01/09/2012 Stockland Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Stockland (C of E) Primary Academy Trust Limited from Devon County Council for £NIL consideration

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised in the Statement of financial activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
- Other tangible fixed assets	-	-	23,220	23,220
Budget surplus/(deficit) on LA funds	(10,691)	-	1,587	(9,104)
LGPS pension surplus/(deficit)	-	(10,000)	-	(10,000)
Net assets/(liabilities)	<u>(10,691)</u>	<u>(10,000)</u>	<u>24,807</u>	<u>4,116</u>

The above net assets include £1,587 that were transferred as cash

A portion of the land and buildings occupied by the Academy Trust is subject to a Model Supplemental Agreement between the beneficial owners (The Diocese of Exeter). Under this agreement the land and buildings are made available for the use of the Academy Trust for the shorter of the duration of the funding agreement or, two years notice from the beneficial owners.

Additionally the playing field is leased from Devon County Council on a 125 year lease. There is no separate valuation of this land, but the Governors believe that this is likely to be a small proportion of the land value occupied by the Academy Trust.

On the basis of both of the above factors the Governors have determined that it is not appropriate to recognise the value of land and buildings on conversion in the financial statements.

25. 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 Devon County 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 was 31 March 2004 and of the LGPS 31 March 2010.

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

Teachers' Pension Scheme

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

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

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

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

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25. PENSION COMMITMENTS (continued)

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

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

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

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

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

Under the definitions set out in Financial Reporting Standard (FRS17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme and the implications for the academy in terms of the anticipated contribution rates.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2012 was £12,000, of which employer's contributions totalled £9,000. The agreed contribution rate for future years are 19.7% for employers and 5.5 - 7.5% for employees.

As described in note 24 the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

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25. PENSION COMMITMENTS (continued)

The amounts recognised in the Balance sheet are as follows

	2012 £
Present value of funded obligations	(35,000)
Fair value of scheme assets	18,000
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Net liability	(17,000)
	<hr/>

The amounts recognised in the Statement of financial activities are as follows

	2012 £
Current service cost	(9,000)
Interest on obligation	(1,000)
Expected return on scheme assets	1,000
	<hr/>
Total	(9,000)
	<hr/>

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

	2012 £
Current service cost	9,000
Interest cost	1,000
Contributions by scheme participants	3,000
Actuarial Losses	6,000
Liability transferred on conversion	16,000
	<hr/>
Closing defined benefit obligation	35,000
	<hr/>

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

	2012 £
Expected return on assets	1,000
Actuarial gains and (losses)	(1,000)
Contributions by employer	9,000
Contributions by employees	3,000
Asset transferred on conversion	6,000
	<hr/>
	18,000
	<hr/>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £7,000 loss

The academy expects to contribute £8,000 to its Defined benefit pension scheme in 2013

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25. PENSION COMMITMENTS (continued)

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

	2012
Equities	74.00 %
Property	6.00 %
Cash	5.00 %
Target return portfolio	15.00 %

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

	2012
Discount rate for scheme liabilities	3.90 %
Expected return on scheme assets at 31 August	5.20 %
Rate of increase in salaries	4.10 %
Rate of increase for pensions in payment / inflation	1.90 %

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

	2012
Retiring today	
Males	20.5
Females	24.5
Retiring in 20 years	
Males	22.5
Females	26.4

Amounts for the current period are as follows

Defined benefit pension schemes

	2012
	£
Defined benefit obligation	(35,000)
Scheme assets	18,000
Deficit	(17,000)
Experience adjustments on scheme liabilities	(6,000)
Experience adjustments on scheme assets	(1,000)

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26. OPERATING LEASE COMMITMENTS

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

	Land and buildings 2012 £	Other 2012 £
EXPIRY DATE:		
Between 2 and 5 years	-	592