

Company Registration No. 07999942 (England and Wales)

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2015

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ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

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ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

B Britt (Appointed 31 January 2015)
A Matthews (Co-Chair of Governors)
L Anderson
S Backhouse (Resigned 31 August 2015)
S Calver
N Smoley
G Warren
S May
K Pattullo
D Flanagan
S Bishop (Accounting officer)
J Street
R Thornley
J White
S Steptoe (Appointed 1 September 2014)
A Clarey

Members

- Member
- Member
- Member

J Street
R Thornley
J White

Senior management team

- Head Teacher
- KS2 Team leader
- KS1 Team leader
- Foundation Stage Team Leader
- School Manager

S Bishop
M Elliott
A Summerfield
K Pattullo
D Flanagan

Company registration number

07999942 (England and Wales)

Registered office

Rook Tree Lane
Stotfold
Hitchin
Herts
SG5 4DL

Independent auditor

UHY Hacker Young (East) Limited
PO Box 501
The Nexus Building
Broadway
Letchworth Garden City
Herts
SG6 9BL

Bankers

Lloyds TSB Bank PLC
1 Bancroft
Hitchin
Herts
SG5 1JG

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Lee Bolton Monier-Williams
1 The Sanctuary
Westminster
London
SW1P 3JT

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The trustees present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust took over the operation of St Mary's VC Lower School on the school's conversion to academy status on 1st April 2012. Since then the Academy Trust's principal object and activity has been to manage the provision of education to pupils between the ages of 4 and 9 years of age. Also to develop a school with a designated Church of England religious character, offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement) and in having regard to the advice of the Diocesan Board of Education.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of St Mary's Church of England Academy, Stotfold are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

The Academy Trust maintains Governors' and officers' liability insurance which gives appropriate cover for any legal action brought against its Governors. The Academy Trust has also granted indemnities to each of its Governors and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the Governors or other officers may incur to third parties in the course of acting as Governors or officers of the Academy Trust.

The following cover is in place:-

Governors Liability:	Limit of Indemnity	£2,000,000
Fidelity Guarantee	All Governors	£250,000 - (Excess: £100 each and every loss)
Personal Accident	Capital Sum	£50,000 - (Accidents and Assault Cover)*

*Official duties in connection with the business including journeys directly connected therewith.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Method of recruitment and appointment or election of trustees

Under the terms of its Articles, the Academy Trust shall have the following Governors:

- Three Foundation Governors, however the Incumbent shall be treated for all purposes as an ex-officio Foundation Governor. Further Foundation Governors may be appointed having received i) a nomination from the Parochial Church Council of the Parish and for the second, having received a nomination from the Diocesan Board of Education. The total number of Foundation Governors will not exceed 25% of the total number of Governing Body.
- The Head Teacher shall be treated for all purposes as being an ex-officio Governor
- Staff Governors may be appointed by the Members through such process as they determine, provided that the total number of staff Governors, including the Head Teacher does not exceed one third of the total number of the Governing Body.
- Parent Governors shall be elected by parents of the registered pupils of the Academy. Any election of Parent Governors which is contested shall be held by secret ballot. In appointing a Parent Governor the Governing Body shall appoint a person who is the parent of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age. If the number of nominations is less or equal to the number of vacancies they will be appointed by the Governing Body uncontested.

Policies and procedures adopted for the induction and training of trustees

During the year under review the Full Governing Body met 4 times (including the AGM) and there were 7 committee meetings. The training and induction provided for new Governors depends on their previous experience. All new Governors are given a tour of the school and the chance to meet with staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they need to undertake their role as Governors. New Governors attend an Induction course provided by Central Bedfordshire Council and have access to a full programme of courses which they will choose to attend, based on their role and experience.

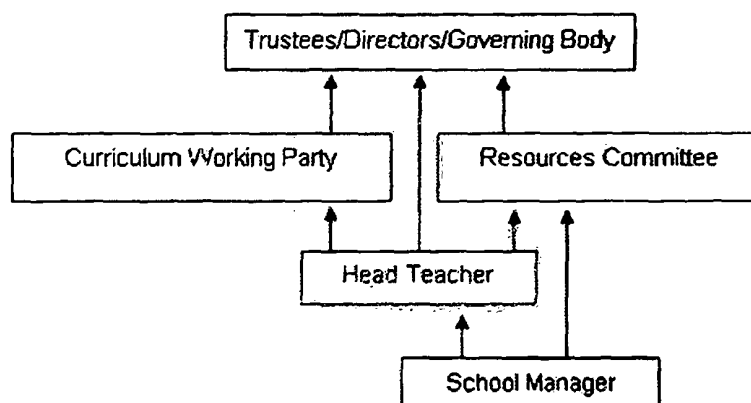
ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

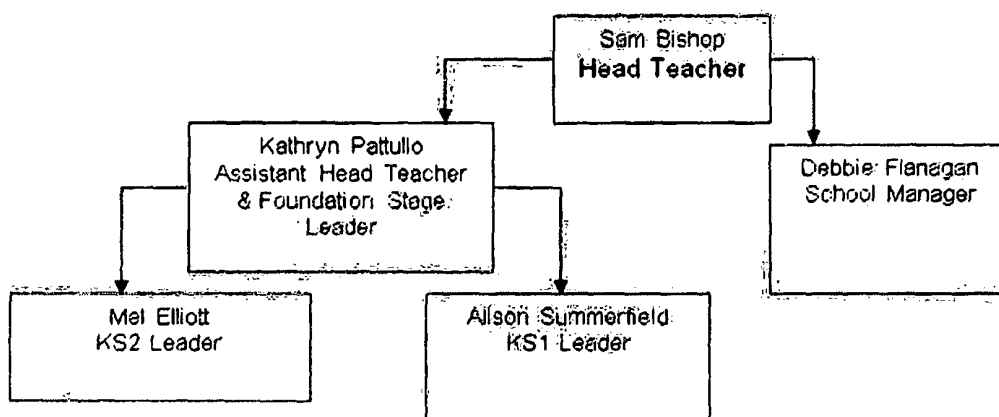
FOR THE YEAR ENDED 31 AUGUST 2015

Organisational structure

ACADEMY RESPONSIBILITY CHART



Academy Leadership Team



The academy has defined the responsibilities of each person involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for governors and staff.

The Trustees/Governing Body have overall responsibility for the administration of the academy's finances. The main responsibilities of the governing body are prescribed in the Funding Agreement between the Academy and DFE and the academy's scheme of government. The main responsibilities include:

- Ensuring that grants from the DFE are used only for the purposes intended;
- Ensuring that funds from sponsors are received according to the academy's Funding Agreement and are used only for the purposes intended;
- Approval of the annual budget;
- Appointment of the Head Teacher and
- Appointment of senior staff (i.e. Assistant Head, Finance Manager etc), in conjunction with the Head Teacher.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The following financial delegations are currently in place.

KEY					
Full Governing Body only	1				
Governing Body with advice from Headteacher	2				
Head Teacher within	3				
Head Teacher / other staff	4				
	1	2	3	4	
Appointment of Head Teacher	√				
Appointment of Assistant Head Teacher/Finance Manager		√			
Appointment of other senior staff		√			
Approve formal Budget each year	√				
Investigate financial irregularities (Head suspected)	√				
Investigate finance irregularities (others suspected)		√			
Enter into contracts up to £9,999			√		
Enter into contracts over £10,000	√				
Make payments for goods and services				√	
Staff pay structure/increments (not Head)		√			
Determine dismissal payment/early retirement		√			
Set premises charging and remissions policy		√			
Ensure provision of free school meals for those meeting criteria			√		

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Risk management

The Trustees have assessed the major risks to which the academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the academy and its finances. The systems and processes used as a school when there were no known incidences have been used to assess risks that the academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance.

The Academy have systems in place, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. The academy has an effective system of internal financial controls.

Based on the strategic plan, the Resources Risk Management Committee undertakes a comprehensive review of the risks to which the academy is exposed. The committee identifies systems and procedures, including specific preventable actions which should mitigate any potential negative impact on the academy.

The internal controls for managing risks deemed as medium and high are incorporated into annual risk management action plan. The effectiveness of the academy's internal controls in managing the risks identified is regularly monitored.

A thorough appraisal is undertaken in the subsequent year of the existing risks and any emerging risks, for example, those arising from changes to national funding policy and/or local circumstances. In addition to the annual review, the Risk Management Committee will also consider any risks which arise during the year, for example, as a result of a new area of work being undertaken by the academy.

A risk register, covering low, medium and high level risks, is maintained at academy level. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised as low, medium and high using a consistent scoring system.

Outlined below is a description of the principal risk factors that may affect the academy. However, not all factors are within the academy's control and other factors besides those listed below may also adversely affect the academy.

1. Government funding

The academy has considerable reliance on continued government funding through the Education Funding Agency (EFA) and the Local Authority. This risk has and will be mitigated in a number of ways:

Funding is derived through a number of direct and indirect contractual arrangements;

Considerable focus and investment is placed on maintaining and managing key relationships with the various funding bodies;

Ensuring the academy is focused on those priority sectors which will continue to benefit from public funding;

Contingency planning embedded into the academy budget process.

2. Maintain adequate funding of pension liabilities

The financial statements report the share of the local government pension scheme deficit on the academy's balance sheet in line with the requirements of FRS 17. The academy takes professional advice on this position and makes appropriate contributions on the basis of that advice to ensure the deficit does not become unmanageable.

3. Pupil Strategy

The academy seeks to maintain its popularity with current and prospective pupils by:

delivering high quality education and training. Where this is lacking, implementing processes to address this;

striving to achieve outstanding success rates and good inspection outcomes;

investing in its teaching staff and resources; and

providing a welcoming and caring environment in which to learn.

This places the academy in a good position to attract new pupils.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Related parties and other connected charities and organisations

The main organisation currently related to the Academy is Red Bear Children's Centre (now converted to Stotfold and District Children's Centre C.I.C.). This is independently funded by the Local Authority and provides support and advice for families with babies and young children in the local area.

St Mary's CE Academy has an active Parents Association which raises funds for additional resources and specific projects for the school. The Association have their own committee and arrange independent monitoring and audit each year.

Related party relationships are available from our website under Governors.

Related party transactions are disclosed within the notes to the financial statements.

Objectives and activities

Objects and aims

The Academies Trust Object is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular with not without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character offering a broad and balanced curriculum (the Academy) conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement) and in having regard to the advice of the Diocesan Board of Education.

Objectives, strategies and activities

Priority One: Effectiveness of Leadership & Management

Targets

- To rewrite the Vision Statement for the school.
- To ensure maximum impact from the use of PE & Pupil Premium
- For Leaders & Governors to track progress closely and hold teachers to account
- Performance Management is rigorous and supports school improvement priorities
- Staff CPD needs are identified and training is allocated to support their development
- Safeguarding procedures are robust.

Success Criteria

- Vision Statement is updated, with involvement from all stakeholders.
- PE & Pupil premium spending is tracked and shows measurable impact.
- Leaders & governors are aware of pupil progress and attainment, and Pupil Progress Meetings hold teachers to account.
- Performance Management procedures are embedded and focus on areas of school improvement.
- Staff have access to appropriate training to support their development, which has a positive impact on children's learning.
- Safeguarding procedures are embedded and robust.

Actions

- Meeting for staff, governors & parent representatives to devise a new vision statement.
- PE Leader to survey pupil attitudes to PE.
- Pupil premium Leader to analyse data on PP pupils half termly.
- Pupil premium Leader & designated governor to meet termly to review impact on PP funding.
- Literacy & Numeracy & KS Leaders to track pupil progress termly, reporting to SLT & governors. Feedback given to staff on areas of development.
- SLT to monitor planning weekly. Feedback given to staff on areas for development.
- Performance Management includes targets directly related to whole school improvement/. Mid-year reviews held to ensure staff are on track.
- CPD needs are identified at PM meetings and training is sourced.
- Designated Safeguarder & Governor to review procedures.
- Ensure 'Prevent' training is undertaken by Designated Safeguarders & Governor. Feedback to staff & Governors.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Priority Two: Quality of Teaching, Learning and Assessment

Targets

- Ensure the quality of teaching is consistently good to outstanding across the school
- To use assessment to plan for and ensure progress for all children, including most able & vulnerable groups
- To improve progress and attainment for all groups in Maths, particularly girls in KS2
- To ensure appropriate challenge for all pupils, including the most able

Success Criteria

- For 100% of teaching to be good or better and 25% to be outstanding.
- For staff to use Target tracker to track progress and inform planning.
- For attainment and progress in maths to improve on 2015 results for all groups, particularly girls in KS2 (in line with boys). To narrow gender gaps in KS2.
- For planning to show clear differentiation and challenge for all pupils

Actions

- Headteacher drop ins and lesson observations. Feedback / targets given for staff.
- Staff to regularly input data onto Target Tracker. Use data & 'gaps analysis' to inform planning.
- Monitor maths planning to ensure coverage of new curriculum. Use 'Gaps Analysis' on Target Tracker to monitor.
- Monitor planning to ensure challenge & high expectations are evident
- Use new planning sheets in Literacy & Numeracy to include clear LO & SC, annotated to highlight vulnerable groups.
- Staff to work with staff from NLE school to plan for 'active learning'.
- Work with local schools on developing assessment through use of Target Tracker
- Key Stage Leaders to attend 'Talk Less Teach' training & feedback to staff.
- All staff to attend 'Sticky Teaching' training.

Priority Three: Personal Development, Behaviour and Welfare

Targets

- To develop children's attitudes to learning
- To ensure behaviour is excellent in all areas of school life
- To develop SMSC / Values / British Values

Success Criteria

- For children to be keen, inquisitive and independent learners.
- For low level disruption in class and around school to be minimal.
- For children to be able to discuss values (including 'British Values').

Actions

- Teachers to ensure planning includes 'hooks for learning' and active learning opportunities (planning with staff from NLE school)
- Ensure Success Criteria are clear and specific in supporting children's learning (through monitoring plans / lesson observations)
- Establish classroom rules with each new class, promoting positive behaviours. Use of class reward schemes / goals.
- Assembly plan for the term to include focus on Values (including British Values).

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Priority Four: Outcomes for Pupils

Targets

- To ensure expected or better than expected progress for all children in all subjects
- Narrow the gap for vulnerable groups (gender, PP, summer born, SEN) in all subjects
- To improve Maths attainment and progress across the school, particularly for girls in KS2
- To improve Yr 1 phonics results (reverse backwards trend)

Success Criteria

- For all children to make expected or better than expected progress in all subjects.
- For gaps to be narrowed in all vulnerable groups.
- For end of year maths results to be increased from 2014.
- For girls progress and attainment in maths to match boys, particularly in KS2
- For the percentage of children passing the phonics check in June 2016 to at least match 2014 levels (90%)

Actions

- Use Target Tracker to monitor attainment and progress of all pupils.
- Pupil Progress meetings half termly to monitor progress of all groups. Teachers to be accountable for progress. Use new proformas.
- Close the gap in all subjects between vulnerable & non-vulnerable groups (SEN, Gender, Pupil premium, Summer born). Monitored by class teachers (ongoing), Literacy, Numeracy, Pupil Premium Leaders (half termly)
- Ensure vulnerable groups are identified / highlighted on planning sheets. Monitored through weekly planning scrutiny by SLT.
- Embed use of Numicon in FS & KS1 maths planning and intervention in KS2
- Invest in new resources to support intervention ('Five Minute Boxes')
- Track progress of children receiving intervention to ensure progress is being made.
- Include phonics progress as a discussion point in pupil progress meetings. Challenge progress of vulnerable groups.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Public benefit

St Mary's CE Academy Stotfold is an Academy converter catering for children aged 4 to 9 years of age and strives to promote and support the advancement of education within the Stotfold area. The school provides an extensive programme of educational and recreational activity - all designed to contribute to the overall education of our students in areas such as academic distinction, music, the arts and sport. For example:

- Premier Sport support the curriculum with many sports including football, rugby, hockey, tennis, gymnastics and ball skills. Children take part in tournaments alongside other local schools.
- Year 4 children have six weeks of swimming lessons at Saxon Pool in Biggleswade.
- A breakfast tennis club is run one morning each week.
- Redborne Sports Partnership organise many sporting events for local schools, provide support and arrange tournaments.
- An ex-parent, Steve Darlow organises Cricket Club each summer term which culminates in cricket finals and a tournament.
- The children sing at some local Church services and to groups related to them.
- The children take part in activities at Stotfold Watermill annual open weekend.
- We organise Stotfold Festival; a week of activities in June each year where organisations and groups hold activities and open events to raise awareness and funds for their causes. The week ends with Stotfold Festival Fete where the community comes together to provide an afternoon of traditional village fete style entertainment and activities which raises funds for a selected Charity. In 2015 the local Hospital's Children's ward received nearly £2,000.
- Inspiring Music and Bedfordshire Music Service come in to teach children to play instruments such as African drums and violin.

Wherever possible the school also aims to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities. For example:

- Premier Sport use the facilities during some holidays to provide sporting activities for children.
- The Churches Together Group use the school for a week in the summer holiday to run Stotfold Christian Holiday Club which is open to all children of the local community.
- The School Council invite local senior citizens of Stotfold in for termly coffee and activity mornings.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees believe that the Academy Trust's aims, together with the activities outlined above, are demonstrably to the public benefit.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Strategic report

Achievements and performance

Our achievements this year include the following:

- Continuing significant oversubscription, due to the growth of the area.
- Continuation of delivering Children's Centre Services in Stotfold, Arlesey and Fairfield Park.
- Very good Year 4 Assessment results.
- Key Stage 1 Assessment results above the National Average, showing continued improvement over time.
- Phonics results were above the National Average due to the excellent additional work undertaken by KS1 staff.
- Excellent Early Years Foundation Stage Profile results, well above Local and National Averages.
- A very successful Creative Arts Week.
- Other special events our annual Personal, Social, Health and Citizenship Education (PSHCE) Day, our Harvest Festival and a Book Fair.
- Involvement in Stotfold Mill Weekend and the co-ordination and involvement in Stotfold Festival.
- Musical activities included Whole School Concerts at Christmas and in the Summer, a KS2 performance of "Lion King" and African Drumming workshops. The choir has also performed at local churches and events.
- Great sporting success, and involvement in many sports events.
- We held a very enjoyable RE Day.
- Many successful Liaison events with local schools.
- Visits by various year groups to Stotfold Mill, Rock UK Outdoor Activity Centre, Hazard Alley, Paxton Pits, Wimpole Hall and a Science Live production.
- Visitors included Zoolab, Blunderbus Theatre Company, Fire Safety Officers and the Dogs Trust.
- The School Council organised many events, including three Coffee Mornings/Afternoons for local Senior Citizens.
- The SMSA organised many successful events, raising funds for many school activities and initiatives.
- Over £2,000 was raised for various charities including Children In Need, the Royal British Legion, British Heart Foundation, Comic Relief etc and our organisation of Stotfold Festival Fete enabled an additional cheque for nearly £2,000 to be forwarded to Lister Hospital Bluebell Children's Ward.

Key performance indicators

The Governors consider that the following are key performance indicators for the Academy Trust:

- Pupils numbers (leading directly to the Education Funding Agency ("EFA") funding level);
- General financial stability - aim for income to match expenditure each year;
- Percentage of income received from EFA spent on total staff costs;
- Income per pupil;
- Staff costs as a percentage of grant income;
- Staff costs as a percentage of total costs;
- Ofsted inspection results;
- Capital expenditure per pupil.

The Governors have been pleased that expectations for all key performance Indicators listed have been successfully met during the period.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Financial review

Fixed assets inherited are included in the Restricted Fixed Asset Fund; all other assets and liabilities, excluding the opening Local Government Pension Scheme position, are shown as a net donation into unrestricted funds. The opening Local Government Pension Scheme liability is shown within Restricted Funds.

Most of the Academy's recurrent income is obtained from the EFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2015, total expenditure of £1,270,235 was more than covered by recurrent grant funding from the EFA together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds) was £151,658.

At 31 August 2015, the net book value of fixed assets was £3,170,045 and movements in tangible fixed assets are shown in note 11 to the financial statements. During the period the assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Reserves policy

The academy's 'free' reserves are its funds after excluding restricted funds. 'Reserves' are therefore the resources the academy has or can make available to spend for any or all of the academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'free reserves' represent income to the academy which is to be spent at the Trustees' discretion in furtherance of any of the academy's objects but which is not yet spent, committed or designated.

The trustees review the reserve levels of the academy throughout the year. This review encompasses the nature of income and expenditure streams. The trustees will determine an appropriate level of free reserves which should provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves is £125,785.

Investment policy and powers

The Academy has looked at investment opportunities but feels there are currently insufficient funds to warrant an Investment Policy at this present time. Interest is currently received on cash in the Bank at a favourable rate and would require a large amount of funds to be invested for a significant period for any benefit to be seen.

Disabled employees

The policy of the Academy Trust is to support recruitment and retention of students and employees with disabilities. The Academy Trust does this by adapting the physical environment, by making support resources available. Our recruitment process includes a Guaranteed Interview Scheme. We have recently had a two storey extension, however no activity or facility will be available solely on the first floor so that no student or member of staff will be disadvantaged by not being able to access this area.

Equal opportunities

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

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Principal risks and uncertainties

The main risks that the Academy is exposed to are summarised below. For each of these risks the probability, impact and seriousness have been considered together with appropriate action and management plans:

Operational and reputational - this covers risks to the running of the Academy (including the capacity of staff and buildings to meet the needs of pupils) and its performance in delivering the curriculum.

Financial - covering risks to the Academy Trust's financial position, including revenue streams, cost control and cash management.

The risks to which the Academy Trust is exposed arise both internally and externally. External risks include those in respect of future funding levels, competition, changes to rules and regulations, and the financial position of the staff pension schemes.

The Academy Trust does not use complex financial instruments. It manages its activities using cash and various items such as trade debtors and trade creditors that arise directly from its operations.

The existence of these financial instruments exposes the Academy Trust to a number of financial risks which are described in more detail below. The main risks arising from the Trust's financial instruments are liquidity risk and cash flow interest rate risk.

Liquidity risk - The Trust manages its cash resources, including sufficient working capital, so that all its operating needs are met without the need for short-term borrowing.

Interest rate risk - The Trust earns interest on cash deposits. With interest rates currently low, the trustees will consider action to increase the income from these deposits, provided it does not jeopardise the liquidity or security of the Trust's assets.

Credit risk arises from the possibility that amounts owed to the Trust will not be repaid. The Trust does not undertake credit activities so it is only exposed to credit risk as it arises from normal business. Credit risk is managed through the use of approved banks and the prompt collection of amounts due.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1. Government funding

The academy has considerable reliance on continued government funding through the Education Funding Agency (EFA) and the Local Authority.

This risk has and will be mitigated in a number of ways:

- Funding is derived through a number of direct and indirect contractual arrangements;
- Considerable focus and investment is placed on maintaining and managing key relationships with the various funding bodies;
- Ensuring the academy is focused on those priority sectors which will continue to benefit from public funding;
- Contingency planning embedded into the academy budget process.

2. Maintain adequate funding of pension liabilities

The financial statements report the share of the local government pension scheme deficit on the academy's balance sheet in line with the requirements of FRS 17.

The academy takes professional advice on this position and makes appropriate contributions on the basis of that advice to ensure the deficit does not become unmanageable.

3. Pupil Strategy

The academy seeks to maintain its popularity with current and prospective pupils by:

- delivering high quality education and training. Where this is lacking, implementing processes to address this;
- striving to achieve outstanding success rates and good inspection outcomes;
- investing in its teaching staff and resources; and
- providing a welcoming and caring environment in which to learn.

This places the academy in a good position to attract new pupils.

Financial and risk management objectives and policies

[In relation specifically to 'financial instruments', the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations (SI 2008/410) Schedule 7 section 6(1) requires disclosure of the trust's financial risk management objectives and its exposure to financial risks including credit, cash flow and liquidity risks, unless not material for an assessment of its position and performance. However, given the nature of academies, and that the financial instruments that they deal with are largely bank balances, cash and trade creditors, with limited trade (and other) debtors, it is likely that only minimal disclosure will be required. It is likely that such information will not be material to the assessment of the trust's assets, liabilities, financial position and its results and therefore detailed disclosure may not be required. Reference may be required to its defined benefit pension schemes, particularly where there is a deficit as this may be material.]

Plans for future periods

Our priority is to improve the teaching and learning of the children where we can show increased progress and achieve a Good grading from Ofsted. Funds are being spent to support the work of the teaching staff and on data and data training so that staff can monitor all groups of children as required.

With increased capacity in school, we need to maintain the popularity of St Mary's but manage the intake to ensure that financial stability is maintained and affordability of staff and resources is not compromised.

Funds held as custodian trustee on behalf of others

The academy does not hold funds as a custodian trustee on behalf of others.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

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.

A resolution proposing that UHY Hacker Young (East) Limited be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 22.12.2015 and signed on its behalf by:



A Matthews

Co-Chair of Governors

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that St Mary's Church Of England Academy, Stotfold has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees 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 St Mary's Church Of England Academy, Stotfold and the Secretary of State for Education. They are also responsible for reporting to the board of 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 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
B Britt (Appointed 31 January 2015)	1	2
A Matthews (Co-Chair of Governors)	4	4
L Anderson	2	4
S Backhouse (Resigned 31 August 2015)	3	4
S Calver	2	4
N Smoley	2	4
G Warren	4	4
S May	4	4
K Pattullo	4	4
D Flanagan	4	4
S Bishop (Accounting officer)	4	4
J Street	4	4
R Thomley	2	4
J White	0	4
S Steptoe (Appointed 1 September 2014)	4	4
A Clarey	3	4

In September 2014, Mr John Street stepped down as Chair of Governors and Mr Robert Thomley along with Mrs Anna Matthews became joint Chair. This has worked well during the year as most if not all meetings have been attended by one of the Chairs. Mr Stephen Backhouse stepped back from his role as Responsible Officer due to work commitments so the services of a local Accounting professional were employed to undertake this work.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

A governance review was undertaken in the summer term 2014 resulting in the following:-

- Head's Report for Full Governor Meetings. This now follows the four Ofsted Areas of Achievement, Teaching and Learning, Behaviour and Safety, Leadership and Management. Governors appreciate the clarity of reports now and the Ofsted Action Plan is regularly updated and discussed at meetings.
- The Heads Report, Governors Agenda and Minutes have a sharper focus on priorities.
- Matters Arising now features towards the end of each meeting as a lot of areas were already on the Agenda and too much time was spent on less important points. Meetings now go straight into the Agenda and Meetings are more productive and informative.
- There was little evidence of challenge being made or this being recorded or evidenced. Governors now ask more questions and the Clerk incorporates these into the body of all Minutes. The length of Minutes has increased greatly!
- Governors should involve themselves more to seek parental opinions and not rely on the annual parent questionnaire undertaken by the academy. Governors now attend new parents evenings and other events to liaise with and get to know parents.
- The School Council regularly meets and will discuss ideas and put them to staff.
- Learning Walks have been made more focused and priorities listed on the feedback forms. Governors have spoken to both staff and children about what they are particularly looking at and this has been fed back to other Governors.
- Our website did not comply with all requirements. Two Governors took an in depth look at the website and came up with a list of requirements that needed implementing. The Headteacher took this on board and the website now meets requirements.
- Performance Management and teaching staff pay progression has been improved with formal procedures in place.
- We have created an Action Plan and this is updated regularly with evidence against it on what has been implemented.
- Pupil Premium and Sports Premium. The use and impact of these initiatives are now more closely monitored and records are in place to reflect this.

The Resources Committee is a sub-committee of the main board of trustees. The Resources Committee meets at least once a term but more frequent meetings can be arranged if necessary.

The main responsibilities of the Resources Committee are detailed in written terms of reference which have been authorised by the governing body. The main responsibilities include:

- The initial reviews and authorisation of the annual budget;
- The regular monitoring of actual expenditure and income against budget;
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the DFE guidance issued to academies;
- Authorising the award of contracts over £10,000;
- Authorising changes to the academy personnel establishment and ensure the school provides a safe educational environment.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
A Matthews (Co-Chair of Governors)	4	4
L Anderson	3	4
S Calver	4	4
G Warren	3	4
D Flanagan	4	4
S Bishop (Accounting officer)	4	4

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Review of value for money

As accounting officer the principal has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

Improving educational results:

During the 2014/15 year, St Mary's CE Academy has continued to employ Teaching Assistants to support Numeracy and Literacy in all classes. We also employed an additional Teaching Assistant, to undertake small group work covering phonics, Numeracy, Literacy and ELS for various children which will have included Pupil Premium children. As a consequence of these and other improvement strategies, our data shows improved attainment and progress across each age group.

Targeted improvement:

Following the appointment of the Head Teacher in January 2014 and our Ofsted Inspection in early March 2014 a lot of work has been undertaken to improve the standing of the Academy. Two members of our teaching staff attended Improving Teaching Courses and most if not all teaching staff have benefitted from other courses including some run by our Local Leader in Education. There is now more focus on handwriting, especially narrowing the gap between girls and boys and taking measures to improve pupil progress. Our marking policy has also been re-written and is consistent across the whole school. Our Governors have had training on data, staff performance and now feel informed enough to challenge the new Head in these areas.

Focus on individual pupils:

Across both Key Stages, additional support is given in small group settings for children of all capabilities covering those with SEN and more able children. In KS2, children are grouped according to ability for activities such as Numeracy and Spelling with additional support given to those who need it and extra challenges set for the more able children.

Collaboration:

We meet and work with a number of Heads through First Schools Alliance, Local Heads groups etc. As a result of our Ofsted Inspection, we have a National Leader in Education working alongside us and have been able to access a lot of information, resources and support through this.

Local Business Manager meetings to share good practise, support each other and negotiate better deals for goods and services.

New Initiatives:

Our decision to move school meals in-house has been a huge success. The Kitchen staff employed work really hard to make this initiative a success and our even with some small purchases of equipment over and above the funding received for the refurbishment of the kitchen, we broke even on costs. Historically, the school budget has had to considerably subsidise the school meal contract.

Quantifying improvements:

More pupil performance data is being collected with Key Stage Leaders accountable for their teams which ultimately, is used to evaluate the performance of the academy. Although disappointed with the Requires Improvement Ofsted judgement, we could not disagree with the areas identified so have moved forward positively to ensure we are a minimum of Good by our next inspection. On a financial level, our accounts show we have used resources appropriately but any comments made have been taken on board and will be improved upon.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Financial governance and oversight:

The Trustees meet on a regular basis, at least termly for both the Full Governing Body and Resources committee. A Financial procedures manual is in place. The Academy has a Responsible Officer who reports back to the Accounting Officer and Trustees. The financial statements are audited by UHY Hacker Young. Any expenditure that is for special projects etc is always referred to the Governing Body for approval or comment.

The previous issues with the Children's Centre were resolved during the year and this now runs well and is much more closely monitored.

Better purchasing:

Local Schools Business Managers meet on a termly basis. They share procurement experiences and talk about various initiatives to support each other etc.

Procedures set out in the Financial Procedures manual are followed regarding procuring of services which includes getting a number of quotes once a purchase exceeds £10,000. We believe that goods and services are procured on a what serves the academy's needs at the best possible cost.

Economies of scale:

Local Business Managers look at various options to work collaboratively to reduce costs. We have seen a reduction in the cost of Staff Absence Insurance and Broadband/Internet costs.

Better income generation:

We have become more proactive in ensuring income owed to us is recovered. We have one regular letting of our hall which is invoiced and paid half termly without issue. We also have an After School Hours Club and Children's Centre on site which we are now invoicing regularly to recoup full costs of utilities and other support and costs incurred by the academy on their behalf. The After School Hours Club has been changed to provide term time provision only as the costs of opening during holiday periods outweighed the income received.

Reviewing controls and managing risks:

Internal controls include regular meetings between the Accounting Officer and Business Manager with monthly salaries and all financial transactions being scrutinised and authorised as and when they occur. Any discrepancies or concerns are advised to the Accounting Officer immediately. The Accountancy Service and Auditors also visit to ensure regularity and compliance.

After discussion, Trustees have agreed that cash balances are insufficient to warrant additional investment at the current time.

Lessons learned:

Being a fairly small Academy Trust, we are learning all the time. Few other Lower Schools have converted locally but we do share experiences and support each other where we can. This is a continual process.

In the past twelve months we have undertaken the following:

- Moved School Meals in house. By removing the use of a Catering company with their high overheads, employing our staff direct and sourcing produce locally, we achieved a very small profit to school against previous years where the school budget had to prop up the cost of the meals service considerably. We also produce meals for another local Lower School which is working really well.
- Made the decision to move the After School Hours Club term time only. Numbers during holidays had been reducing greatly and this combined with lack and reluctance of appropriately qualified staff to run the Club during holiday periods has made this element of the provision unviable. The current running costs will be closely monitored to ensure the Club is self-financing.
- Reviewed our Health & Safety consultancy provision and moved to a more knowledgeable and school friendly company at around half the cost of what we had previously.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Mary's Church Of England Academy, Stotfold for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

- not to appoint an internal auditor. However the trustees have appointed Lorna Seymour, Seymour Accountancy Services, to perform additional checks.

The independent auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the independent auditor compiles a report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Review of effectiveness

As accounting officer the principal 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 Laura Seymour;
- the work of the external auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

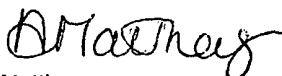
ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

GOVERNANCE STATEMENT (CONTINUED)

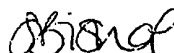
FOR THE YEAR ENDED 31 AUGUST 2015

The accounting officer has been advised of the implications of the result of their review of the system of internal control by Resources Committee and a plan to address any weaknesses and ensure continuous improvement of the system is evolving.

Approved by order of the board of trustees on 22/12/15..... and signed on its behalf by:



A Matthews
Co-Chair of Governors



S Bishop
Accounting officer

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

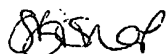
FOR THE YEAR ENDED 31 AUGUST 2015

As accounting officer of St Mary's Church of England Academy, Stotfold I have considered my responsibility to notify the academy trust board of trustees 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 for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust's board of trustees 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. If any instances are identified after the date of this statement, these will be notified to the board of trustees and EFA.

Approved on 22/12/15 and signed by:



S Bishop
Accounting Officer

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who also act as governors for St Mary's Church of England Academy, Stotfold and are also the directors of St Mary's Church of England Academy, Stotfold for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

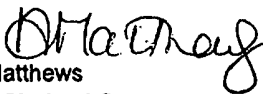
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 both of propriety and of good financial management. They are also responsible for ensuring that grants received from the EFADfE 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the board of trustees on 22/12/2015 and signed on its behalf by:


A Matthews
Co-Chair of Governors

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

We have audited the accounts of St Mary's Church of England Academy, Stotfold for the year ended 31 August 2015 set out on pages 30 to 55. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 25, the trustees, who are also the directors of St Mary's Church of England Academy, Stotfold for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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 accounts

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

Opinion on accounts

In our opinion the accounts:

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

Opinion on other matter prescribed by the Companies Act 2006

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

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

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 accounts 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.



Tim Maris FCA (Senior Statutory Auditor)
UHY Hacker Young (East) Limited

Chartered Accountants
Statutory Auditor
PO Box 501
The Nexus Building
Broadway
Letchworth Garden City
Herts
SG6 9BL

Dated: 22/12/15

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 15 May 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Mary's Church of England Academy, Stotfold during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to St Mary's Church of England Academy, Stotfold and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the St Mary's Church of England Academy, Stotfold 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 the St Mary's Church of England Academy, Stotfold and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St Mary's Church of England Academy, Stotfold's accounting officer and the reporting accountant

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

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by 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 trust's income and expenditure.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD 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 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Tim Maris FCA
Reporting Accountant
UHY Hacker Young (East) Limited

Dated: 22/12/15

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	Unrestricted funds £	Restricted funds £	Fixed Asset funds £	Total 2015 £	Total 2014 £
Incoming resources						
<i>Resources from generated funds</i>						
- Voluntary income	2	4,722	-	-	4,722	17,975
- Activities for generating funds	3	68,502	77,230	-	145,732	130,162
- Investment income	4	2,322	-	-	2,322	2,198
<i>Resources from charitable activities</i>						
- Funding for educational operations	5	-	970,820	6,655	977,475	1,753,219
- Other incoming resources from charitable activities	5	-	160,182	-	160,182	128,735
Total incoming resources		75,546	1,208,232	6,655	1,290,433	2,032,289
Resources expended						
<i>Costs of generating funds</i>						
- Relating to voluntary income	6	-	10,337	-	10,337	2,454
- Fundraising trading	6	-	-	-	-	70,220
<i>Charitable activities</i>						
- Educational operations	7	39,018	980,860	54,666	1,074,544	927,545
- Costs of other activities	7	-	163,439	-	163,439	166,235
Governance costs	8	-	21,915	-	21,915	25,299
Total resources expended	6	39,018	1,176,551	54,666	1,270,235	1,191,753
Net incoming/(outgoing) resources before transfers		36,528	31,681	(48,011)	20,198	840,536
Gross transfers between funds		-	122,734	(122,734)	-	-
Net income/(expenditure) for the year		36,528	154,415	(170,745)	20,198	840,536
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension scheme	19	-	(33,000)	-	(33,000)	(91,000)
Net movement in funds		36,528	121,415	(170,745)	(12,802)	749,536
Fund balances at 1 September 2014		89,257	(359,468)	3,340,790	3,070,579	2,321,043
Fund balances at 31 August 2015		125,785	(238,053)	3,170,045	3,057,777	3,070,579

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

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

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

CONSOLIDATED BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015 £	2014 £
Fixed assets			
Tangible assets	11	3,170,045	2,459,859
Current assets			
Stocks	13	1,688	1,700
Debtors	14	61,523	893,896
Cash at bank and in hand		299,918	172,507
		363,129	1,068,103
Current liabilities			
Creditors: amounts falling due within one year	15	(61,397)	(76,383)
Net current assets		301,732	991,720
Net assets excluding pension liability		3,471,777	3,451,579
Defined benefit pension liability	19	(414,000)	(381,000)
Net assets		3,057,777	3,070,579
Funds of the academy trust:			
Restricted funds	17		
- Fixed asset funds		3,170,045	3,340,790
- General funds		175,947	21,532
- Pension reserve		(414,000)	(381,000)
Total restricted funds		2,931,992	2,981,322
Unrestricted income funds	17	125,785	89,257
Total funds		3,057,777	3,070,579

The accounts were approved by order of the board of trustees and authorised for issue on 22/12/2015


A Matthews
Co-Chair of Governors

Company Number 07999942

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

ACADEMY BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	11		3,168,394		2,459,559
Investments	12		1		1
			<u>3,168,395</u>		<u>2,459,560</u>
Current assets					
Stocks	13	1,688		1,700	
Debtors	14	61,523		879,390	
Cash at bank and in hand		276,840		154,567	
		<u>340,051</u>		<u>1,035,657</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(49,284)		(53,226)	
		<u></u>		<u></u>	
Net current assets			290,767		982,431
Net assets excluding pension liability			<u>3,459,162</u>		<u>3,441,991</u>
Defined benefit pension liability	19		(414,000)		(381,000)
			<u></u>		<u></u>
Net assets			<u>3,045,162</u>		<u>3,060,991</u>
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			3,170,045		3,332,004
- General funds			163,332		11,945
- Pension reserve			(414,000)		(381,000)
			<u>2,919,377</u>		<u>2,962,949</u>
Total restricted funds			2,919,377		2,962,949
Unrestricted income funds	17		125,785		98,042
			<u>3,045,162</u>		<u>3,060,991</u>
Total funds			<u>3,045,162</u>		<u>3,060,991</u>

The accounts were approved by order of the board of trustees and authorised for issue on 22/12/2015


A Matthews
Co-Chair of Governors

Company Number 07999942

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Net cash inflow/(outflow) from operating activities	20	880,977	(30,547)
Returns on investments and servicing of finance			
Investment income	2,322	2,198	
Net cash inflow/(outflow) from returns on investments and servicing of finance		2,322	2,198
		883,299	(28,349)
Corporation tax repaid		2,469	-
Capital expenditure and financial investments			
Capital grants received	6,655	94,988	
Payments to acquire tangible fixed assets	(765,025)	(60,604)	
Net cash flow from capital activities		(758,370)	34,384
Increase/(decrease) in cash	21	127,398	6,035

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.1 Basis of preparation

The accounts 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 2014 to 2015 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Academy alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

1.2 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 company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the accounts.

1.3 Incoming resources

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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 the value of the donation 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.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

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 the academy trust's policies.

1.4 Resources expended

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

Costs of generating funds

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

Charitable activities

These are costs incurred on the academy trust's educational operations.

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Land and buildings are included that are owned by the church and leased to St Mary's Church of England Academy and leased to the academy. The trustees consider that the substance of the lease is such that the academy has the rights to the principal benefits generated by the land and buildings, therefore under FRS 5, they have recognised the land and buildings owned by the church as assets of St Mary's Church of England Academy.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

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

Land and buildings	2% straight line
Computer equipment	25% straight line
Fixtures, fittings & equipment	25% straight line

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

1.6 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.7 Investments

Fixed asset investments are stated at historic cost.

1.8 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.9 Taxation

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

1.10 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 19, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

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

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency and 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 Education Funding Agency and Department for Education.

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Other donations	4,722	-	4,722	17,975

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Catering income	40,145	-	40,145	28,132
Lettings income	2,018	-	2,018	6,927
School trip income	-	11,841	11,841	19,873
Other income	26,339	65,389	91,728	75,230
	68,502	77,230	145,732	130,162

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Short term deposits	2,322	-	2,322	2,198

5 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
DfE / EFA grants				
General annual grant (GAG)	-	858,500	858,500	780,557
Capital grants	-	6,655	6,655	41,728
Other DfE / EFA grants	-	75,992	75,992	26,262
	-	941,147	941,147	848,547
Other government grants				
Local authority grants	-	6,718	6,718	904,672
Other funds				
Other incoming resources	-	29,610	29,610	-
Total funding	-	977,475	977,475	1,753,219

Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Funding for the Academy's educational operations (per above)	-	977,475	977,475	1,753,219
Childrens Sure Start Centre	-	160,182	160,182	128,735
	-	1,137,657	1,137,657	1,881,954

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

6 Resources expended

	Staff costs £	Premises & equipment £	Other costs £	Total 2015 £	Total 2014 £
Academy's educational operations					
- Direct costs	566,136	-	40,203	606,339	761,385
- Allocated support costs	264,120	84,936	119,149	468,205	166,160
	<u>830,256</u>	<u>84,936</u>	<u>159,352</u>	<u>1,074,544</u>	<u>927,545</u>
Other expenditure					
Costs of generating voluntary income	-	-	10,337	10,337	2,454
Costs of activities for generating funds	-	-	-	-	70,220
Governance costs	-	-	21,915	21,915	25,299
Childrens sure start centre	120,463	2,114	40,862	163,439	166,235
	<u>120,463</u>	<u>2,114</u>	<u>73,114</u>	<u>195,691</u>	<u>264,208</u>
Total expenditure	<u>950,719</u>	<u>87,050</u>	<u>232,466</u>	<u>1,270,235</u>	<u>1,191,753</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

7 Charitable activities

	Unrestricted funds	Restricted funds	Childrens sure start centre	Total 2015	Total 2014
	£	£	£	£	£
Direct costs					
Teaching and educational support staff costs	-	545,676	-	545,676	667,848
Technology costs	-	-	-	-	1,807
Educational supplies and services	-	37,547	-	37,547	44,253
Staff development	-	20,460	2,608	23,068	173
Educational consultancy	-	2,640	-	2,640	1,675
Other direct costs	-	16	20,806	20,822	71,231
	-	606,339	23,414	629,753	786,987
Allocated support costs					
Support staff costs	-	264,120	117,855	381,975	132,432
Depreciation	-	54,666	174	54,840	-
Technology costs	-	3,460	1,898	5,358	1,182
Maintenance of premises and equipment	-	30,270	1,329	31,599	20,523
Cleaning	-	1,922	325	2,247	1,496
Energy costs	-	19,651	460	20,111	16,136
Rent and rates	-	4,940	-	4,940	13,620
Insurance	-	5,078	1,307	6,385	13,545
Catering	39,018	-	-	39,018	38,153
Other support costs	-	45,080	16,677	61,757	69,706
	39,018	429,187	140,025	608,230	306,793
Total costs	39,018	1,035,526	163,439	1,237,983	1,093,780

8 Governance costs

	Unrestricted funds	Restricted funds	Total 2015	Total 2014
	£	£	£	£
Legal and professional fees	-	13,215	13,215	11,753
Auditor's remuneration				
- Audit of financial statements	-	7,450	7,450	7,600
- Other audit costs	-	1,250	1,250	2,500
Support staff costs	-	-	-	3,446
	-	21,915	21,915	25,299

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

9 Staff costs

	2015 £	2014 £
Wages and salaries	763,511	689,681
Social security costs	41,311	39,722
Other pension costs	122,829	114,156
	<u>927,651</u>	<u>843,559</u>
Staff development and other staff costs	20,460	4,918
Total staff costs	<u>948,111</u>	<u>848,477</u>

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

	2015 Number	2014 Number
Teachers	7	8
Administration and support	16	10
Management	2	1
Childrens Centre	2	4
	<u>27</u>	<u>23</u>

There were no employees whose annual remuneration was £60,000 or more.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

10 Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

The value of trustees' remuneration and other benefits was as follows:

S Bishop (Principal and Trustee):

Remuneration: £50,000 - £55,000 (2014: £30,000 - £35,000)

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

K Pattullo (Staff member and Trustee):

Remuneration: £35,000 - £40,000 (2014: £35,000 - £40,000)

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

S May (Staff member and Trustee):

Remuneration: £15,000 - £20,000 (2014: £15,000 - £20,000)

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

D Flanagan (Staff member and Trustee):

Remuneration: £30,000 - £35,000 (2014: £30,000 - £35,000)

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

Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £630 (2014: £645).

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

11 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
Group Cost	£	£	£	£
At 1 September 2014	2,491,550	25,490	54,732	2,571,772
Additions	748,682	14,531	1,813	765,026
At 31 August 2015	3,240,232	40,021	56,545	3,336,798
Depreciation				
At 1 September 2014	89,538	12,655	9,720	111,913
Charge for the year	33,025	7,774	14,041	54,840
At 31 August 2015	122,563	20,429	23,761	166,753
Net book value				
At 31 August 2015	3,117,669	19,592	32,784	3,170,045
At 31 August 2014	2,402,012	12,835	45,012	2,459,859

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
Academy Cost	£	£	£	£
At 1 September 2014	2,491,550	25,040	54,732	2,571,322
Additions	748,682	13,006	1,813	763,501
At 31 August 2015	3,240,232	38,046	56,545	3,334,823
Depreciation				
At 1 September 2014	89,538	12,505	9,720	111,763
Charge for the year	33,025	7,600	14,041	54,666
At 31 August 2015	122,563	20,105	23,761	166,429
Net book value				
At 31 August 2015	3,117,669	17,941	32,784	3,168,394
At 31 August 2014	2,402,012	12,535	45,012	2,459,559

Included within land and buildings are assets with a net book value of £830,482 (2014: £81,800) that were under construction at the balance sheet date, and as such were not depreciated during the year.

Included within land and buildings are assets that are owned by the church and leased to St Mary's Church of England Academy. The trustees consider that the substance of the lease is such that the academy has the rights to the principal benefits generated by the land and buildings, therefore under FRS 5, they have recognised the land and buildings owned by the church as assets of St Mary's Church of England Academy.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

12 Fixed asset investments

	£
Academy	
Market value	
At 1 September 2014 and at 31 August 2015	1
	<u>1</u>
Historical cost:	
At 31 August 2015	1
	<u>1</u>
At 31 August 2014	1
	<u>1</u>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Principal activities	Shares held
			%
Subsidiary undertakings			
Stotfold and District Children's Centre C.I.C. (formerly St Mary's CE Academy Stotfold (Trading) Limited)	England	Operation of Childrens Sure Start Centre	100

13 Stocks	2015	2014
	£	£
Group		
Finished goods and goods for resale	1,688	1,700
	<u>1,688</u>	<u>1,700</u>
Academy		
Finished goods and goods for resale	1,688	1,700
	<u>1,688</u>	<u>1,700</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

14 Debtors	2015	2014
	£	£
Group		
Trade debtors	5,261	457
Other debtors	38,601	40,353
Prepayments and accrued income	17,661	853,086
	<u>61,523</u>	<u>893,896</u>
Academy		
Trade debtors	5,261	2,618
Other debtors	38,601	23,687
Prepayments and accrued income	17,661	853,085
	<u>61,523</u>	<u>879,390</u>
15 Creditors: amounts falling due within one year	2015	2014
	£	£
Group		
Bank overdrafts	13	-
Trade creditors	8,422	11,224
Other creditors	4,415	2,551
Accruals	8,700	47,373
Deferred income	39,847	15,235
	<u>61,397</u>	<u>76,383</u>
Academy		
Bank overdrafts	13	-
Trade creditors	8,422	10,453
Other creditors	4,415	2,551
Accruals	7,500	12,500
Deferred income	28,934	27,722
	<u>49,284</u>	<u>53,226</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

16	Deferred Income	2015 £	2014 £
	Deferred income is included within:		
	Group creditors due within one year	39,847	15,235
	Academy creditors due within one year	28,934	27,722
	Group		
	Total deferred income at 1 September 2014	15,235	32,043
	Amounts credited to the statement of financial activities	(15,235)	(32,043)
	Amounts deferred in the year	39,847	15,235
	Total deferred income at 31 August 2015	39,847	15,235
	Academy		
	Deferred income at 1 September 2014	27,722	-
	Amounts credited to the statement of financial activities	(27,722)	-
	Amounts deferred in the year	28,934	27,722
	Total deferred income at 31 August 2015	28,934	27,722

At the balance sheet date the academy was holding funds in advance for free school meals and the subsidiary was holding funds in advance for CBC Sure Start Funding.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Consolidated funds

	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2015 £
Restricted general funds					
General Annual Grant	-	858,500	(926,350)	122,734	54,884
Other DfE / EFA grants	-	75,992	(75,992)	-	-
Other government grants	-	6,718	(6,718)	-	-
SMASH club	11,945	-	-	-	11,945
Childrens centre	9,587	160,182	(157,154)	-	12,615
Other restricted funds	-	106,840	(10,337)	-	96,503
	<u>21,532</u>	<u>1,208,232</u>	<u>(1,176,551)</u>	<u>122,734</u>	<u>175,947</u>
Funds excluding pensions	21,532	1,208,232	(1,176,551)	122,734	175,947
Pension reserve	(381,000)	-	-	(33,000)	(414,000)
	<u>(359,468)</u>	<u>1,208,232</u>	<u>(1,176,551)</u>	<u>89,734</u>	<u>(238,053)</u>
Restricted fixed asset funds					
DfE / EFA capital grants	47,660	6,655	(54,666)	(122,734)	(123,085)
Government capital grant	957,990	-	-	-	957,990
Capital expenditure from GAG or other funds	2,335,140	-	-	-	2,335,140
	<u>3,340,790</u>	<u>6,655</u>	<u>(54,666)</u>	<u>(122,734)</u>	<u>3,170,045</u>
Total restricted funds	<u>2,981,322</u>	<u>1,214,887</u>	<u>(1,231,217)</u>	<u>(33,000)</u>	<u>2,931,992</u>
Unrestricted funds					
General funds	89,257	75,546	(39,018)	-	125,785
	<u>89,257</u>	<u>75,546</u>	<u>(39,018)</u>	<u>-</u>	<u>125,785</u>
Total funds	<u>3,070,579</u>	<u>1,290,433</u>	<u>(1,270,235)</u>	<u>(33,000)</u>	<u>3,057,777</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Consolidated funds

(Continued)

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

General Annual Grant

The General Annual Grant (GAG) must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Other DfE / EFA grants

This represents other funding for various purposes including pupil premium, sports funding, training and other pupil related activities.

Other restricted funds

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant.

Pensions Reserve

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme.

Restricted fixed asset fund

The restricted fund asset fund was funded predominantly by the funds inherited on conversion to an academy from the local authority following the transfer of the land and buildings.

Devolved Formula Grant (DFG)

The academy is to use the Devolved Formula Grant allocation to maintain and improve its buildings and facilities.

Academies Capital Maintenance Fund (ACMF)

The academy is required to use the funding for the specific project as defined within the funding agreement.

18 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	-	-	3,170,045	3,170,045
Current assets	168,555	194,574	-	363,129
Creditors falling due within one year	(42,770)	(18,627)	-	(61,397)
Defined benefit pension liability	-	(414,000)	-	(414,000)
	<u>125,785</u>	<u>(238,053)</u>	<u>3,170,045</u>	<u>3,057,777</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations

The academy trust'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 Hymans Robertson LLP. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and that of the LGPS related to the period ended 31 March 2013.

Contributions amounting to £75,000 (2014: £62,000) were payable to the schemes at 31 August 2015 and are included within creditors.

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.

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to the TPS in the period amounted to £48,612 (2014: £48,023).

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations

(Continued)

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust 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 contributions are as noted below. The agreed contribution rates for future years are 25% for employers and 5.5% - 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £72,000.

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

Contributions made	2015 £	2014 £
Employer's contributions	75,000	62,000
Employees' contributions	20,000	16,000
Total contributions	<u>95,000</u>	<u>78,000</u>
Principal actuarial assumptions	2015 %	2014 %
Rate of increase in salaries	3.6	3.50
Rate of increase for pensions in payment	2.7	2.70
Discount rate for scheme liabilities	3.8	3.70
Inflation assumption (CPI)	<u>3.8</u>	<u>5.40</u>

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

	2015 Years	2014 Years
Retiring today		
- Males	22.4	22.4
- Females	24.3	24.3
Retiring in 20 years		
- Males	24.4	24.4
- Females	<u>26.8</u>	<u>26.8</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations

(Continued)

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

	2015 Expected return %	2015 Fair value £	2014 Expected return %	2014 Fair value £
Equities	3.8	491,000	6.30	432,000
Bonds	3.8	132,000	3.30	119,000
Property	3.8	81,000	4.50	56,000
Other assets	3.8	29,000	3.30	19,000
Total market value of assets		733,000		626,000
Present value of scheme liabilities -funded		(1,147,000)		(1,007,000)
Net pension asset / (liability)		(414,000)		(381,000)

Amounts recognised in the statement of financial activities

	2015 £	2014 £
Operating costs/(income)		
Current service cost (net of employee contributions)	101,000	65,000
Past service cost	-	-
Total operating charge	101,000	65,000
Finance costs/(income)		
Expected return on pension scheme assets	37,000	30,000
Interest on pension liabilities	(39,000)	(36,000)
Net finance costs/(income)	(2,000)	(6,000)
Total charge/(income)	99,000	59,000

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations

(Continued)

Actuarial gains and losses recognised in the statement of financial activities

	2015 £	2014 £
Actuarial (gains)/losses on assets: actual return less expected	22,000	(46,000)
Experience (gains)/losses on liabilities	(17,000)	137,000
(Gains)/losses arising from changes in assumptions	-	-
Total (gains)/losses	5,000	91,000

Cumulative (gains)/losses to date	99,000	94,000
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Movements in the present value of defined benefit obligations

	2015 £	2014 £
Obligations at 1 September 2014	(1,007,000)	(755,000)
Current service cost	(101,000)	(65,000)
Interest cost	(39,000)	(36,000)
Contributions by employees	(20,000)	(16,000)
Actuarial gains/(losses)	17,000	(137,000)
Benefits paid	3,000	2,000
At 31 August 2015	(1,147,000)	(1,007,000)

Movements in the fair value of scheme assets

	2015 £	2014 £
Assets at 1 September 2014	626,000	474,000
Expected return on assets	37,000	30,000
Actuarial gains/(losses)	(22,000)	46,000
Contributions by employers	75,000	62,000
Contributions by employees	20,000	16,000
Benefits paid	(3,000)	(2,000)
At 31 August 2015	733,000	626,000

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations (Continued)

History of experience gains and losses

	2015 £	2014 £
Present value of defined benefit obligations	(1,147,000)	(1,007,000)
Fair value of share of scheme assets	733,000	626,000
Surplus / (deficit)	<u>(414,000)</u>	<u>(381,000)</u>
Experience adjustment on scheme assets	(22,000)	46,000
Experience adjustment on scheme liabilities	<u>17,000</u>	<u>(137,000)</u>

20 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2015 £	2014 £
Net income	17,729	767,387
Capital grants and similar income	(6,655)	(938,400)
Investment income	(2,322)	(2,198)
Depreciation of tangible fixed assets	54,840	48,208
(Increase)/decrease in stocks	12	(1,700)
(Increase)/decrease in debtors	832,373	(879,390)
Increase/(decrease) in creditors	(15,000)	53,226
Net cash inflow/(outflow) from operating activities	<u>880,977</u>	<u>(952,867)</u>

21 Reconciliation of net cash flow to movement in net funds

	2015 £	2014 £
Increase/(decrease) in cash	127,398	6,035
Net funds at 1 September 2014	<u>172,507</u>	<u>166,472</u>
Net funds at 31 August 2015	<u>299,905</u>	<u>172,507</u>

22 Analysis of net funds

	At 1 September 2014 £	Cash flows £	Non-cash changes £	At 31 August 2015 £
Cash at bank and in hand	172,507	127,411	-	299,918
Bank overdrafts	-	(13)	-	(13)
	<u>172,507</u>	<u>127,398</u>	<u>-</u>	<u>299,905</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

23 Commitments under operating leases

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

	2015 £	2014 £
Group		
Expiry date:		
- Between two and five years	1,606	1,606
Academy		
Expiry date:		
- Between two and five years	1,606	1,606

24 Capital commitments

	2015 £	2014 £
Group		
Expenditure contracted for but not provided in the accounts	165,519	-
Academy		
Expenditure contracted for but not provided in the accounts	165,519	-

25 Related parties

Owing to the nature of the academy trust's and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. The following related party transactions took place in the period of account.

Haskins & Morrow - a partnership in which A Morrow (employee of the academy) is a close family member of one of the partners:

- The academy purchased services totalling £2,700 (2014: £nil) during the year. There was no balance outstanding at 31 August 2015 (2014: £nil).
- The trust made the purchase at arms' length.
- In entering into the transaction the trust has complied with the requirements of EFA's Academies Financial Handbook.

Streets Process Colour Print & Design Limited - a company in which J Street (Governor) is a close family member of a director:

- The academy purchased goods totalling £796 (2014: £30) during the year. There was no balance outstanding at 31 August 2015 (2014: £nil).
- The trust made the purchase at arms' length.
- In entering into the transaction the trust has complied with the requirements of EFA's Academies Financial Handbook

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

26 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.