

**HUNTINGDON ACADEMY**  
**(A Company Limited by Guarantee)**  
**ANNUAL REPORT & FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**Registered Number 07767057 (England and Wales)**

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**HUNTINGDON ACADEMY**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2014**

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**HUNTINGDON ACADEMY**  
**REFERENCE AND ADMINISTRATIVE DETAILS**  
**YEAR ENDED 31 AUGUST 2014**

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<b>Members</b>	D Owen M Blois C James
<b>Trustees</b>	M Blois (resigned 31 December 2013) P Cumberland (resigned 31 December 2013) D Henry-Munroe C James (Chair) S Love (Staff Governor) H Mullins R Murphy D Owen (Executive Headteacher & Accounting Officer) TA Shrestha (Head of School)
<b>Senior Leadership Team:</b> Executive Headteacher Head of School	D Owen TA Shrestha
<b>Principal and Registered Office</b>	Huntingdon Academy Alfred Street Central Nottingham Nottinghamshire NG3 4AY
<b>Company Registration Number</b>	07767057 (England and Wales)
<b>Independent Auditor</b>	Mazars LLP 58 The Ropewalk Nottingham NG1 5DW
<b>Bankers</b>	Lloyds Banking Group Old Market Square Nottingham NG1 6FD
<b>Solicitors</b>	Browne Jacobson 44 Castle Gate Nottingham NG1 7BJ

# HUNTINGDON ACADEMY

## TRUSTEES' REPORT

### YEAR ENDED 31 AUGUST 2014

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The Trustees 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

The Academy Trust is a company limited by guarantee (registration number 07767057) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees act as the Trustees of the charitable activities of Huntingdon Academy and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Huntingdon Academy.

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

##### Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one period 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.

##### Trustees' Indemnities

A Trustee may benefit from any indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of Trust or breach of duty of which they may be guilty in relation to the Academy Trust: Provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of Trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of Trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as directors of the Academy Trust.

##### Principal Activities

To advance for the public benefit education in the United Kingdom, in particular but without prejudice, to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

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

Subject to Articles 48-49 and 64, the Academy Trust shall have the following Trustees:

- a) Up to ten LEAD Trustees appointed under Article 50.
  - b) Up to two Staff Trustees, appointed under Article 58a;
  - c) Four Parent Trustees appointed under Articles 53-58;
  - d) The Headteacher;
  - e) The Executive Principal
- The LEAD Academy Trust can appoint up to 10 LEAD Trustees, but only if a "material event" detailed in the partnership agreement between the Academy Trust and the LEAD Academy Trust has been breached.
  - The Head of School and the Executive Principal shall be treated as ex officio Trustees
  - Parent Trustees shall be elected by parents of registered pupils at the Academy. The Trustees shall make all necessary arrangements for, and determine all other matters, relating to the election of Parent Trustees
  - The Secretary of State may appoint additional Trustees if the Trustees fail to comply with a Secretary of State warning notice or if the school falls 2 Ofsted grades.

**HUNTINGDON ACADEMY**  
**TRUSTEES' REPORT (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

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**Structure, Governance and Management (*continued*)**

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for each new Trustee will depend on their existing experience. The Academy Trust purchases support in that provides for individual and full Governing Body training through an annual Course Directory which is reviewed each year to reflect any changes in practice and legislation. The Academy Trust will perform an annual skills audit of Trustees, should any gaps be identified training courses are offered to address these issues.

Going Concern

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

**Financial review**

On 1 September 2013 the Trust transferred its operations, assets and liabilities to the L.E.A.D. Multi-Academy Trust and from that date ceased operations.

Reserves Policy

The Trustees will review the reserve levels of the Academy annually.

Investment Policy

Trustees have adopted an Investment Policy which is included in the Finance Policy. It allows for surplus funds to be invested in low risk short term bonds with high street banks.

**Principal risks and uncertainties**

As an inactive Trust, the Trustees do not consider that there are principal risks

Organisational Structure

Huntingdon Academy is an individual Academy Trust and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees of the school are also the directors of the Trust. This group sets the strategy for the Trust and monitors and challenges the progress at regular meetings. A sub group of the Trustees also meet as the finance committee 3 times per annum and they have a role of reviewing and agreeing finance reports to be presented to the full Governing body.

Huntingdon Academy is also part of the LEAD Academy Trust. This is an umbrella Trust which was founded in October 2012 by Huntingdon Academy, St Anns Well Academy, and Edna G Olds Academy. Huntingdon Academy is the outstanding school within the Trust. The relationship between the LEAD Academy Trust and Huntingdon Academy is governed by a partnership agreement. The partnership agreement provides the LEAD Academy Trust with certain step in rights that are triggered by critical events. The LEAD Academy Trust is also a member of the Huntingdon Academy Trust.

Connected Organisations

Huntingdon Academy is part of the LEAD Academy Trust as mentioned in organisation structure above.

**HUNTINGDON ACADEMY**  
**TRUSTEES' REPORT (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

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Principal Activities

Historically the Trust's principal activities were to advance for the public benefit education in the United Kingdom, in particular but without prejudice, to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The Trust is no longer operating.

Risk Management

The Trustees have adopted the statement of recommended practice (SORP) approach to identifying and managing the risks of the Trust. The schedule of risks will be tabled at all Finance committee meetings and mitigating actions agreed as required. The full Trustee group will review the risk log on an annual basis.

Connected Organisations including related party relationships

Huntingdon Academy is part of the L.E.A.D Academy Trust as mentioned in organisation structure above.

**Objectives and Activities**

Objects and Aims

Our vision is that through outstanding leadership we will provide the highest quality education to enable every pupil to realise their full potential.

Objectives, Strategies and Activities

The Trust is no longer active.

Public Benefit

The Trustees have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Academy has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

**Strategic Report**

Achievements, Performance, Financial Review and Key Performance Indicators

On 1 September 2013 the Trust transferred its operations, assets and liabilities to the L.E.A.D. Multi-Academy Trust and from that date ceased operations.

**Plans for Future Periods**

There are no current plans for the Trust to recommence operations

**Funds held as Custodian Trustee on behalf of other**

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

**HUNTINGDON ACADEMY**  
**TRUSTEES' REPORT (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

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**Auditor**

In so far as the Trustees are aware:

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

Approved by the Board of Trustees on 17/12/14 and signed on their behalf by:

**C James**  
**Chair**

A handwritten signature in black ink, appearing to read 'C-James', written over the printed name and title.

**HUNTINGDON ACADEMY**  
**GOVERNANCE STATEMENT**  
**YEAR ENDED 31 AUGUST 2014**

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**Scope of Responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Huntingdon Academy 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 Trustees have 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 Huntingdon Academy and the Secretary of State for Education. They are also responsible for reporting to the Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 0 times during the year. Attendance during the year at meetings of the Board of Trustees were as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
P Cumberland	-	-
D Henry-Monroe	-	-
C James	-	-
S Love (Staff Governor)	-	-
H Mullins	-	-
R Murphy	-	-
D Owen (Headteacher and Accounting Officer)	-	-
TA Shrestha (Staff Governor)	-	-

Due to the Trust's inactive nature, no reviews of governance arrangements have been undertaken.

The full Governing Body acts as the Academy's Finance Committee although separate meetings are held. Attendance during the year at meetings of the Finance Committee were as follows:

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
P Cumberland	-	-
D Henry-Monroe	-	-
C James	-	-
S Love (Staff Governor)	-	-
H Mullins	-	-
R Murphy	-	-
D Owen (Head Teacher and Accounting Officer)	-	-
TA Shrestha (Staff Governor)	-	-



**HUNTINGDON ACADEMY**  
**GOVERNANCE STATEMENT (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

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**The Purpose of the System of Internal Control**

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

**Capacity to Handle Risk**

The Board of Trustees have reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**The Risk and Control Framework**

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided that no further internal control assurance was required given the Trust's inactive nature.

**HUNTINGDON ACADEMY**  
**GOVERNANCE STATEMENT (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

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**Review of Effectiveness**

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 17/12/14 and signed on its behalf by:

C James  
Chair



T Shrestha  
Accounting Officer



**HUNTINGDON ACADEMY**  
**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**  
**YEAR ENDED 31 AUGUST 2014**

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As Accounting Officer of Huntingdon Academy, I have considered my responsibility to notify the Academy Trust governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Academy Trust governing body are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook.

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

  
A. Shrestha  
Accounting Officer

Date: 17/12/14

**HUNTINGDON ACADEMY**  
**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**YEAR ENDED 31 AUGUST 2014**

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The Trustees who are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the statement of affairs of the Charitable Company and of its incoming resources and application of resources, including its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation, the Charitable Company applies financial and other controls which conform with the requirements of both 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 Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 17/12/14 signed on its behalf by:

C James  
Chair



**HUNTINGDON ACADEMY**  
**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2014**

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We have audited the financial statements of Huntingdon Academy 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 applicable law, the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the members as a body. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and the members as a body for our audit work, for this report, or for the opinions we have formed.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion on the financial statements**

In our opinion the financial statements:

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

**Opinion on the other matter prescribed by the Companies Act 2006**

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

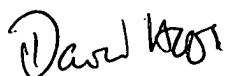
**HUNTINGDON ACADEMY**  
**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2014**

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**Matters on which we are required to report by exception**

We report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



David Hoose (Senior Statutory Auditor)  
for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor  
58 The Ropewalk  
Nottingham  
NG1 5DW

Date: 18/12/14

**HUNTINGDON ACADEMY**  
**INDEPENDENT AUDITOR'S REPORT ON REGULARITY**  
**YEAR ENDED 31 AUGUST 2014**

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In accordance with the terms of our engagement letter dated 24 September 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Huntingdon Academy during the period 1 September 2013 to 31 August 2014 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 Huntingdon Academy and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Huntingdon Academy and the EFA those matters we are required to state to it in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Huntingdon Academy and the EFA, for our review work, for this report, or for the opinion we have formed.

**Respective responsibilities of Huntingdon Academy's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Huntingdon Academy's funding agreement with the Secretary of State for Education dated 23 September 2011 and the Academies Financial Handbook, extant from 1 September 2013, 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 to 2014. 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 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and 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 to 2014 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 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 trust's income and expenditure.

**HUNTINGDON ACADEMY**  
**INDEPENDENT AUDITOR'S REPORT**  
**YEAR ENDED 31 AUGUST 2014**

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A summary of the work we have undertaken is as follows:

- Planned our assurance procedures including identifying key risks;
- Carried out sample testing on controls;
- Carried out substantive testing including analytical review; and
- Concluded on procedures carried out.

**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 1 September 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

*Mazars LLP*

**Mazars LLP**

Chartered Accountants

Statutory Auditor

Park View House

58 The Ropewalk

Nottingham

NG1 5DW

Date: 18/12/14



# HUNTINGDON ACADEMY

## STATEMENT OF FINANCIAL ACTIVITIES

(including Income and Expenditure Account and Statement of Recognised gains and losses)

FOR THE YEAR ENDED 31 AUGUST 2014

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2014 £000	Total 2013 £000
<b>Incoming resources</b>						
<i>Incoming resources from generated funds:</i>						
Transfer from Local Authority on conversion		-	-	-	-	
Activities for generating funds	3	-	-	-	-	261
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	4	-	-	-	-	1,820
<b>Total incoming resources</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,081</u>
<b>Resources expended</b>						
<i>Charitable activities:</i>						
Academy's educational operations	6	-	-	-	-	1,841
Other resources expended transfer to L.E.A.D Multi Academy Trust	22	401	(593)	1,300	1,108	-
<i>Governance costs</i>	7	-	-	-	-	17
<b>Total resources expended</b>	5	<u>401</u>	<u>(593)</u>	<u>1,300</u>	<u>1,108</u>	<u>1,858</u>
<b>Net incoming/(outgoing) resources before transfers</b>		(401)	593	(1,300)	(1,108)	223
Gross transfers between funds	14	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net income/(expenditure) for the year</b>		(401)	593	(1,300)	(1,108)	223
<i>Other recognised gains and losses:</i>						
Actuarial losses on defined benefit pension scheme	20	-	-	-	-	(31)
<b>Net movement in funds</b>	14	(401)	593	(1,300)	(1,108)	192
<i>Reconciliation of funds:</i>						
Total funds brought forward at 1 September 2012		401	(593)	1,300	1,108	916
<b>Total funds carried forward at 31 August 2014</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,108</u>

All of the Academy's activities derive from discontinued operations in the current financial year.

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

The notes on pages 18 to 32 form part of these financial statements.

# HUNTINGDON ACADEMY

## STATEMENT OF FINANCIAL ACTIVITIES

(including Income and Expenditure Account and Statement of Recognised gains and losses)

FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	2014 £000	2014 £000	2013 £000	2013 £000
<b>Fixed assets</b>					
Tangible assets	11		-		1,270
<b>Current assets</b>					
Debtors	12	-		18	
Cash at bank and in hand		-		519	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	13	-		(101)	
<b>Net current assets</b>			-		436
<b>Total assets less current liabilities</b>					1,706
Pension scheme liability	20		-		(598)
<b>Net assets including pension liability</b>			-		1,108
<b>Funds of the Academy:</b>					
<b>Restricted funds</b>					
Fixed asset fund	14	-		1,300	
General fund	14	-		5	
Pension reserve	20	-		(598)	
<b>Total restricted funds</b>					707
<b>Unrestricted funds</b>			-		
General fund	14				401
<b>Total funds</b>			-		1,108

The financial statements on pages 18 to 32 were approved by the Trustees and authorised for issue on 17/12/14 and are signed on their behalf by:

C James  
Chair



The notes on pages 18 to 32 form part of these financial statements.

**HUNTINGDON ACADEMY**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	Notes	2014 £000	2013 £000
<b>Net cash inflow from operating activities</b>	16	(519)	297
Capital expenditure	27	-	-
<b>(Decrease)/Increase in cash in the year</b>		<u>(519)</u>	<u>297</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net funds at 1 September 2013		519	222
(Decrease)/Increase in cash in the year		(519)	297
<b>Net funds at 31 August 2014</b>	18	<u>-</u>	<u>519</u>

The notes on pages 18 to 32 form part of these financial statements.

**HUNTINGDON ACADEMY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2014**

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**1. Statement of Accounting Policies**

**Basis of Preparation**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction issued by the Education Funding Agency and the Companies Act 2006. The Statement of Financial Activities as set out on page 15 identifies the identical information as that of the Income and Expenditure Statement. As such, no separate Income and Expenditure Statement has been prepared.

A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

**Going concern**

The Trustees 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 Trust to continue as a going concern. The Trustees make this assessment each year in respect of a period of one year from the date of approval of the financial statements. The operations, assets and liabilities of the trust were transferred to L.E.A.D. Multi Academy Trust on 1 September 2013.

**Incoming resources**

All incoming resources are recognised when the Trust 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.

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.

- **Sponsorship income**

Sponsorship income provided to the Academy Trust 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 and it is measurable.

- **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 and to the extent the goods have been provided or on completion of the service.

- **Donated services and gifts in kind**

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

**HUNTINGDON ACADEMY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2014**

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**1. Statement of Accounting Policies (*continued*)**

**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.

- **Cost of generating funds**

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

- **Charitable activities**

These are costs incurred on the Trust's educational operations.

- **Other expended resources**

These relate to the net transfer of assets and liabilities on 1 September 2013 as per Note 22.

- **Governance costs**

These include the costs attributable to the Trust's compliance with constitutional and statutory requirements, including audit, strategic management and governor's meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

**Tangible fixed assets**

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

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

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 lives, as follows:

Long leasehold buildings	- 50 years
Furniture and equipment	- 5 years
Computer equipment	- 4 years

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 a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments.

Impairment losses are recognised in the Statement of Financial Activities

**HUNTINGDON ACADEMY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2014**

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**1. Statement of Accounting Policies (*continued*)**

**Leased Assets**

Rentals under operating leases are charged on a straight line basis over the lease term.

**Taxation**

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

**Pensions Benefits**

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS'), the Local Government Pension Scheme ('LGPS') and a defined contribution pension scheme. These first two 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 Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the government actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 20, the TPS is a multi-employer scheme and the Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Trust in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as 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.

**Fund Accounting**

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

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

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

**HUNTINGDON ACADEMY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2014**

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

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2014 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy Trust has not exceeded these limits during the year ended 31 August 2014.

**3. Activities for Generating Funds**

	Unrestricted funds £000	Restricted funds £000	Total 2014 £000	Total 2013 £000
Other income	-	-	-	261

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

	Unrestricted funds £000	Restricted funds £000	Total 2014 £000	Total 2013 £000
<b>DfE/EFA revenue grants</b>				
General Annual Grant (GAG)	-	-	-	1,366
Start Up Grants	-	-	-	-
Other DfE/EFA Grants	-	-	-	307
Capital Grants	-	-	-	36
				1,709
<b>Other Government grants</b>				
Local authority grants	-	-	-	111
	-	-	-	1,820

**5. Resources expended**

	Non pay expenditure				
	Staff costs £000	Premises costs £000	Other costs £000	Total 2014 £000	Total 2013 £000
<i>Academy's education operations:</i>					
Direct costs	-	-	-	-	1,114
Allocated support costs	-	-	-	-	727
					1,841
Other resources expended	-	-	1,108	1,108	-
Governance costs	-	-	-	-	17
	-	-	1,108	1,108	1,858

**HUNTINGDON ACADEMY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2014**

**6. Resources expended (continued)**

Incoming/outgoing resources for the year include:

	2014 £000	2013 £000
Requested fees payable to auditor		
- Audit	-	4
- Other services	-	4
Depreciation of fixed assets	-	37

**7. Charitable Activities – Academy's educational operations**

	Unrestricted funds £000	Restricted funds £000	Total 2014 £000	Total 2013 £000
<b>Direct costs:</b>				
Teaching and educational support staff costs	-	-	-	1,020
Depreciation	-	-	-	37
Educational supplies	-	-	-	53
Educational visits	-	-	-	4
Educational consultancy	-	-	-	-
	-	-	-	1,114
<b>Allocated support costs:</b>				
Support staff costs	-	-	-	213
Recruitment and support	-	-	-	20
Maintenance of premises and equipment	-	-	-	75
Cleaning	-	-	-	25
Rent and rates	-	-	-	78
Insurance	-	-	-	29
Security and transport	-	-	-	8
Catering	-	-	-	22
Bank interest and charges	-	-	-	21
LEAD charges	-	-	-	36
Printing, postage and stationery	-	-	-	6
Other support costs	-	-	-	194
	-	-	-	727
<b>Total</b>	-	-	-	1,841

**8. Governance Costs**

	Unrestricted funds £000	Restricted funds £000	Total 2014 £000	Total 2013 £000
Legal & professional fees				11
Auditor's remuneration:				
- Audit of financial statements	-	-	-	4
- Responsible officer audit	-	-	-	2
	-	-	-	17



**HUNTINGDON ACADEMY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. Staff costs**

Staff costs during the period were:

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	-	958
Social security costs	-	75
Pension costs	-	136
	<u>-</u>	<u>-</u>
Supply teacher costs	-	64
	<u>-</u>	<u>1,233</u>

The average number of person (including Senior Management Team) employed by the Academy during the year was as follows:

	<b>2014</b>	<b>2013</b>
	<b>No.</b>	<b>No.</b>
<b>Charitable activities</b>		
Teachers	-	37
Administration and support	-	3
Management	-	4
	<u>-</u>	<u>-</u>

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

	<b>2014</b>	<b>2013</b>
	<b>No.</b>	<b>No.</b>
£60,001 - £70,000	-	1
£110,001 – £120,000	<u>-</u>	<u>1</u>

Three of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2014, pension contributions for these staff amounted to £1Nil (2013 £126,000).

**10. Trustees' remuneration and expenses**

The Headteacher, Head of School and other Staff Trustee only receive remuneration in respect of services they provide undertaking the roles of Headteacher, Head of School and Staff and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The value of Trustees' remuneration (including pension contributions) was as follows:

D Owen (Headteacher):	£Nil	(2013: £25,001 - £30,000)
TA Shrestha (Head of School):	£Nil	(2013: £55,001 - £60,000)
S Love (Staff Trustee):	£Nil	(2013: £10,001 - £15,000)

During the year ended 31 August 2014, no travel and subsistence expenses were reimbursed to Trustees (2013: £nil).

Other related party transactions involving the Trustees are set out in note 21.

**HUNTINGDON ACADEMY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**11. Trustees' and Officers' Insurance**

In accordance with normal commercial practice, the academy should purchase insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. As the academy operations were transferred to L.E.A.D. Multi Academy Trust from 1 September 2013, none was purchased in the current year.

**12. Tangible Fixed Assets**

	Long leasehold buildings £000	Furniture and equipment £000	Computer equipment £000	Total 2014 £000
<b>Cost</b>				
At 1 September 2013	1,247	69	36	1,352
Disposal (see Note 22)	(1,247)	(69)	(36)	(1,352)
At 31 August 2014	-	-	-	-
<b>Depreciation</b>				
At 1 September 2014	50	18	14	82
Eliminated on disposal (see Note 22)	(50)	(18)	(14)	(82)
At 31 August 2014	-	-	-	-
<b>Net book values</b>				
At 31 August 2014	-	-	-	-
At 31 August 2013	1,197	51	22	1,270

**13. Debtors**

	2014 £000	2013 £000
Other debtors	-	14
Prepayments	-	4
	-	18

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

	2014 £000	2013 £000
Other taxation and social security	-	-
Other creditors	-	40
Accruals and deferred income	-	61
	-	101

**HUNTINGDON ACADEMY**  
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**15. Funds**

	Balance at 1 September 2013 £000	Incoming resources £000	Resources expended £000	Gains, losses and transfers £000	Balance at 31 August 2014 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	5	-	(5)	-	-
Pension reserve	(598)	-	598	-	-
	<u>(593)</u>	<u>-</u>	<u>593</u>	<u>-</u>	<u>-</u>
<b>Restricted fixed asset funds</b>					
DfE/EFA capital grants	85	-	(85)	-	-
Academy main building	1,215	-	(1,252)	-	-
	<u>1,300</u>	<u>-</u>	<u>(1,300)</u>	<u>-</u>	<u>-</u>
<b>Total restricted funds</b>	<u>707</u>	<u>-</u>	<u>(707)</u>	<u>-</u>	<u>-</u>
<b>Unrestricted funds</b>					
General funds	401	-	(401)	-	-
<b>Total funds</b>	<u>1,108</u>	<u>-</u>	<u>(1,108)</u>	<u>-</u>	<u>-</u>

Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2014. Note 2 discloses whether the limit was exceeded.

**16. 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 Funds £000
Tangible fixed assets	-	-	-	-
Current assets	-	-	-	-
Current liabilities	-	-	-	-
Pension scheme liability	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total net assets</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**HUNTINGDON ACADEMY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**17. Reconciliation of net income to net cash inflow from operating activities**

	<b>2014 £000</b>	<b>2013 £000</b>
Net income	(1,108)	223
Depreciation (note 11)	-	37
Capital grants from DfE and other capital income	-	(6)
FRS 17 pension cost less contributions payable (note 20)	-	10
FRS pension finance costs (note 20)	-	21
Decrease in debtors	18	84
Decrease in creditors	(101)	(72)
Loss on disposal of assets	1,270	-
Transfer of pension liability (see note 22)	(598)	-
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(519)</b>	<b>297</b>

**18. Capital expenditure and financial investment**

	<b>2014 £000</b>	<b>2013 £000</b>
Purchase of tangible fixed assets	-	6
Capital grants from DfE/EFA	-	(6)
<b>Net cash outflow from capital expenditure and financial investment</b>	<b>-</b>	<b>-</b>

**19. Analysis of changes in net funds**

	<b>At 1 September 2013 £000</b>	<b>Cash flows £000</b>	<b>At 31 August 2014 £000</b>
Cash in hand and at bank	519	(519)	-

**20. Members' Liabilities**

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.

**HUNTINGDON ACADEMY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2014**

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**21. Pension and similar obligations**

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff which is managed by Nottinghamshire 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 2013.

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

Teachers' Pension Scheme

**Introduction**

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

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

The Teachers' Pensions Regulations require an annual 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, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

**The Teachers' Pension Budgeting and Valuation Account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a "pay as you go" basis – these contributions along with those made by employers are credited to the Exchequer 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, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

**Valuation of the Teachers' Pension Scheme**

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

**HUNTINGDON ACADEMY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**21. Pension and similar obligations (*continued*)**

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations. 2007, 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 Public Service Pensions Bill provides for future scheme valuations to be conducted in accordance with Treasury directions. The actuarial valuation report in summer 2014 takes effect from September 2015.

A copy of the valuation report and supporting documentation is on the Teachers' Pension Website

(<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>).

**Teachers' Pension Scheme Changes**

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in from April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatting Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatting scheme will commence on 1 April 2015.

**HUNTINGDON ACADEMY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. Pension and similar obligations (continued)**

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

**Local Government Pension Scheme**

The LGPS is a funded defined-benefit scheme with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £Nil (2013: £54,000) of which employer's contributions totalled £Nil (2013: £41,000) and employees' contributions totalled £Nil (2013: £13,000). The employees were transferred to L.E.A.D. Multi Academy Trust on 1 September 2013 (see Note 22), therefore no future pension contributions.

**Principal Actuarial Assumptions**

	<b>At 31 August 2014</b>	<b>At 31 August 2013</b>
Rate of increase in salaries	-	5.1%
Rate of increase for pensions in payment / inflation	-	2.9%
Discount rate for scheme liabilities	-	4.7%
Inflation assumption (CPI)	-	2.9%

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

	<b>At 31 August 2014</b>	<b>At 31 August 2013</b>
<i>Retiring today</i>		
Males	-	18.7
Females	-	22.8
<i>Retiring in 20 years</i>		
Males	-	20.7
Females	-	24.6

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

	<b>Expected return at 31 August 2014</b>	<b>Fair value at 31 August 2014</b>	<b>Expected return at 31 August 2013</b>	<b>Fair value at 31 August 2013</b>
Equities	-	-	6.2%	244
Bonds	-	-	3.5%	45
Property	-	-	5.2%	41
Other	-	-	6.2%	14
Total market value of assets		-		344
Present value of scheme liabilities		-		(942)
<b>Deficit in the scheme</b>		<b>-</b>		<b>(598)</b>

**HUNTINGDON ACADEMY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. Pension and similar obligations (continued)**

The actual return on scheme assets was £Nil (2013: £39,000).

**Amounts recognised in the statement of financial activities**

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Current service cost (net of employee contributions)	-	51
Past service cost	-	-
Transfer out	(598)	-
<b>Total operating charge</b>	<u>(598)</u>	<u>51</u>

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

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Expected return on pension scheme assets	-	13
Interest on pension liabilities	-	(32)
<b>Pension finance costs</b>	<u>-</u>	<u>(19)</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £198,000 loss (2013: £198,000 loss).

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

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
At 1 September	942	788
Current service cost	-	51
Employee contributions	-	14
Actuarial loss	-	57
Interest cost	-	32
Transfer out	(942)	-
<b>At 31 August</b>	<u>-</u>	<u>942</u>

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

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
At 1 September	344	251
Expected return on assets	-	13
Actuarial gain	-	25
Employer contributions	-	41
Employee contributions	-	14
Transfer out	(344)	-
<b>At 31 August</b>	<u>-</u>	<u>344</u>

The employees of the pension scheme were transferred to L.E.A.D. Multi Academy Trust on 1 September 2013, therefore no future contributions due to be paid.



**HUNTINGDON ACADEMY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. Pension and similar obligations (continued)**

The history of experience adjustments is as follows:

	2014 £000	2013 £000
Present value of defined benefit obligations	-	(942)
Fair value share of scheme assets	-	344
<b>Deficit in the scheme</b>	<u>-</u>	<u>(598)</u>
<b>Experience adjustments on share of scheme assets</b>		
Amount £000	<u>-</u>	<u>25</u>
<b>Experience adjustments on scheme liabilities</b>		
Amount £000	<u>-</u>	<u>-</u>

**21. Related Party Transactions**

Owing to the nature of the academy's operations and the composition of the board of Trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of Trustees may have 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.

**22. Transfer to L.E.A.D Multi Academy Trust**

On 1 September 2013 all the operations and the assets and liabilities of Huntingdon Academy were transferred to L.E.A.D. Multi-Academy Trust for £nil consideration.

The assets and liabilities were transferred at book value with the net amount recognised as "Other expended resources" in the Statement of Financial Activities.

The following table sets out the assets and liabilities transferred out of the trust:

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
-Leasehold land and buildings	-	-	1,197	1,197
-Other tangible fixed assets	-	-	73	73
Debtors / prepayments	-	18	-	18
Cash and bank balances	401	88	30	519
Trade creditors / accruals	-	(101)	-	(101)
LGPS Pension Deficit	-	(598)	-	(598)
<b>Total net assets</b>	<u>401</u>	<u>(593)</u>	<u>1,300</u>	<u>1,108</u>