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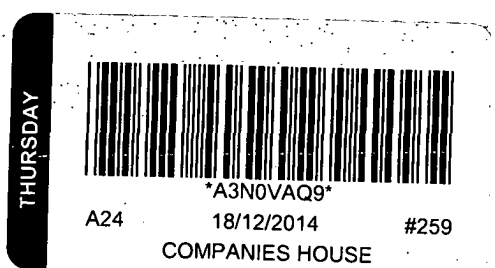
**RIDDLESDOWN COLLEGIATE**

**(A company limited by guarantee)**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2014**



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**RIDDLESDOWN COLLEGIATE**  
**(A company limited by guarantee)**

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**RIDDLESDOWN COLLEGIATE**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS DIRECTORS AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2014**

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**Trustees**

Mr P Khan, Chair of Directors<sup>1,3</sup>  
Mr G H Smith, Principal & Accounting Officer<sup>1,2</sup>  
Mr C Simpson (resigned 1 July 2014)<sup>3</sup>  
Mr A Davies (resigned 2 October 2013)<sup>2</sup>  
Mr M Whittaker<sup>1</sup>  
Mrs S Tyler (resigned 31 August 2014)  
Mrs K Myring<sup>2,3</sup>  
Mrs E Ash<sup>2</sup>  
Mr P Todd (resigned 8 January 2014)<sup>1,3</sup>  
Ms W Prichard-Smith  
Mrs S Anderson, Staff Director  
Mr C Hotham  
Mrs S Moys (resigned 5 March 2014)<sup>1</sup>  
Mrs J Aarons (appointed 17 July 2014)  
Mr A Cameron, Staff Director (appointed 26 November 2013)

<sup>1</sup> Members of the Finance and Resources committee

<sup>2</sup> Members of the Audit Committee

<sup>3</sup> Members who signed the Funding Agreement

**Current arrangements following restructure**

Mr P Khan – Chair of Directors & Oversight Director, Effectiveness & Governance & Safeguarding  
Mr G H Smith, Principal & Accounting Officer  
Mr M Whittaker – Oversight Director, F&R, Audit & Premises  
Mrs K Myring – Oversight Director, HR & Health & Safety  
Mrs E Ash – Oversight Director, Community & Marketing  
Ms W Prichard Smith – Oversight Director, Behaviour & Inclusion  
Mr C Hotham – Oversight Director, Curriculum & Standards  
Mrs J Aarons – Oversight Director, SEN & PPG  
Mrs S Anderson – Staff Director  
Mr A Cameron – Staff Director

**Company registered number**

08058921

**Registered office**

Honister Heights  
Purley  
Surrey  
CR8 1EX

**Company secretary**

Mr D Clarke

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**RIDDLESDOWN COLLEGIATE**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS DIRECTORS AND ADVISERS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**Administrative details (continued)**

**Chief executive officer**

Mr G H Smith

**Senior management team**

G H Smith, Principal & Accounting Officer

S Dey, Senior Vice Principal

D Clarke, Business Manager

K Targett, Vice Principal

R Moorhouse, Vice Principal

D Wilkinson, Vice Principal

**Independent auditor**

PKF Littlejohn LLP

1 Westferry Circus

Canary Wharf

London

E14 4HD

**Bankers**

Lloyds Bank

95 George Street

Town Centre

Croydon

CR9 2NS

**Solicitors**

Veal Wasbrough Vizards LLP

Barnards Inn

86 Fetter Lane

London

EC4A 1AD

**Accountants and Internal Auditors**

Bayar Hughes & Co Ltd

4 Green Lane Business Park

238 Green Lane

London

SE9 3TL

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**RIDDLESDOWN COLLEGIATE**  
**(A company limited by guarantee)**

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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The Directors (who are also directors of the charity for the purposes of the Companies Act) present their report together with the audited financial statements of Riddlesdown Collegiate (the Academy) for the year to 31 August 2014. The Directors confirm that the Directors' Report and Financial Statements of the Academy comply with the current statutory requirements, the requirements of the Academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**STRUCTURE, GOVERNANCE & MANAGEMENT**

**a. Constitution**

The Academy is a charitable company limited by guarantee and an exempt charity, and was set up by a Memorandum of Association on 4 May 2012. The Academy replaced the existing School (also known as Riddlesdown Collegiate) on 1 June 2012. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Memorandum and Articles of Association were amended on 1 September 2014 as described in the section on Organisational Structure below.

Details of the directors who served during the year are included in the Reference and Administrative Details on page 1.

**b. Members' Liability**

Each member of the charitable company undertakes to contribute to the assets of the 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.

**c. Method of recruitment and appointment of Directors**

Directors are appointed in accordance with the Articles of Association and are recruited through nomination or ballot or by appointment through the Members or Academy Trust, the Riddlesdown & Woodcote Trust or the Local Authority. Up to two Directors are appointed by the Members, up to four Foundation Directors are appointed by the Riddlesdown & Woodcote Trust and one local authority Director is appointed by the local authority. Parent Directors are elected by parents of registered students at the academy. In the event of more than one nomination for a vacancy, a ballot would be held; voting is held in accordance with the Articles. Staff Directors are appointed by the Academy Trust. In the event of a vacancy, nominations are sought from eligible staff. In the event of more than one nomination, a ballot would be held in accordance with arrangements determined by the Academy Trust.

After dissolution of the Trust in August 2014, Directors are recruited in the same manner as before and appointed to the Riddlesdown Collegiate Academy Trust.

**d. Policies and Procedures Adopted for the Appointment and Induction of Directors**

The induction and training of Directors will vary depending on the expertise and experience of the individual. All Directors receive copies of all committee meetings and will meet with key members of staff to gain an understanding of the Collegiate. The Collegiate also purchases the Governor Training Scheme from the Local Authority and subscribes to the National Governors' Association.

**e. Organisational Structure**

During the year the Academy, Riddlesdown Collegiate, was part of an Umbrella Trust with Woodcote High

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**RIDDLEDOWN COLLEGIATE**  
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**DIRECTORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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School. The Riddlesdown & Woodcote Trust (RWT) appointed a minority of Directors to each of the separate Academy Trusts for the two schools; RWT was itself an exempt charity and company limited by guarantee, but carried no legal or financial responsibility for the Academy or its governing body, known as Riddlesdown Collegiate Academy Trust (RCAT).

RCAT consists of five Members, who have appointed a Board of fifteen Directors to which they have delegated the strategic leadership of the Academy. The Board of Directors of RCAT, referred to individually as Directors, is therefore the Governing Body of Riddlesdown Collegiate. The Directors of RCAT are listed in the Reference and Administrative Details on page 1. Until 31 August 2014 each of the Directors sat on one of the three main Committees of RCAT; Community Committee (CC), Curriculum and Standards Committee (C&S), Finance and Resources Committee (F&R). With effect from 1 September 2014 these Committees have been dissolved and individual Directors have assumed oversight of key strategic areas of the Academy Trust, as detailed on page 1.

With effect from 1 September 2014, RWT has been dissolved and the Articles of Association for RCAT have been amended accordingly. As a result the number of Directors on RCAT is reduced to 10 from 1 September 2014.

**f. Connected Organisations & related Party Relationships**

Up to 31 August 2014, the Riddlesdown and Woodcote Trust acted as a foundation for schools within the Trust and consisted of - Riddlesdown Collegiate and Woodcote High School. The two schools each nominated a representative from their respective academy trusts who was appointed to the Riddlesdown & Woodcote Trust Board together with a representative from each of the Trust Partner organisations. Under the Trust's Articles it has the power to both appoint and remove Foundation Directors appointed to RCAT. As noted above, the RWT was dissolved from 1 September 2014.

**g. Risk Management**

The Directors have assessed the major risks to which the Academy is exposed, in particular those related to the operations and finances of the Academy, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

**h. DIRECTORS' INDEMNITIES**

The Academy Trust indemnifies Directors through Zurich Insurance at a cost of £448.91 (including Insurance Premium tax at 6%).

**Objectives and Activities**

**a. Objectives, Strategies & Activities**

The principle object of the Academy is to provide education to students from the age of 11 through to 19. Working with all stakeholders the Academy provides the highest standard of education, care, support and guidance and to ensure that every student maximises their individual potential.

The Academy's main objectives are to advance, for the public benefit, education in the United Kingdom, in particular but without prejudice, to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy"); and to promote for the benefit of individuals living in Croydon and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the

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**RIDDLEDOWN COLLEGIATE**  
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**DIRECTORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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object of improving the condition of life of the said individual; in setting the objectives and planning activities

**b. Public Benefit**

The Directors have given careful consideration to the Charity Commissions general guidance on public benefit and believes it has conducted the Academy's business in accordance with the highest standards of integrity, probity and openness.

**STRATEGIC REPORT**

**a. Achievements and Performance**

The Academy Trust achieved a very strong set of examination results in 2013/14 with 74% of students achieving 5 A- C including English and Maths against a target of 75%. Attendance of students was also very high at 96.1% against a target of 97%. A new appraisal policy which links salary progression with performance has also been introduced during the year.

The budget plan was delivered on budgetmet and the Collegiate will be in surplus heading into 2014/15. All statutory returns were made on time.

**b. Going Concern**

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

**c. Key Financial Performance Indicators**

Directors have not set any specific financial indicators beyond the requirement that the financial position is reviewed regularly to ensure that the Collegiate does not operate a deficit budget. The key performance measures are non financial but focus on the key priorities as detailed in the Collegiate Development Plan.

**Financial review**

**a. Financial & Risk Management Objectives**

The Directors regularly monitor reserves to ensure that the Academy has sufficient funds to meet all of its obligations and that there is no disruption to the education of students. The Directors have assessed risk to which the Academy is exposed, in particular those related to the specific teaching and safeguarding of students and staff. They have in place a detailed risk register with control measures and action plans in place in order to minimise risk.

**b. Principal Risks & Uncertainties**

The Directors have considered the principal risks that the Academy could potentially be exposed to. A central risk register has been prepared and is reviewed regularly by Directors, which will allow the Academy to identify and respond quickly to any risks.

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**RIDDLESDDOWN COLLEGIATE**  
**(A company limited by guarantee)**

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**DIRECTORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**c. Reserves Policy**

The Academy does not have a formalised policy on reserves. Levels of reserves are reported to Directors on a regular basis to ensure that there are sufficient levels to meet all future obligations and to not build up excessive reserve levels.

Should the Academy seek to place funds into any longer term investments, the Board of Directors would be responsible for making such decisions.

**d. Financial review**

As of 31 August 2014 the Academy held funds of £269,068 (excluding pension and fixed assets) and £768,832 of general unrestricted funds. The Academy's share of the LGPS pension scheme deficit at 31 August 2014 is £1,932,000 (calculated by actuaries in accordance with FRS17).

The Fixed Asset fund of £24,492,450 is not available for spending as it represents the net book value of fixed assets transferred from the predecessor school and subsequent additions and disposals thereto. Future depreciation will be charged against this fund.

**e. Investments Policy**

The Academy currently has no other investments other than funds held in the Academy's bank accounts.

**PLANS FOR FUTURE PERIODS**

**a. Future Developments**

The Academy has a three year Strategic Plan (2012-15) with the following strategic drivers::

- Strategic Driver 1 – student achievement and standards:
- Strategic Driver 2 – staff performance and development
- Strategic Driver 3 – business planning and management.

Deriving from this the Academy prepares an annual Collegiate Development Plan (CDP) which for in 2013/2014 has set the following priorities:

Priority 1 – For teaching and learning over time to be at least consistently Good across the Collegiate so that the proportions of students attaining and making and exceeding expected progress compare favourably with national figures.

Priority 2 – To ensure that assessment information is used consistently well so that the proportions of students attaining and making and exceeding expected progress compare favourably with national figures.

Priority 3 – To ensure that students' attitude to learning is exemplary and skilled behaviour management is highly consistent so that the proportions of students attaining and making and exceeding expected progress compare favourably with national figures.

Priority 4 – To ensure that all leaders of teaching and learning are consistently delivering the highest standards so that the proportions of students attaining and making and exceeding expected progress compare favourably with national figures.

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**RIDDLESLOW COLLEGIATE**  
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**DIRECTORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

No funds are held as custodian trustees on behalf of others by the Academy.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as the Directors are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Directors have taken all the steps that ought to have been taken by Directors in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

**AUDITORS**

The auditors, PKF Littlejohn LLP, were appointed during the period and have indicated their willingness to continue in office. The Designated Directors will propose a motion re-appointing the auditors at a meeting of the Directors.

This report, incorporating the Strategic report, was approved by order of the Board of Directors, as the company directors, on 9 December 2014 and signed on the board's behalf by:



**Mr P Khan,**  
**Chair of Directors**

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**RIDDLEDOWN COLLEGIATE**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

As Directors, we acknowledge we have overall responsibility for ensuring that Riddlesdown Collegiate 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 Directors has delegated the day-to-day responsibility to the Principal, 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 Riddlesdown Collegiate and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Directors' report and in the Directors' responsibilities statement. The Board of Directors has formally met 4 times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

Director	Meetings attended	Out of a possible
Mr P Khan, Chair of Directors	4	4
Mr G H Smith, Principal & Accounting Officer	4	4
Mr C Simpson	2	3
Mr A Davies	0	0
Mr M Whittaker	4	4
Mrs S Tyler	3	4
Mrs K Myring	3	4
Mrs E Ash	4	4
Mr P Todd	1	1
Ms W Prichard-Smith	4	4
Mrs S Anderson, Staff Director	4	4
Mr C Hotham	4	4
Mrs S Moys	2	2
Mrs J Aarons	0	0
Mr A Cameron, Staff Director	3	3

**Governance reviews:**

A review was carried out during 2013/14 of the workings of the Academy Trust Board which decided that each Director should now have an area of oversight and report back to the whole board on this area rather than meet in sub-committees. This will come into effect in September 2014 details of oversight areas are shown on page 1.

The new governance structure will be reviewed during 2014/15.

The Finance and Resources Committee is a sub-committee of the main Board of Directors. Its purpose is to ensure that funds are used in accordance with budgets set for each year, the academy's objectives and with the relevant funding agreements, and to ensure that the necessary controls are in place to safeguard the academy's assets. It also provides a link between the finance team and the auditors to ensure timely completion of the audit in accordance with the EFA guidelines.

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**RIDDLESDOWN COLLEGIATE**  
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**GOVERNANCE STATEMENT (continued)**

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Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a possible
Mr M Whittaker	6	6
Mrs S Moys	3	3
Mr P Khan, Chair of Directors	6	6
Mr G H Smith, Principal & Accounting Officer	4	4
Mr P Todd	3	3
Mrs K Myring	1	2

The Audit Committee is also a sub-committee of the main Board of Directors. Its purpose is to provide a link between the finance team and the auditors to ensure timely completion of the audit in accordance with the EFA guidelines.

Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a possible
Mrs E Ash	0	0
Mrs K Myring	0	0
Mr G H Smith, Principal & Accounting Officer	0	0
Mr A Davies	0	0

#### **THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Riddlesdown Collegiate for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

#### **CAPACITY TO HANDLE RISK**

The Board of Directors has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

#### **THE RISK AND CONTROL FRAMEWORK**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors;
- regular reviews by the Finance and Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;

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**RIDDLEDOWN COLLEGIATE**  
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**GOVERNANCE STATEMENT (continued)**

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- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Directors has considered the need for a specific internal audit function and has decided to appoint Bayar Hughes & Co Ltd, as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a quarterly basis, the internal auditor's reports to the Board of Directors on the operation of the systems of control and on the discharge of the Board of Directors' 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 the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Resources Committee and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Directors on 9 December 2014 and signed on its behalf, by:



**Mr P Khan**  
**Chair of Directors**



**Mr G H Smith**  
**Accounting Officer**

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**RIDDLEDOWN COLLEGIATE**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Riddlesdown Collegiate I have considered my responsibility to notify the Academy Board of Directors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2013).

I confirm that I and the Academy Board of Directors are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook (2013).

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 Directors and EFA.



**Mr G H Smith**  
**Accounting Officer**

Date: 9 December 2014

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**RIDDLESDOWN COLLEGIATE**  
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**DIRECTORS' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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The Directors (who act as governors of Riddlesdown Collegiate and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Directors on 9 December 2014 and signed on its behalf by:



**Mr P Khan**  
**Chair of Directors**

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**RIDDLEDOWN COLLEGIATE**  
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**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF RIDDLEDOWN COLLEGIATE**

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We have audited the financial statements of Riddlesdown Collegiate Academy for the year ended 31 August 2014 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

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

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As explained more fully in the Directors' responsibilities statement, the Directors (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

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

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

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**RIDDLESOWN COLLEGIATE**  
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**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF RIDDLESOWN COLLEGIATE**

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



Paul Hopper ACA

(Senior Statutory Auditor)  
for and on behalf of

**PKF Littlejohn LLP**

1 Westferry Circus  
Canary Wharf  
London  
E14 4HD  
9 December 2014

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**RIDDLESDDOWN COLLEGIATE**  
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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO  
RIDDLESDDOWN COLLEGIATE AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 20 October 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the Academy during the year 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to the Academy and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Academy and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of the Academy's funding agreement with the Secretary of State for Education dated 29 May 2012, and the Academies Financial Handbook extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes:-

- A review of the conclusion reached on regularity and propriety in the year, including the action taken in respect of points raised in the audit management letter.
- A review of minutes of the Governing Body and its key sub-committee;
- Checking a sample of expenditure transactions to ensure that they do not contravene the funding agreement and have been authorised in accordance with the Academy's financial procedures and/or the Academies Financial Handbook, and
- Evaluating and documenting internal controls and testing their application by walk through.

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**RIDDLEDOWN COLLEGIATE**  
**(A company limited by guarantee)**

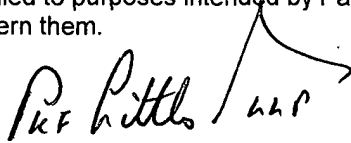
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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO  
RIDDLEDOWN COLLEGIATE AND THE EDUCATION FUNDING AGENCY (continued)**

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**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

**PKF Littlejohn LLP**

Chartered Accountants

1 Westferry Circus  
Canary Wharf  
London  
E14 4HD

9 December 2014

**RIDDLEDOWN COLLEGIATE**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES**  
(incorporating income and expenditure account and statement of total recognised gains and losses)  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	<b>Note</b>	<b>Unrestricted funds 2014 £</b>	<b>Restricted funds 2014 £</b>	<b>Restricted fixed asset funds 2014 £</b>	<b>Total funds 2014 £</b>	<b>Total funds 2013 £</b>
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Voluntary income	2	98,268	-	-	98,268	23,728,359
Activities for generating funds	3	1,060,966	-	-	1,060,966	893,335
Investment income	4	1,076	2,535	-	3,611	3,487
Incoming resources from charitable activities	5	-	11,788,425	-	11,788,425	13,004,286
<b>TOTAL INCOMING RESOURCES</b>		<b>1,160,310</b>	<b>11,790,960</b>	<b>-</b>	<b>12,951,270</b>	<b>37,629,467</b>
<b>RESOURCES EXPENDED</b>						
Charitable activities	8	1,012,598	9,534,857	509,112	11,056,567	15,517,371
Governance costs	7	-	17,850	-	17,850	17,600
<b>TOTAL RESOURCES EXPENDED</b>	9	<b>1,012,598</b>	<b>9,552,707</b>	<b>509,112</b>	<b>11,074,417</b>	<b>15,534,971</b>
<b>NET INCOMING RESOURCES BEFORE TRANSFERS</b>		<b>147,712</b>	<b>2,238,253</b>	<b>(509,112)</b>	<b>1,876,853</b>	<b>22,094,496</b>

**RIDDLEDOWN COLLEGIATE**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Transfers between Funds	19	(500,000)	(2,499,990)	2,999,990	-	-
<b>NET INCOME FOR THE YEAR</b>		<b>(352,288)</b>	<b>(261,737)</b>	<b>2,490,878</b>	<b>1,876,853</b>	<b>22,094,496</b>
Actuarial gains and losses on defined benefit pension schemes-gains/(losses)		-	(196,000)	-	(196,000)	(177,000)
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>(352,288)</b>	<b>(457,737)</b>	<b>2,490,878</b>	<b>1,680,853</b>	<b>21,917,496</b>
<i>Total funds at 1 September 2013</i>		<i>1,121,119</i>	<i>(1,205,195)</i>	<i>22,001,572</i>	<i>21,917,496</i>	<i>-</i>
<b>TOTAL FUNDS AT 31 AUGUST 2014</b>		<b>768,831</b>	<b>(1,662,932)</b>	<b>24,492,450</b>	<b>23,598,349</b>	<b>21,917,496</b>

All activities relate to continuing operations.

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

The notes on pages 21 to 43 form part of these financial statements.

**RIDDLEDOWN COLLEGIATE**  
(A company limited by guarantee)  
REGISTERED NUMBER: 08058921

**BALANCE SHEET**  
**AS AT 31 AUGUST 2014**

	Note	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Tangible assets	15		24,492,450		22,001,572
<b>CURRENT ASSETS</b>					
Stocks	16	9,609		8,893	
Debtors	17	340,389		205,308	
Cash at bank and in hand		1,853,102		2,645,505	
		<u>2,203,100</u>		<u>2,859,706</u>	
<b>CREDITORS:</b> amounts falling due within one year	18	(1,165,201)		(1,311,782)	
<b>NET CURRENT ASSETS</b>			<u>1,037,899</u>		<u>1,547,924</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>25,530,349</u>		<u>23,549,496</u>
Defined benefit pension scheme liability	26	(1,932,000)		(1,632,000)	
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITY</b>			<u><u>23,598,349</u></u>		<u><u>21,917,496</u></u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted funds:					
Restricted funds	19	269,068		426,805	
Restricted fixed asset funds	19	24,492,450		22,001,572	
Restricted funds excluding pension liability		<u>24,761,518</u>		<u>22,428,377</u>	
Pension reserve		<u>(1,932,000)</u>		<u>(1,632,000)</u>	
Total restricted funds			<u>22,829,518</u>		<u>20,796,377</u>
Unrestricted funds	19		<u>768,831</u>		<u>1,121,119</u>
<b>TOTAL FUNDS</b>			<u><u>23,598,349</u></u>		<u><u>21,917,496</u></u>

The financial statements were approved by the Directors, and authorised for issue, on 9 December 2014 and are signed on their behalf, by:

Mr P Khan   
Chair of Directors

The notes on pages 21 to 43 form part of these financial statements.

**RIDDLEDOWN COLLEGIATE**  
(A company limited by guarantee)

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

	Note	year to 31 August 2014 £	period ended 31 August 2013 £
Net cash flow from operating activities	21	2,203,976	2,880,873
Returns on investments and servicing of finance	22	3,611	3,487
Capital expenditure and financial investment	22	(2,999,990)	(776,761)
<b>(DECREASE)/INCREASE IN CASH IN THE YEAR</b>		<b>(792,403)</b>	<b>2,107,599</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS  
FOR THE YEAR ENDED 31 AUGUST 2014**

	year to 31 August 2014 £	period ended 31 August 2013 £
(Decrease)/Increase in cash in the year	(792,403)	2,107,599
<b>MOVEMENT IN NET FUNDS IN THE YEAR</b>	<b>(792,403)</b>	<b>2,107,599</b>
Net funds at 1 September 2013	2,645,505	537,906
<b>NET FUNDS AT 31 AUGUST 2014</b>	<b>1,853,102</b>	<b>2,645,505</b>

The notes on pages 21 to 43 form part of these financial statements.

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**RIDDLEDOWN COLLEGIATE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

**1.2 Fund accounting**

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

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

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

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

**1.3 Incoming resources**

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

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

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

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

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

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

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**RIDDLEDOWN COLLEGIATE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**1. ACCOUNTING POLICIES (continued)**

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

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

**1.4 Resources expended**

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

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Going concern**

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

**1.6 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy.

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

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**RIDDLESDOWN COLLEGIATE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**1. ACCOUNTING POLICIES (continued)**

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2% Straight line
Plant and machinery	-	20% Reducing balance
Motor vehicles	-	25% Reducing balance
Computer equipment	-	25% Straight line

**1.7 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.8 Taxation**

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

The Academy is registered for VAT and is able to recover input tax paid in respect of some, but not all, of its taxable supplies. Where VAT cannot be recovered, it is included with the cost to which it relates on the SOFA.

**1.9 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 26, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

**RIDDLEDOWN COLLEGIATE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2014**

**1. ACCOUNTING POLICIES (continued)**

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

**2. VOLUNTARY INCOME**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Donations	500	-	500	-
Transfer of assets from former school	97,768	-	97,768	23,728,359
	<u>98,268</u>	<u>-</u>	<u>98,268</u>	<u>23,728,359</u>
Voluntary income	<u>98,268</u>	<u>-</u>	<u>98,268</u>	<u>23,728,359</u>

**3. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Catering	638,673	-	638,673	423,295
Lettings	20,880	-	20,880	17,635
School fund	44,141	-	44,141	62,756
School trips etc	357,272	-	357,272	389,649
	<u>1,060,966</u>	<u>-</u>	<u>1,060,966</u>	<u>893,335</u>

**RIDDLEDOWN COLLEGIATE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2014**

**4. INVESTMENT INCOME**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Investment income	1,076	2,535	3,611	3,487

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Educational Operations	-	11,788,425	11,788,425	13,004,286

**FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
<b>DfE/EFA revenue grants</b>				
General Annual Grant (GAG)	-	9,103,082	9,103,082	12,040,838
Other DfE/EFA grants	-	2,494,611	2,494,611	187,743
Local Authority Grants	-	74,510	74,510	594,756
Educational activities	-	90,154	90,154	180,949
Other Grants	-	26,068	26,068	-
	-	11,788,425	11,788,425	13,004,286

**6. EXPENDITURE BY CHARITABLE ACTIVITY**

**SUMMARY BY FUND TYPE**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Educational Operations	389,968	10,043,969	10,433,937	14,979,291
Catering	622,630	-	622,630	538,080
	1,012,598	10,043,969	11,056,567	15,517,371

**RIDDLESOWN COLLEGIATE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2014**

**6. EXPENDITURE BY CHARITABLE ACTIVITY (continued)**

**SUMMARY BY EXPENDITURE TYPE**

	<b>Staff costs</b>	<b>Depreciation</b>	<b>Other costs</b>	<b>Total</b>	<b>Total</b>
	<b>2014</b>	<b>2014</b>	<b>2014</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Educational Operations	7,980,100	509,112	1,944,725	10,433,937	14,979,291
Catering	255,711	-	366,919	622,630	538,080
	<u>8,235,811</u>	<u>509,112</u>	<u>2,311,644</u>	<u>11,056,567</u>	<u>15,517,371</u>

**7. GOVERNANCE COSTS**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>funds</b>	<b>funds</b>
	<b>2014</b>	<b>2014</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Professional fees	-	9,250	9,250	8,000
Auditors remuneration.	-	8,600	8,600	9,600
	<u>-</u>	<u>17,850</u>	<u>17,850</u>	<u>17,600</u>

**RIDDLEDOWN COLLEGIATE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2014**

**8. CHARITABLE ACTIVITIES**

	<b>Total funds 2014 £</b>	<i>Total funds 2013 £</i>
<b>DIRECT COSTS - EDUCATIONAL OPERATIONS</b>		
Wages and salaries	5,760,027	7,138,388
National insurance	409,455	580,606
Pension cost	765,297	971,451
Educational supplies	287,380	451,942
Staff development	54,401	58,939
Licences and subscriptions	17,381	-
Computer maintenance and consumables	71,397	230,893
Examination fees	175,166	174,463
School trip costs	347,219	354,062
School fund costs	40,441	51,240
Maintenance of premises and equipment	1,870	8,748
Professional fees	31,911	71,064
	<u>7,961,945</u>	<u>10,091,796</u>
<b>ALLOCATED SUPPORT COSTS</b>		
Wages and salaries	850,660	965,345
National insurance	45,278	54,410
Pension cost	149,383	145,747
Depreciation	509,112	537,906
LPGS costs	104,000	1,455,000
Computer maintenance and consumables	46,986	60,205
Rates and water	50,788	51,188
Light and heat	137,832	167,812
Insurance	72,482	83,498
Office supplies	70,505	49,743
Maintenance of premises and equipment	298,526	391,064
Cleaning	49,354	22,688
Professional fees	87,086	42,085
Loss on disposal of fixed assets	-	860,803
	<u>2,471,992</u>	<u>4,887,494</u>
	<u>10,433,937</u>	<u>14,979,290</u>
<b>OTHER ACTIVITIES</b>		
Catering costs	622,630	538,081
	<u>11,056,567</u>	<u>15,517,371</u>

**RIDDLEDOWN COLLEGIATE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2014**

**9. RESOURCES EXPENDED**

	Staff costs	Non Pay Expenditure Other costs	Total	Total
	2014	2014	2014	2013
	£	£	£	£
Educational Operations	6,934,779	1,027,166	7,961,945	10,091,796
Support costs - Educational Operations	1,045,321	1,426,671	2,471,992	4,887,494
Support costs - Catering	255,711	366,919	622,630	538,081
<b>Charitable activities</b>	<b>8,235,811</b>	<b>2,820,756</b>	<b>11,056,567</b>	<b>15,517,371</b>
<b>Governance</b>	<b>-</b>	<b>17,850</b>	<b>17,850</b>	<b>17,600</b>
	<b>8,235,811</b>	<b>2,838,606</b>	<b>11,074,417</b>	<b>15,534,971</b>

**10. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

	Activities undertaken directly	Support costs	Total	Total
	2014	2014	2014	2013
	£	£	£	£
Educational Operations	7,961,945	2,471,992	10,433,937	14,979,290
Catering	-	622,630	622,630	538,081
<b>Total</b>	<b>7,961,945</b>	<b>3,094,622</b>	<b>11,056,567</b>	<b>15,517,371</b>

**11. NET INCOMING RESOURCES**

This is stated after charging:

	year to 31 August 2014 £	period ended 31 August 2013 £
Depreciation of tangible fixed assets:		
- owned by the charity	509,112	537,906
Auditors' remuneration	8,600	9,600
Operating lease rentals	22,833	19,161
Loss on disposal of fixed asset	-	860,803
	<b>540,545</b>	<b>1,427,470</b>

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**RIDDLEDOWN COLLEGIATE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**12. STAFF (continued)**

**d. Higher paid staff**

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

	<b>year to</b> <b>31 August</b> <b>2014</b> <b>No.</b>	<i>period ended</i> <i>31 August</i> <i>2013</i> <i>No.</i>
In the band £60,001 - £70,000	7	17
In the band £70,001 - £80,000	1	4
In the band £80,001 - £90,000	1	2
In the band £90,001 - £100,000	0	1
In the band £150,001 - £200,000	1	1
	<hr/> <b>10</b> <hr/>	<hr/> <b>25</b> <hr/>

9 of the above employees participated in the Teachers' Pension Scheme. During the period to 31 August 2014, pension contributions for these staff amounted to £169,478. The other employee participated in the Local Government Pension Scheme, pension contributions amounted to £21,590.

**RIDDLESDOWN COLLEGIATE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2014**

**12. STAFF**

**a. Staff costs**

Staff costs were as follows:

	<b>year to 31 August 2014 £</b>	<i>period ended 31 August 2013 £</i>
Wages and salaries	6,798,532	8,279,208
Social security costs	463,403	672,113
Pension costs (Note 26)	942,975	1,117,198
	<u>8,204,910</u>	<u>10,068,519</u>
Compensation payments	30,900	-
	<u><u>8,235,810</u></u>	<u><u>10,068,519</u></u>

**b. Staff severance payments**

A termination payment in the sum of £30,900 was made to a long serving member of staff that took early retirement.

**c. Staff numbers**

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

	<b>year to 31 August 2014 No.</b>	<i>period ended 31 August 2013 No.</i>
Teachers	111	114
Administration and Support	82	76
Management	6	6
	<u>199</u>	<u>196</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**13. DIRECTORS' REMUNERATION AND EXPENSES**

During the year retirement benefits were accruing to 2 Directors (2013 - 3 in respect of defined contribution pension schemes).

The Principal and other staff Directors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Directors. Other Directors did not receive any payments, other than expenses, from the academy in respect of their role as Directors. The value of Directors' remuneration fell within the following bands:

	<b>31 August 2014</b>	<i>period ended 31 August 2013</i>
	<b>£</b>	<b>£</b>
Mr G H Smith, Principal & Accounting Officer	<b>150,000-155,000</b>	<i>195,000-200,000</i>
Mrs S Anderson, Staff Director	<b>20,000-25,000</b>	<i>25,000-30,000</i>
Mr M Pain, Staff Director	<b>0</b>	<i>65,000-70,000</i>
Mr A Cameron	<b>40,000-45,000</b>	<i>0</i>

During the year, no Directors received any reimbursement of expenses (2013 - £NIL).

In addition to the remuneration stated above, the Academy made the following contributions into their employer pension schemes, Mr G H Smith £21,539 (2013:£25,901), Mrs S Anderson £nil (2013:£Nil) Mr M Pain £nil (2013:£9,028) and Mr A Cameron £5,964 (2013:£nil).

**14. DIRECTORS' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2014 was £424 (2013 - £411.). The cost of this insurance is included in the total insurance cost.

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**15. TANGIBLE FIXED ASSETS**

	Freehold property £	Assets in course of construction £	Plant and machinery £	Motor vehicles £
<b>Cost and valuation</b>				
At 1 September 2013	22,282,099	121,925	74,110	19,489
Additions	6,296	2,579,879	109,141	7,350
At 31 August 2014	22,288,395	2,701,804	183,251	26,839
<b>Depreciation</b>				
At 1 September 2013	487,489	-	18,527	4,872
Charge for the year	391,768	-	32,945	5,492
At 31 August 2014	879,257	-	51,472	10,364
<b>Net book value</b>				
At 31 August 2014	21,409,138	2,701,804	131,779	16,475
At 31 August 2013	21,794,610	121,925	55,583	14,617
		<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost and valuation</b>				
At 1 September 2013		-	19,783	22,517,406
Additions		7,396	289,928	2,999,990
At 31 August 2014		7,396	309,711	25,517,396
<b>Depreciation</b>				
At 1 September 2013		-	4,946	515,834
Charge for the year		1,479	77,428	509,112
At 31 August 2014		1,479	82,374	1,024,946
<b>Net book value</b>				
At 31 August 2014		5,917	227,337	24,492,450
At 31 August 2013		-	14,837	22,001,572

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**15. TANGIBLE FIXED ASSETS (continued)**

Included in Freehold property is freehold land at valuation of £2,700,000, which is not depreciated. The academy procured a valuation of the property, which was transferred from London Borough of Croydon to the academy upon conversion. This valuation was undertaken in November 2012 by Stiles Harrold Williams, who are regulated by the Royal Institute of Chartered Surveyors (see note 24 for further details), on a depreciated replacement cost basis.

The assets in course of construction relates to the new Performance Centre, and Netball Courts and Changing Rooms as mentioned within the Directors Report. For details of the committed costs of this projects see Note 25.

**16. STOCKS**

	2014 £	2013 £
Catering stock	9,609	8,893

**17. DEBTORS**

	2014 £	2013 £
Trade debtors	5,398	-
Other debtors	294,269	88,864
Prepayments and accrued income	40,722	116,444
	<u>340,389</u>	<u>205,308</u>

**18. CREDITORS:**  
**Amounts falling due within one year**

	2014 £	2013 £
Trade creditors	198,768	255,048
Other taxation and social security	147,054	140,391
Other creditors	118,605	116,892
Deferred income and accruals	700,774	799,451
	<u>1,165,201</u>	<u>1,311,782</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**18. CREDITORS:**  
**Amounts falling due within one year (continued)**

Deferred income includes £489,213 that relates to grants received from the EFA, in respect of the building of the performance block, and £82,772 from Sport England for the construction of netball courts and changing rooms. Both are not in use as at 31 August 2014.

They are additional deferred funds of £102,484 received from the EFA for the general use of the Academy.

	£
<b>Deferred income</b>	
Deferred income at 1 September 2013	776,314
Resources deferred during the year	674,469
Amounts released from previous years	(776,314)
	<hr/>
Deferred income at 31 August 2014	674,469
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2014**

**19. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/(out) £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General Funds - all funds	1,121,119	1,160,310	(1,012,598)	(500,000)	-	768,831
<b>Restricted funds</b>						
General Annual Grant (GAG)	426,805	9,103,082	(8,847,004)	(413,815)	-	269,068
Other Dfe/EFA Grants	-	225,271	(225,271)	-	-	-
Local Authority Grants	-	74,510	(68,214)	(6,296)	-	-
Investment Income	-	2,535	(2,535)	-	-	-
Other Income	-	91,906	(91,906)	-	-	-
Dfe/EFA Capital Grant	-	2,269,341	(213,777)	(2,055,564)	-	-
Other Capital Grant	-	24,315	-	(24,315)	-	-
Pension reserve	(1,632,000)	-	(104,000)	-	(196,000)	(1,932,000)
	<u>(1,205,195)</u>	<u>11,790,960</u>	<u>(9,552,707)</u>	<u>(2,499,990)</u>	<u>(196,000)</u>	<u>(1,662,932)</u>
<b>Restricted fixed asset funds</b>						
EFA/Local Authority Grants	22,001,572	-	(509,112)	2,999,990	-	24,492,450
Total restricted funds	<u>20,796,377</u>	<u>11,790,960</u>	<u>(10,061,819)</u>	<u>500,000</u>	<u>(196,000)</u>	<u>22,829,518</u>
Total of funds	<u><u>21,917,496</u></u>	<u><u>12,951,270</u></u>	<u><u>(11,074,417)</u></u>	<u><u>-</u></u>	<u><u>(196,000)</u></u>	<u><u>23,598,349</u></u>

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

**Restricted Funds:**

The General Annual grant is provided by the Education funding Agency (EFA) to enable the Academy to

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

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**NOTES TO THE FINANCIAL STATEMENTS  
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**SUMMARY OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/(out) £	Gains/ (Losses) £	Carried Forward £
General funds	1,121,119	1,160,310	(1,012,598)	(500,000)	-	768,831
Restricted funds	(1,205,195)	11,790,960	(9,552,707)	(2,499,990)	(196,000)	(1,662,932)
Restricted fixed asset funds	22,001,572	-	(509,112)	2,999,990	-	24,492,450
	<u>21,917,496</u>	<u>12,951,270</u>	<u>(11,074,417)</u>	<u>-</u>	<u>(196,000)</u>	<u>23,598,349</u>

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	-	-	24,492,450	24,492,450	22,001,572
Current assets	913,741	1,289,359	-	2,203,100	2,859,705
Creditors due within one year	(144,910)	(1,020,291)	-	(1,165,201)	(1,311,781)
Provisions for liabilities and charges	-	(1,932,000)	-	(1,932,000)	(1,632,000)
	<u>768,831</u>	<u>(1,662,932)</u>	<u>24,492,450</u>	<u>23,598,349</u>	<u>21,917,496</u>

**21. NET CASH FLOW FROM OPERATING ACTIVITIES - ALL CONTINUING**

	year to 31 August 2014 £	period ended 31 August 2013 £
Net incoming resources before revaluations	1,876,853	22,094,496
Returns on investments and servicing of finance	(3,611)	(3,487)
Gifts in kind	-	(22,623,520)
Deficit on disposal of tangible fixed assets	-	860,803
Depreciation of tangible fixed assets	509,112	-
Increase in stocks	(716)	(8,893)
Increase in debtors	(135,081)	(205,308)
(Decrease)/increase in creditors	(146,581)	1,311,782
FRS 17 adjustments	104,000	1,455,000
<b>Net cash inflow from operations</b>	<u>2,203,976</u>	<u>2,880,873</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	year to 31 August 2014 £	period ended 31 August 2013 £
<b>Returns on investments and servicing of finance</b>		
Interest received	3,611	3,487
	<u>3,611</u>	<u>3,487</u>
	year to 31 August 2014 £	period ended 31 August 2013 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(2,999,990)	(776,761)
	<u>(2,999,990)</u>	<u>(776,761)</u>

**23. ANALYSIS OF CHANGES IN NET FUNDS**

	1 September 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	2,645,505	(792,403)	-	1,853,102
Net funds	<u>2,645,505</u>	<u>(792,403)</u>	<u>-</u>	<u>1,853,102</u>

**24. CONTINGENT LIABILITIES**

The Academy had no contingent liabilities as at 31 August 2013 and 31 August 2014.

**25. CAPITAL COMMITMENTS**

At 31 August 2014 the academy had capital commitments as follows:

	2014 £	2013 £
Contracted for but not provided in these financial statements	<u>571,985</u>	<u>2,024,445</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**26. PENSION COMMITMENTS**

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Croydon. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

Contributions amounting to £122,849 were payable to the scheme at 31 August 2014 (2013 - £114,504) 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.

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

**Valuation of the Teachers' Pension Scheme**

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

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

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

**Teachers' Pension Scheme Changes**

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

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

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

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

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £392,810, of which employer's contributions totalled £310,610 and employees' contributions totalled £82,200.

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

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

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

	<b>Expected return at 31 August 2014 %</b>	<b>Fair value at 31 August 2014 £</b>	<b>Expected return at 31 August 2013 %</b>	<b>Fair value at 31 August 2013 £</b>
Equities	6.40	578,000	6.80	297,000
Bonds	3.70	221,000	4.40	134,000
Property	4.50	74,000	4.70	24,000
Cash	3.30	46,000	3.60	24,000
Total market value of assets		<u>919,000</u>		<u>479,000</u>
Present value of scheme liabilities		<u>(2,851,000)</u>		<u>(2,111,000)</u>
(Deficit)/surplus in the scheme		<u><u>(1,932,000)</u></u>		<u><u>(1,632,000)</u></u>

The amounts recognised in the Balance sheet are as follows:

	<b>year to 31 August 2014 £</b>	<b>period ended 31 August 2013 £</b>
Present value of funded obligations	(2,851,000)	(2,111,000)
Fair value of scheme assets	<u>919,000</u>	<u>479,000</u>
Net liability	<u><u>(1,932,000)</u></u>	<u><u>(1,632,000)</u></u>

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

	<b>year to 31 August 2014 £</b>	<b>period ended 31 August 2013 £</b>
Past service cost	(28,295)	-
Current service cost	324,000	242,000
Interest cost	106,000	89,000
Expected return on scheme assets	<u>(38,000)</u>	<u>(15,000)</u>
Total	<u><u>363,705</u></u>	<u><u>316,000</u></u>

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**26. PENSION COMMITMENTS (continued)**

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

	year to 31 August 2014 £	period ended 31 August 2013 £
Opening defined benefit obligation	2,111,000	-
Contributions by scheme participants	75,000	81,000
Actuarial Losses	254,000	207,000
Benefits paid	(19,000)	-
Current service cost	324,000	242,000
Interest cost	106,000	89,000
Inherited by the academy	-	1,492,000
	<u>2,851,000</u>	<u>2,111,000</u>
Closing defined benefit obligation	<u>2,851,000</u>	<u>2,111,000</u>

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

	year to 31 August 2014 £	period ended 31 August 2013 £
Opening fair value of scheme assets	479,000	-
Actuarial gains and (losses)	58,000	30,000
Contributions by employees	75,000	81,000
Benefits paid	(19,000)	-
Contributions by employer	288,000	304,000
Expected return on assets	38,000	15,000
Inherited by the academy	-	49,000
	<u>919,000</u>	<u>479,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £196,000 (2013 - £177,000).

The academy expects to contribute £NIL to its defined benefit pension scheme in 2015.

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

	2014	2013
European equities	63.00 %	62.00 %
European bonds	24.00 %	28.00 %
Property	8.00 %	5.00 %
Cash	5.00 %	5.00 %

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**26. PENSION COMMITMENTS (continued)**

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

	2014	2013
Discount rate for scheme liabilities	3.70 %	4.60 %
Expected return on scheme assets at 31 August	5.40 %	5.90 %
Rate of increase in salaries	3.50 %	4.60 %
Rate of increase for pensions in payment / inflation	2.70 %	2.80 %

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

	2014	2013
Retiring today		
Males	22.3	22.9
Females	24.4	25.7
Retiring in 20 years		
Males	24.4	24.9
Females	26.7	27.7

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2014 £	2013 £
Present Value of defined benefit obligation	(2,851,000)	(2,111,000)
Fair value of scheme assets	919,000	479,000
Deficit in the scheme	(1,932,000)	(1,632,000)
Experience adjustments on scheme liabilities	(254,000)	(207,000)
Experience adjustments on scheme assets	58,000	30,000

**27. OPERATING LEASE COMMITMENTS**

At 31 August 2014 the Academy had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Expiry date:		
Between 2 and 5 years	33,936	27,809

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**28. RELATED PARTY TRANSACTIONS**

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

**29. CONTROLLING PARTY**

As the Academy is Limited by Guarantee there is no Ultimate Controlling Party.