

**REGISTERED COMPANY NUMBER: 08133360 (England and Wales)**

**REPORT OF THE GOVERNORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015  
FOR**

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

Landers Accountants Ltd  
Church View Chambers  
38 Market Square  
Toddington  
Bedfordshire  
LU5 6BS

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26/03/2016

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**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

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FOR THE YEAR ENDED 31 AUGUST 2015**

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**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**MEMBERS**

S Pollard  
M Carrington (resigned 01/09/14)  
P A Barnard  
C Bateman  
A Shakespeare  
J Kelly

**GOVERNORS**

P A Barnard  
C Bateman \*  
J Kelly \*  
S Pollard \*  
A Shakespeare (Chair of Governors) \*  
M Adams-Thomas  
J Genas (resigned 30/9/14)  
A Snuggs \*  
A Price \*  
T Henry \*  
D Thompson (appointed 15/1/15)

\* members of the finance and resources committee

**REGISTERED OFFICE**

Tomlinson Avenue  
Luton  
Bedfordshire  
LU4 0QP

**REGISTERED COMPANY  
NUMBER**

08133360 (England and Wales)

**AUDITORS**

Landers Accountants Ltd  
Church View Chambers  
38 Market Square  
Toddington  
Bedfordshire  
LU5 6BS

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**SENIOR MANAGEMENT TEAM**

C Bateman - Headteacher  
S Pollard - Deputy Headteacher  
W Rowe - Deputy Headteacher  
J Kelly - Assistant Headteacher  
J Lloyd - Assistant Headteacher

**ADVISERS**

**BANKERS**

National Westminster Bank plc  
31 George Street  
Luton  
Bedfordshire  
LU1 2YN

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

The governors who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31 August 2015. The governors have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 and the Academies Accounts Direction issued by the Education Funding Agency.

The Academy Trust's principal activity is the provision of primary education for children aged 4-11 in Lewsey Farm, Luton and the surrounding areas in accordance with section 78 of the Education Act of 2002. In addition to this we also provide early years education for children aged 3-4. It has a pupil capacity of 540 + 78 Nursery places and had a roll of 531 children in the main school and 61 Nursery pupils in the January 2015 Census.

**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 Chantry Primary Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Chantry Primary Academy.

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.

**Governors' Indemnities**

The Governors are indemnified in respect of their duties on behalf of Chantry Primary Academy to the extent that they are covered within the specific provisions contained within the Insurance Policy arranged through Zurich Insurance Brokers.

**Method of Recruitment and Appointment or Election of Governors**

Any new Governors will be appointed in accordance with guidelines set out in the Funding Agreement. The Headteacher shall be treated for all purposes as being an ex officio Governor.

Parent Governors are invited for nomination and if required are elected by secret Ballot by parents of registered pupils at the Academy. The arrangement made for the election of a Parent Governor provides for every person who is entitled to vote in the election to have an opportunity to do so by having his/her ballot paper returned to the Academy Trust by a registered pupil at the Academy

Staff Governors are invited for nomination and if required are elected by secret Ballot of all staff employed under a contract of employment or a contract of service or otherwise engaged to provide services to the Academy (excluding the Headteacher). All arrangements for the calling and the conduct of the election and resolution of questions as to whether any person is an eligible candidate is determined by the Governors. If a Staff Governor ceases to work for the Academy then he/she is deemed to have resigned and shall cease to be a Governor automatically on termination of his/her work at the Academy.

Community Governors are appointed to ensure that there is representation from the wider community on the board of Governors. These Governors are often selected for their particular skills, knowledge or expertise. Appointments are made by the members.

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Policies and Procedures Adopted for the Induction and Training of Governors**

A Governor Induction Policy has been approved by the Governing Body and an Induction File is provided with all necessary documents. In this file Governors are provided with information from Governor Support, recent minutes, school finance manual, school development plan and other key documents. New Governors are offered support prior and during meetings. Governor Induction Courses as provided through Luton Borough Council's Governors Services are recommended to all Governors.

**Organisational Structure**

The board of trustees is made up of twelve members. The board provides the strategic direction overall on school matters and is seen as a critical friend for the Headteacher (Accounting Officer). The board has two main sub committees, Resources and Curriculum. Each committee reports back to the main board of trustees. The board are responsible for the teaching and learning delivery throughout the school. There is a further sub-committee for Pay, which meets as required and makes decisions in accordance with the pay policy.

The Headteacher, together with her Strategic Leadership Team, is tasked with the operational running of the school on a day to day basis and reports back through the governance structure outlined in the terms of reference.

**Connected Organisations including Related Party Relationships**

Chantry Primary Academy is part of the West Area Partnership. This is a group of schools organised geographically, by the Local Authority, to manage Local Authority funding delegated to the partnership for purposes of behaviour management within the group of schools. The partnership fund Chantry's New Horizons Behaviour Provision budget, which for 2014-15 was £220,000 with an additional £18,000 for additional outreach work. The behaviour support provided through this is monitored by the head teachers of the schools in the partnerships. Chantry has a three year Service Level Agreement in place with regard to the funding.

Chantry works in a partnership with the Local Authority to provide educational provision for pupils with Visual Impairment across Luton. The academy is funded for 12 pupil places at £10,000 per place plus £5,669 per place, with any additional places funded on a top-up basis at the combined rate of £15,669. In addition to this, the Local Authority funds the Academy at a rate of £38,000 to provide outreach work to schools and families across Luton. The Local Authority monitors the quality of provision and outreach. The academy has a Service Level Agreement in place for this provision.

As a National Support School, Chantry has supported the improvement of Whitefield Primary School in Luton. The support included deployment of the Headteacher, a National Leader of Education, the Deputy Headteacher, a Specialist Leader of Education, our second Deputy Headteacher and our Leading Practitioner for Mathematics who is also a Specialist Leader in Education. This work attracted payments totalling £23,404 for this work. In addition, the Academy seconded a teacher into the school to provide further support.

**Risk Management Policy**

A risk register has been completed and the board of governors have established a pattern for reviewing the register in order to monitor the activities of the school and the actions being taken to mitigate risk to the organisation. A diarised meeting structure for the governing body, along with agendas and minutes support a clear accountability framework.

Notable areas of risk include a significant drop in pupil numbers (due to demographic change or reputation risks), a drop in funding, or potential loss of the ICT infrastructure. All risks are monitored as part of the governors' cycle of monitoring and reporting.

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**OBJECTIVES AND ACTIVITIES**

**Aims and Objectives**

At Chantry we make it our mission to provide a safe, structured, supportive environment for children to learn, flourish and grow as individuals. This is achieved through collaboration between all staff and pupils, through Chantry's Values Programme and a caring 'family' approach.

Chantry aims to be the best provider of education that it can be, with a strong emphasis on basic skills whilst educating the whole child with the focus being - 'Learning for Life'. This motto encompasses our commitment to developing social skills, citizenship and strong values, while also promoting achievement and enjoyment through our book based creative curriculum. We also often add the word 'Values' to our motto - 'Learning Values for Life'.

**Objectives, Strategies and Activities**

**School Priorities 2015-16**

- Improve outcomes in Early Years Foundation Stage 'Good level of Development'
- Raise attainment in Writing
- Raise attainment in Maths
- Raise attainment and achievement of disadvantaged pupils
- Improve teacher subject knowledge in mathematics and writing

**Public benefit**

As a non-selective state-funded school, Chantry Primary Academy's work is in the public's benefit. The academy offers a broad and balanced curriculum and a wealth of extra-curricular and enrichment activities to all its students of all abilities and from varied socio-economic backgrounds. The academy also has regard to Charity Commission guidance on public benefit beyond the core provision of education to its students, and endeavours to be at the heart of its community and fosters many collaborative links with community and other stakeholder groups.

The Board also ensure the school fully complies with the conditions of grant laid down within its Funding Agreement and will also pursue alternative sources of funding as appropriate, consistent with the school's core aims and values.

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRATEGIC REPORT**

**Achievement and performance**

*Charitable activities*

The Achievement of Pupils is good. Our 2015 data is very positive overall with some areas for further development. Our current pupil data shows all cohorts are making good progress with some making accelerated/outstanding progress.

Using the EYFS assessment 'emerging', 'expected' and 'exceeding' descriptors teachers made assessments of pupil achievement which was moderated by the local Authority. We know that our pupils have a low starting point but teachers plan carefully to support children's early learning. This year has seen improvements in our outcomes in many areas. 69% of pupils reaching the expected level or better in Reading (equal to last year), 60% in Writing (an increase of 9% from last year) and 70% in Numbers (an increase of 5% from last year). Our pupils' early strength areas are in Moving and Handling (89%), Health and Self Care (84%) and Technology (90%). Despite these strengths, only 51% of our pupils have entered Key Stage 1 performing at a 'good level of development' (reaching 'expected or better' in all three prime areas and the specific areas of maths and literacy). This is an increase on last year's 44% but is still below the national average (2014) of 60%.

In Key Stage 1, the outcomes from the Year 1 phonics screening show that 80% of children are working at the required standard and we now have 88% of our Year 2 cohort performing at the expected level. Both of these figures as improved from 2014's results.

Key Stage 1 data shows that the Average Point Score (APS) has increased in all subjects, from 14.7 - 14.8 in writing, 15.9 to 16.1 in reading and 15.6-15.8 in maths. Reading was one of our main priorities last year remains at the heart of our curriculum. The Pupil Premium funded, school-wide 'Read-on' initiative had a major impact in closing the gap for individual pupils. Our RED (Read Every Day) initiative had further impact across the school by promoting regular daily practice of reading.

Key Stage 2 trend data shows that children make good progress in reading, writing and maths. Excellent progress has been made by learners in Reading with 95% of pupils making expected progress and 27% making better than expected. In Mathematics progress was good with 87% of pupils making expected progress and 30% making better than expected. In writing 98% of pupils made expected progress and 22% made better than expected. We were very pleased to have 90% of our pupils reaching level 4 in Reading, with 88% achieving this in Writing and 89% in Maths. Although this is a slight decrease on last year's outcomes, it represents excellent progress for the pupils who had lower KS1 outcomes than the cohort from 2014. Pupil performance in the Grammar, Punctuation and Spelling Test was highly positive with 85% of pupils achieving level 4 (9% higher than the 2014 national average), a significant 63% of pupils achieved level 5 (9% higher than the national average) and 7% of pupils achieved level 6 (3% higher than national).

The results for reading, although lower than last year, indicate great progress by pupils. We believe that this is due to the continuation of 'Read-on' as an intervention across the school, addressing underachievement and the RED Award initiative which ensured that daily practise of reading is promoted and encouraged. These types of approaches have been developed to promote progress in writing through 'The Daily Write' and we will soon be launching a programme to rehearse known facts and practise aspects of mathematics, such as times tables.

Our Pupil Premium spend shows impact over time with results indicating that eligible pupils have made better than expected progress over time. In reading our disadvantaged pupils have a value added score of 13.2 APS since KS1 compared to 13.4 by 'other' pupils, in writing 13.1 compared to 13.5 and in Maths 12.7 compared to 13.4.

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRATEGIC REPORT**

**Achievement and performance**

*Financial performance*

The Resources Committee monitors financial performance including actual income and expenditure against the budget plan ensuring that adequate reserves are held to cover unexpected or unforeseen expenditure. Management accounts are submitted to the Board of Governors for review.

The following ratios are monitored by the Finance & Business Manager on a monthly basis.

- Performance of actual income/expenditure against profile
- Surplus/deficit of income over expenditure (expressed as a monetary value and also as a % of total income)

The academy trust benchmarks financial data against other similar sized primary schools and a review of 2014/2015 financial data concluded that overall, income and expenditure was broadly average for similar schools.

*Going concern*

After making appropriate enquiries, the Governing Body has been satisfied that the School has adequate resources to continue its operational existence for the foreseeable future. For this reason, the school continues to adopt the going concern basis in preparing financial statements. Further details of the going concern can be seen in the Statement of Accounting Principles.

*Key financial performance indicators*

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular the management of spending against the GAG (General Annual Grant) requires specific attention as the amount of carry forward is restricted to 12% amounts exceeding this are clawed back by the department of education. In the period under review there was no breach in the terms of funding in relation to the General Annual Grant, as stated within the Funding Agreement.

Another key performance indicator is staffing costs as a percentage of the GAG and this was 77.58% (2014: 78.16%) for the period against which this report is submitted.

The school has made extensive use of solar panels and energy performance statistics are consistently monitored. The Academy's Display Energy Certificate rating has improved to 78 from 99 in 2014 and in addition, the electricity produced from the solar panels contributes approximately 19% of the total electricity used.

The school looks to maintain consistent levels of staffing, and this is borne out by the school's ability to quickly fill vacancies as they arise. In 2015 there was 23 starters (2014: 27) and 20 leavers (2014: 8).

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRATEGIC REPORT**

**Financial review**

*Reserves policy*

The Board of Trustees intend to build up a prudent level of reserves over a period of time and will review the reserves policy annually.

The target level of reserves is 7% of total income (£275,000) to provide against unexpected emergencies or sudden changes to roll.

The Trustees review the reserve policy of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees determine what the appropriate level of uncommitted reserves should be. The aims are (i) to provide sufficient working capital to cover delays between spending and receipt of grants, (ii) to provide contingency funding for unexpected emergencies, (iii) to remain appropriately funded over the medium term in order to deliver the Academy Trust's Plan and (iv) to provide funding capacity for future estate maintenance and planned capital investment.

As part of its annual business planning the Academy Trust runs a sensitivity analysis to ensure the school remains appropriately funded over the medium term based on a number of scenarios. The Trustees have reviewed these reserve levels and believes that they should provide sufficient working capital to cover its stated aims. Under normal circumstances the Trustees would aim to maintain available reserves (combining GAG related and unrestricted reserves) equivalent to no less than 6 weeks of annual expenditure. This level will be reviewed annually in light of prevailing risks and Plan developments. In addition to this the reserves will also be used toward improving sporting facilities at the School for Curriculum based activities.

*Funds in deficit*

**Local Government Pension Scheme**

Due to the accounting rules for the Local Government Pension Scheme under FRS17, the Academy is recognising a significant pension fund deficit of £887,000 (2014: £767,000). This does not mean that an immediate liability for this amount crystallises and that such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years. The recognition of this deficit has no direct impact on the free reserves of the Academy Trust.

*Principal funding sources*

The Academy has total reliance on continued government funding through the EFA.

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRATEGIC REPORT**

**Financial review**

*Investment policy and objectives*

The school does not consider the investment of surplus funds as a primary activity; rather it is the result of good stewardship as and when circumstances allow.

The purpose of the policy is to:

- Ensure adequate cash balances are maintained in the current account to cover day-to-day working capital requirements.
- Ensure there is no risk of loss in the capital value of any cash funds invested" Protect the capital value of any invested funds against inflation.
- Optimise returns on invested funds.
- Invest surplus cash funds to optimise returns, but ensuring the investments are such that there is no risk to the loss of these cash funds. Any cash funds surplus to requirements may be invested in instant access interest-bearing accounts held with named providers.
- Cash flow and account balances must be monitored to ensure financial commitments can be met
- Accounts should not be allowed to go overdrawn.
- Funds surplus to immediate cash requirements should be transferred to an account with a higher interest rate
- Interest rates and investment opportunities should be reviewed at least annually.
- Funds should only be invested in risk-free, easily accessible accounts.
- Investments must be recorded in sufficient detail to identify them and enable their current market value to be calculated.

The Board of Trustees is conscious of the need to safeguard public monies and speculative investment is not permitted. The Academy has a policy of investing its cash balances with a view to maximising returns, but where greater weight is assigned to the safety of the investment. The Academy aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the Academy aims to invest surplus cash funds to optimise returns, but ensuring the investments are such that there is no risk to the loss of these cash funds.

Where the cash flow identifies a base level of cash funds that will be surplus to requirements these are transferred to the liquidity account linked to the current account providing a higher rate of interest for reserve funds. This account is held with Natwest Bank

**Principal risks and uncertainties**

The Governors have assessed the major risks to which the charitable company is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the School, and its finances. The Governors have implemented a number of systems, including the Risk Register, to assess risks that the school 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. They have introduced systems including operational procedures (e.g. vetting of new staff and visitors) and internal financial controls in order to minimise risk. Where significant financial risks still remain they have ensured they have adequate insurance cover. They are satisfied that these systems are consistent with guidelines issued by the Charities Commission.

**Financial and risk management objectives and policies**

The School has undertaken work during the year to develop and embed the system of internal control, including financial, operational and risk management of the School which is designed to protect the School's assets and reputation.

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRATEGIC REPORT**

**Plans for future periods**

The primary driver for Chantry Primary Academy Trust is to enhance the educational experience and outcomes of the pupils. The Accounting Officer, Trustees and Governors of the Trust constantly monitor its outcomes benchmarked against similar schools and look to improve the quality of what we provide. Our aim is always to improve the quality of learning experience for all of our pupils and to ensure that each pupil reaches their full potential in the hope of entering the next phase of their education with the skills and attributes needed to secure their future success.

Chantry enjoys a positive relationship with parents and it is essential that this is both fostered and developed in order to secure the best outcomes for our pupils.

Maintaining and extending an outstanding curriculum and extra-curricular offer to our pupils remains at the heart of what we do. The Chantry curriculum and enhancement programme is developing all the time to be relevant and responsive to pupil needs and curriculum developments. We aim to increase participation rates in all of our out of hour's activities and to ensure that the most challenged children have the chance to take part in a broad range of activities.

As a National Support School and member of the Luton First Teaching School Alliance, Chantry aims to look outward as much as looking inward, to share knowledge and expertise to benefit schools and educational establishments outside of our own school. In this way, the Trust can act as a hub of good practice whilst being challenged to perform at its very best, having a positive impact on the practice and expertise of our own team.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

The Governors have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Governors have confirmed that they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

**AUDITORS**

The auditors, Landers Accountants Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the governors, incorporating a strategic report, approved by order of the board of governors, as the company directors, on 26 November 2015 and signed on the board's behalf by:



A Shakespeare - Chair of Governors



**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

**Scope of Responsibility**

As governors, we acknowledge we have overall responsibility for ensuring that Chantry Primary Academy Trust (company limited by guarantee) 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 of loss.

The board of the governors 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 Chantry Primary Academy Trust (company limited by guarantee) and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Report of the Governors and in the Statement of Governors Responsibilities. The board of governors has formally met 6 times during the year. Attendance during the year at meetings of the board of governors was as follows:

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
A Shakespeare	5	6
C Bateman	5	6
P Barnard	6	6
S Pollard	6	6
J Kelly	6	6
A Snuggs	5	6
A Price	6	6
T Henry	6	6
M Adams-Thomas	4	6
D Thompson	1	2

The Finance and General Purposes Committee is a sub-committee of the main governing body. Its purpose is to monitor, review the financial position and reports presented to the committee and to make recommendations to the Governing Body.

Attendance at meetings in the year was as follows:

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
A Shakespeare	4	5
C Bateman	5	5
P Barnard	5	5
S Pollard	5	5
J Kelly	4	5
T Henry	5	5
D Thompson	3	4

An internal audit of Governor Skills took place in November 2014 and the actions arising from this exercise are to be determined.

**CHANTRY PRIMARY ACADEMY TRUST  
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**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

**Review of Value for Money**

As accounting officer the headteacher 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.

The accounting officer considers how the 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:

- The combining of a number of smaller jobs into an overall project using the same project manager as already on site for our continued expansion which is being funded by the LA. By using the same project management company at a competitive rate, we were able to achieve value for money in terms of time spent on CAD planning and drawings and economy of time in terms of project meetings. With a known list of contractors to go out to tender for the overall project, best value was achieved in a number of ways.
- Developing a strategy to provide for an effective delivery of PE in our limited accommodation through our governors. With one school hall to deliver assemblies, lunch service and a PE curriculum to 617 pupils, the Academy has been exploring the feasibility of building a sports hall on the school grounds. Alongside this feasibility, governors have worked with the LA to consider the option of refurbishing the hall in the adjacent building which has already been accommodating our additional classes in the expansion. Completing the project in this way allows for additional PE and hall space at a fraction of the cost of a new build.
- Collaborating with a partnership of schools to improve behaviour and to raise standards. We have been able to achieve best value in providing joint training for teachers by bringing teams together with a speaker or trainer paid for jointly across schools, therefore reducing the cost to each individual school.
- Carefully considering advertising options. As a large school with distinct features such as special provision for Visual Impairment and special provision for Behaviour, Chantry has a very high level of staffing to meet the demands of a large school with high levels of need in its pupils. As staff leave over time, we need to advertise for replacements. Each time we place an advertisement for a new member of staff we give time to consider whether low cost or free options such as social media would reach the desired audience. In addition, we combine advertising for multiple posts as often as possible in order to achieve best value.

**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 Chantry Primary Academy Trust (company limited by guarantee) for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

**Capacity to Handle Risk**

The board of governors 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 governors is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

**The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance and 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 governors has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However the governors have appointed Landers Accountants Ltd, the external auditor, to perform additional checks.

The auditors role includes giving advice on financial matters and performing a range of checks on the academy trust's financial statements. On a quarterly basis, the auditor reports 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 head teacher 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 responsible officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the senior leadership team 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 general purposes committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

Approved by order of the members of the board of Governing Body on 26 November 2015 and signed on its behalf by:

A handwritten signature in cursive script, appearing to read 'A Shakespeare'.

A Shakespeare - Chair of Governors

A handwritten signature in cursive script, appearing to read 'C Bateman'.

C Bateman - Accounting Officer

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2015**

As accounting officer of Chantry Primary Academy Trust (company limited by guarantee) I have considered my responsibility to notify the academy trust board of governors 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 board of governors 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 governors and EFA.



C Bateman - Accounting Officer



**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF GOVERNORS RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2015**

The governors (who act as trustees of Chantry Primary Academy Trust (company limited by guarantee) and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Governors 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 governors to prepare financial statements for each financial year. Under company law the governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the academy trust and of the incoming resources and application of resources, including the income and expenditure, of the academy trust for that period. In preparing those financial statements, the governors are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2005;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy trust will continue in business.

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

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

The governors are required to state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

Approved by order of the board of governors on 26 November 2015 and signed on its behalf by:



A Shakespeare - Chair of Governors

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

We have audited the financial statements of Chantry Primary Academy Trust (company limited by guarantee) for the year ended 31 August 2015. 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 Accounts Direction 2014 to 2015 issued by the Education Funding Agency (EFA).

This report is made solely to the academy trust'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 trust'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 trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of governors and auditors**

As explained more fully in the Statement of Governors Responsibilities, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with 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 trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Governors 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.

**Basis for qualified opinion on financial statements**

The financial statements have been prepared, in all material respects, in accordance with the applicable financial reporting framework when reporting in accordance with a compliance framework except for the possible effects of the matter reported by exception.

**Qualified opinion on financial statements**

In our opinion, except for the possible effects of the matter described in the Matters on which we are required to report by exception paragraph, the financial statements:

- give a true and fair view of the state of the academy trust'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;
- have been prepared 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 Report of the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

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

The auditor is unable to obtain sufficient appropriate audit evidence to conclude that the financial statements as a whole are free from material misstatement due to the non-existence of an adequate lease agreement being in place for the new building from the appropriate local authority.

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

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

R Brown (Senior Statutory Auditor)  
for and on behalf of Landers Accountants Ltd (Statutory Auditor)  
Church View Chambers  
38 Market Square  
Toddington  
Bedfordshire  
LU5 6BS

26 November 2015

**Note:**

The maintenance and integrity of the Chantry Primary Academy Trust (company limited by guarantee) website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE) AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement 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 Chantry Primary Academy Trust (company limited by guarantee) 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 Chantry Primary Academy Trust (company limited by guarantee) and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Chantry Primary Academy Trust (company limited by guarantee) 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 Chantry Primary Academy Trust (company limited by guarantee) and the EFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Chantry Primary Academy Trust (company limited by guarantee)'s accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Chantry Primary Academy Trust (company limited by guarantee)'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.

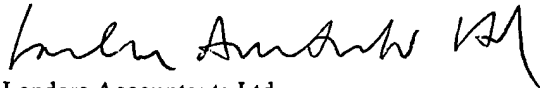
The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy
- testing of a sample of payroll payments to staff
- testing of a sample of payments to suppliers and other third parties
- testing of a sample of grants received and other income streams
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE) AND THE EDUCATION FUNDING AGENCY**

**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.



Landers Accountants Ltd  
Church View Chambers  
38 Market Square  
Toddington  
Bedfordshire  
LU5 6BS

26 November 2015

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2015**

					2015	2014
		Unrestricted fund	Restricted funds	Restricted fixed asset funds	Total funds	Total funds
	Notes	£	£	£	£	£
<b>INCOMING RESOURCES</b>						
<b>Incoming resources from generated funds</b>						
Voluntary income	3	1,173	-	9,999	11,172	11,183
Activities for generating funds	4	79,832	-	-	79,832	60,372
Investment income	5	1,372	-	-	1,372	2,387
<b>Incoming resources from charitable activities</b>						
Academy's educational operations	6	-	3,723,465	23,405	3,746,870	3,366,716
<b>Other incoming resources</b>		<u>3,334</u>	<u>73,693</u>	<u>-</u>	<u>77,027</u>	<u>60,999</u>
<b>Total incoming resources</b>		85,711	3,797,158	33,404	3,916,273	3,501,657
<b>RESOURCES EXPENDED</b>						
<b>Costs of generating funds</b>						
Costs of generating voluntary income	8	53,988	-	-	53,988	57,734
<b>Charitable activities</b>						
Academy's educational operations	9	14,573	3,471,908	115,589	3,602,070	3,441,501
<b>Governance costs</b>	10	-	50,004	-	50,004	33,223
<b>Other resources expended</b>		<u>-</u>	<u>995</u>	<u>-</u>	<u>995</u>	<u>10,898</u>
<b>Total resources expended</b>	7	<u>68,561</u>	<u>3,522,907</u>	<u>115,589</u>	<u>3,707,057</u>	<u>3,543,356</u>
<b>NET INCOMING RESOURCES BEFORE TRANSFERS</b>						
		17,150	274,251	(82,185)	209,216	(41,699)
<b>Gross transfers between funds</b>	21	<u>-</u>	<u>(106,840)</u>	<u>106,840</u>	<u>-</u>	<u>-</u>
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>						
		17,150	167,411	24,655	209,216	(41,699)
<b>Other recognised gains/losses</b>						
Actuarial gains/losses on defined benefit schemes		-	(67,000)	-	(67,000)	(121,000)

The notes form part of these financial statements

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

				2015	2014	
	Not es	Unrestricted fund £	Restricted funds £	Restricted fixed asset funds £	Total funds £	Total funds £
Net movement in funds		17,150	100,411	24,655	142,216	(162,699)
RECONCILIATION OF FUNDS						
Total funds brought forward		212,438	(685,967)	3,426,886	2,953,357	3,116,056
TOTAL FUNDS CARRIED FORWARD		229,588	(585,556)	3,451,541	3,095,573	2,953,357

**CONTINUING OPERATIONS**

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

The notes form part of these financial statements

**CHANTRY PRIMARY ACADEMY TRUST**  
**(COMPANY LIMITED BY GUARANTEE) (REGISTERED NUMBER: 08133360)**

**BALANCE SHEET**  
**AT 31 AUGUST 2015**

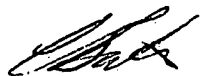
	Notes	<b>2015</b> <b>£</b>	<b>2014</b> <b>£</b>
<b>FIXED ASSETS</b>			
Tangible assets	14	3,451,541	3,426,886
<b>CURRENT ASSETS</b>			
Debtors	15	185,889	163,990
Cash at bank and in hand		<u>721,428</u>	<u>406,878</u>
		907,317	570,868
<b>CREDITORS</b>			
Amounts falling due within one year	16	(376,285)	(274,768)
		<u>531,032</u>	<u>296,100</u>
<b>NET CURRENT ASSETS</b>			
		<u>531,032</u>	<u>296,100</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,982,573	3,722,986
<b>CREDITORS</b>			
Amounts falling due after more than one year	17	-	(2,629)
<b>PENSION LIABILITY</b>	22	(887,000)	(767,000)
		<u>3,095,573</u>	<u>2,953,357</u>
<b>NET ASSETS/(LIABILITIES)</b>		<u><u>3,095,573</u></u>	<u><u>2,953,357</u></u>
<b>FUNDS</b>	21		
Unrestricted funds:			
General fund		229,589	212,438
Restricted funds:			
Restricted pension fund		(887,000)	(767,000)
General Annual Grant (GAG)		<u>301,443</u>	<u>81,033</u>
		(585,557)	(685,967)
Endowment funds:			
Restricted fixed asset funds		<u>3,451,541</u>	<u>3,426,886</u>
<b>TOTAL FUNDS</b>		<u><u>3,095,573</u></u>	<u><u>2,953,357</u></u>

The notes form part of these financial statements

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET - CONTINUED  
AT 31 AUGUST 2015**

The financial statements were approved by the Board of Governors on 26 November 2015 and were signed on its behalf by:



C Bateman -Governor



The notes form part of these financial statements

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

		<b>2015</b>	<b>2014</b>
	Notes	<b>£</b>	<b>£</b>
Net cash inflow from operating activities	1	443,795	133,719
Returns on investments and servicing of finance	2	(702)	366
Capital expenditure and financial investment	2	(128,543)	(162,658)
		<hr/>	<hr/>
Increase/(decrease) in cash in the period		<u>314,550</u>	<u>(28,573)</u>

**Reconciliation of net cash flow to movement in net debt**

3

Increase/(decrease) in cash in the period	<u>314,550</u>	<u>(28,573)</u>
Change in net debt resulting from cash flows	<u>314,550</u>	<u>(28,573)</u>
Movement in net debt in the period	314,550	(28,573)
Net debt at 1 September	<u>406,878</u>	<u>435,451</u>
Net debt at 31 August	<u>721,428</u>	<u>406,878</u>

The notes form part of these financial statements

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

**1. RECONCILIATION OF NET INCOMING(OUTGOING) RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Net incoming(outgoing) resources	209,216	(41,699)
Depreciation charges	113,968	101,709
Capital grants from EFA	(10,080)	(9,721)
Interest received	(1,372)	(2,387)
Interest paid	2,074	2,021
Increase in debtors	(21,899)	(84,167)
Increase in creditors	98,888	138,963
Difference between pension charge and cash contributions	<u>53,000</u>	<u>29,000</u>
<b>Net cash inflow from operating activities</b>	<u><b>443,795</b></u>	<u><b>133,719</b></u>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	1,372	2,387
Interest paid	<u>(2,074)</u>	<u>(2,021)</u>
<b>Net cash (outflow)/inflow for returns on investments and servicing of finance</b>	<u><b>(702)</b></u>	<u><b>366</b></u>
 <b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(138,623)	(172,379)
Capital grants from EFA	<u>10,080</u>	<u>9,721</u>
<b>Net cash outflow for capital expenditure and financial investment</b>	<u><b>(128,543)</b></u>	<u><b>(162,658)</b></u>

**3. ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1.9.14</b>	<b>Cash flow</b>	<b>At 31.8.15</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Net cash:			
Cash at bank and in hand	406,878	314,550	721,428
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total</b>	<u><b>406,878</b></u>	<u><b>314,550</b></u>	<u><b>721,428</b></u>

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**1. ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently is set out below.

**Going concern**

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

**Incoming resources**

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

**- Grants receivable**

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

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 fund.

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

**- Donations**

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

**- Other income**

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

**- Donated Services and Gifts in Kind**

The value of donated services and gifts in kind provided to the academy 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 academy's policies.

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**1. ACCOUNTING POLICIES - continued**

**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.

**- 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's educational operations.

**- Governance costs**

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

All resources expended are inclusive of irrecoverable VAT.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long term leasehold land and buildings	- Straight line over 50 or 125 years
Fixtures and fittings	- 10% on cost
Computer equipment	- 20% on cost

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.

Assets transferred at inception have been included at the estimated depreciated replacement cost. Land and buildings have been recorded at fair value.

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

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**1. ACCOUNTING POLICIES - continued**

**Taxation**

The academy trust is exempt from corporation tax on its charitable activities. 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.

**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 governors.

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 with restrictions imposed by the funder/donor and include grants from the Education Funding Agency.

**Pension 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 the notes, 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 recognised as they are paid each year.

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.

**Leased assets**

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

**CHANTRY PRIMARY ACADEMY TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**2. GENERAL ANNUAL GRANT**

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2015 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended at 31 August 2015.

**3. VOLUNTARY INCOME**

	2015 £	2014 £
Gifts	-	-
Donations	<u>11,172</u>	<u>11,183</u>
	<u>11,172</u>	<u>11,183</u>

**4. ACTIVITIES FOR GENERATING FUNDS**

	2015 £	2014 £
Other income	1,272	2,001
Hire of facilities	1,864	1,665
Uniform sales	1,842	8,028
Before and after school clubs	<u>74,854</u>	<u>48,678</u>
	<u>79,832</u>	<u>60,372</u>

**5. INVESTMENT INCOME**

	2015 £	2014 £
Deposit account interest	<u>1,372</u>	<u>2,387</u>

**6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2015 Total funds £	2014 Total funds £
Contributions to visits	-	38,896	-	38,896	41,388
Grants	<u>-</u>	<u>3,684,569</u>	<u>23,405</u>	<u>3,707,974</u>	<u>3,325,328</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued**

<u>-</u>	<u>3,723,465</u>	<u>23,405</u>	<u>3,746,870</u>	<u>3,366,716</u>
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An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2015 Total funds £	2014 Total funds £
<b>EFA revenue grant</b>					
General Annual Grant(GAG)	-	2,532,253	-	2,532,253	2,445,577
Pupil premium	-	315,446	-	315,446	259,134
Other EFA grants	<u>-</u>	<u>102,266</u>	<u>-</u>	<u>102,266</u>	<u>610,896</u>
	-	2,949,965	-	2,949,965	3,315,607
<b>EFA capital grant</b>					
Capital funding EFA	-	-	10,080	10,080	9,721
<b>Other government grant</b>					
Other grant funding	-	259,526	13,325	272,851	-
Local authority grants	<u>-</u>	<u>475,079</u>	<u>-</u>	<u>475,079</u>	<u>-</u>
	-	734,605	13,325	747,930	-
	<u>-</u>	<u>3,684,570</u>	<u>23,405</u>	<u>3,707,975</u>	<u>3,325,328</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
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**7. RESOURCES EXPENDED**

				<b>2015</b>	<b>2014</b>
	<b>Staff costs</b>	<b>Non-pay expenditure</b>		<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>Premises</b>	<b>Other costs</b>	<b>£</b>	<b>£</b>
		<b>£</b>	<b>£</b>		
<b>Costs of generating funds</b>					
Costs of generating voluntary income	40,570	-	13,418	53,988	57,734
<b>Charitable activities</b>					
<b>Academies educational operations</b>					
Direct costs	2,851,283	-	302,003	3,153,286	2,884,020
Allocated support costs	<u>116,204</u>	<u>171,122</u>	<u>161,458</u>	<u>448,784</u>	<u>557,481</u>
	3,008,057	171,122	476,879	3,656,058	3,499,235
Governance costs including allocated support costs	<u>-</u>	<u>-</u>	<u>50,004</u>	<u>50,004</u>	<u>33,223</u>
	<u><u>3,008,057</u></u>	<u><u>171,122</u></u>	<u><u>526,883</u></u>	<u><u>3,706,062</u></u>	<u><u>3,532,458</u></u>

Net resources are stated after charging/(crediting):

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration	8,744	8,308
Auditors' remuneration for non-audit work	2,195	2,113
Depreciation - owned assets	113,968	101,709
Operating leases - plant and machinery	<u>7,013</u>	<u>7,013</u>

**8. COSTS OF GENERATING VOLUNTARY INCOME**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Staff costs	40,570	38,999
Sundries	8,736	9,000
Uniform costs	2,608	7,714
Interest payable and similar charges	<u>2,074</u>	<u>2,021</u>
	<u><u>53,988</u></u>	<u><u>57,734</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**9. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2015 Total funds £	2014 Total funds £
<b>Direct costs</b>					
Teaching and educational support staff	-	2,851,283	-	2,851,283	2,532,334
Technology costs	568	53,276	-	53,844	54,963
Educational supplies	10,087	188,327	-	198,414	232,561
Staff development	-	40,248	-	40,248	45,319
Goods and services	-	5,497	-	5,497	4,843
Other direct costs	-	4,000	-	4,000	14,000
	10,655	3,142,631	-	3,153,286	2,884,020
<b>Allocated support costs</b>					
Support staff costs	1,772	114,432	-	116,204	120,725
Depreciation	-	-	113,968	113,968	101,709
Recruitment and support	-	12,170	-	12,170	7,652
Maintenance of premises and equipment	-	31,410	1,621	33,031	147,648
Cleaning	-	13,456	-	13,456	14,162
Rent and rates	-	9,578	-	9,578	9,484
Light and heat	-	31,901	-	31,901	41,175
Insurance	-	17,503	-	17,503	20,130
Security and transport	-	12,747	-	12,747	12,208
Catering	2,146	86,080	-	88,226	82,588
	3,918	329,277	115,589	448,784	557,481
	<u>14,573</u>	<u>3,471,908</u>	<u>115,589</u>	<u>3,602,070</u>	<u>3,441,501</u>

**10. GOVERNANCE COSTS**

	2015 £	2014 £
Auditors' remuneration	8,744	8,308
Auditors' remuneration for non-audit work	2,195	2,113
Governor support	1,311	1,750
Legal and professional fees	<u>37,754</u>	<u>21,052</u>
	<u>50,004</u>	<u>33,223</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**11. GOVERNORS' REMUNERATION AND BENEFITS**

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

C Bateman (Headteacher and trustee)

Remuneration £85,000 - £89,999 (2014: £80,000 - £84,999)

Contributions to the Teachers' Pension Scheme £10,000 - £14,999 (2014: £10,000 - £14,999).

S Pollard (staff trustee)

Remuneration £55,000 - £59,999 (2014: £55,000 - £59,999)

Contributions to the Teachers' Pension Scheme of £5,000 - £9,999 (2014: £5,000 - £9,999)

J Kelly (staff trustee)

Remuneration £45,000 - £49,999 (2014: £40,000 - £44,999)

Contributions to the Teachers' Pension Scheme of £5,000 - £9,999 (2014: £5,000 - £9,999)

A Snuggs (staff trustee)

Remuneration £20,000 - £24,999 (2014: £20,000 - £24,999)

Contributions to the Teachers' Pension Scheme of £5,000 - £9,999 (2014: £nil - £4,999)

A Price (staff trustee)

Remuneration £10,000 - £14,999 (2014: £5,000 - £9,999)

Contributions to the Teachers' Pension Scheme of £nil - £4,999 (2014: £nil - £4,999)

T Henry (staff trustee)

Remuneration £5,000 - £9,999

Contributions to the Teachers' Pension Scheme of £Nil - £4,999

J Genas (staff trustee)

Remuneration £nil - £4,999 (2014: £5,000 - £9,999)

Contributions to the Teachers' Pension Scheme of £nil - £4,999 (2014: £nil - £4,999)

**Governors' expenses**

There were no governors' expenses paid for the year ended 31 August 2015 nor for the year ended 31 August 2014.

**CHANTRY PRIMARY ACADEMY TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**12. STAFF COSTS**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,487,114	2,212,145
Social security costs	145,125	140,147
Other pension costs	<u>374,107</u>	<u>325,164</u>
	3,006,346	2,677,456
Supply teacher costs	<u>1,711</u>	<u>14,602</u>
	<u><u>3,008,057</u></u>	<u><u>2,692,058</u></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:

	<b>2015</b>	<b>2014</b>
Teachers	31	33
Administrative staff	8	8
Educational support	42	43
Midday supervisors	3	3
Out of school hours supervisors	2	2
Premises staff	<u>4</u>	<u>4</u>
	<u><u>90</u></u>	<u><u>93</u></u>

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

	<b>2015</b>	<b>2014</b>
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	<u>1</u>	<u>-</u>
	<u><u>2</u></u>	<u><u>1</u></u>

The above employees participated in the Teachers' Pension Scheme.

**13. GOVERNORS' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

**CHANTRY PRIMARY ACADEMY TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**14. TANGIBLE FIXED ASSETS**

	Long term leasehold land and buildings £	Improvement s to property £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>					
At 1 September 2014	3,262,000	70,343	160,311	130,896	3,623,550
Additions	-	51,527	29,988	57,108	138,623
At 31 August 2015	<u>3,262,000</u>	<u>121,870</u>	<u>190,299</u>	<u>188,004</u>	<u>3,762,173</u>
<b>DEPRECIATION</b>					
At 1 September 2014	129,367	1,109	27,484	38,704	196,664
Charge for year	<u>62,096</u>	<u>1,732</u>	<u>20,551</u>	<u>29,589</u>	<u>113,968</u>
At 31 August 2015	<u>191,463</u>	<u>2,841</u>	<u>48,035</u>	<u>68,293</u>	<u>310,632</u>
<b>NET BOOK VALUE</b>					
At 31 August 2015	<u>3,070,537</u>	<u>119,029</u>	<u>142,264</u>	<u>119,711</u>	<u>3,451,541</u>
At 31 August 2014	<u>3,132,633</u>	<u>69,234</u>	<u>132,827</u>	<u>92,192</u>	<u>3,426,886</u>

Included within the value of long term leasehold land and buildings is a net book value amount of £255,537 (2014: £257,633) relating to leasehold land and £2,815,000 (2014: £2,875,000) relating to leasehold buildings with a lease term over 50 years.

**15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Trade debtors	97,333	78,246
VAT	17,421	28,748
Prepayments and accrued income	<u>71,135</u>	<u>56,996</u>
	<u>185,889</u>	<u>163,990</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015	2014
	£	£
Trade creditors	77,267	101,533
Social security and other taxes	83,902	75,533
Other creditors	2,629	2,629
Accruals and deferred income	<u>212,487</u>	<u>95,073</u>
	<u>376,285</u>	<u>274,768</u>

**Deferred income**

	2015
	£
Deferred Income at 1 September 2014	81,691
Resources deferred in the year	170,476
Amounts released from previous years	<u>(81,691)</u>
Deferred Income at 31 August 2015	<u>170,476</u>

As at the balance sheet date the academy trust was holding funds received in advance for grant income relating to the 2016 financial year.

A further provision of £2,629 has been made within other creditors (less than one year), in respect of double funding of the SEN block LACSEG paid to the Academy.

**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2015	2014
	£	£
Other creditors	<u>-</u>	<u>2,629</u>

**18. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	<b>Other operating leases</b>	
	2015	2014
	£	£
Expiring:		
Between one and five years	<u>7,013</u>	<u>7,013</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**19. MEMBERS' LIABILITY**

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

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

	<b>2015</b>			<b>2014</b>
	<b>Unrestricted fund</b>	<b>Restricted funds</b>	<b>Restricted fixed asset funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets	-	-	3,451,541	3,426,886
Current assets	229,589	677,726	-	570,868
Current liabilities	-	(376,283)	-	(274,768)
Long term liabilities	-	-	-	(2,629)
Pension liability	-	(887,000)	-	(767,000)
	<u>229,589</u>	<u>(585,557)</u>	<u>3,451,541</u>	<u>2,953,357</u>

**21. MOVEMENT IN FUNDS**

	<b>At 1.9.14</b>	<b>Net movement in funds</b>	<b>Transfers between funds</b>	<b>At 31.8.15</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>				
General fund	212,438	17,151	-	229,589
<b>Restricted funds</b>				
Restricted pension fund	(767,000)	(120,000)	-	(887,000)
General Annual Grant (GAG)	<u>81,033</u>	<u>327,250</u>	<u>(106,840)</u>	<u>301,443</u>
	(685,967)	207,250	(106,840)	(585,557)
<b>Restricted fixed asset funds</b>	<u>3,426,886</u>	<u>(82,185)</u>	<u>106,840</u>	<u>3,451,541</u>
<b>TOTAL FUNDS</b>	<u>2,953,357</u>	<u>142,216</u>	<u>-</u>	<u>3,095,573</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**21. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	85,711	(68,560)	-	17,151
<b>Restricted funds</b>				
Other restricted funds	317,927	(317,927)	-	-
General Annual Grant (GAG)	2,532,250	(2,205,000)	-	327,250
Pupil premium	315,447	(315,447)	-	-
Educational visits	38,023	(38,023)	-	-
Other government grants	593,511	(593,511)	-	-
Restricted pension fund	-	(53,000)	(67,000)	(120,000)
	3,797,158	(3,522,908)	(67,000)	207,250
<b>Restricted fixed asset funds</b>	33,404	(115,589)	-	(82,185)
<b>TOTAL FUNDS</b>	<u>3,916,273</u>	<u>(3,707,057)</u>	<u>(67,000)</u>	<u>142,216</u>

**CHANTRY PRIMARY ACADEMY TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**21. MOVEMENT IN FUNDS - continued**

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

**General Annual Grant (GAG)**

This represents funding from the EFA to cover the costs of recurrent expenditure.

Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2015. Note 2 discloses whether the limit was exceeded.

**Other Restricted Funds**

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant. This includes items such as school trips for which income received is used to cover the costs in association with these activities.

**Pupil Premium**

This funding is to be used to raise achievement and improve outcomes for pupils from low-income families who are eligible for school meals.

**Educational Visits**

This represents contributions made by parents to the running of educational visits for the pupils of the academy and the associated costs of running the trips.

**Pension Reserve**

This fund represents the academy's share of the deficit of the Local Government Pension Scheme (LGPS) transferred to the academy on conversion from being a state controlled school.

**Restricted Fixed Asset Funds**

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

**Capital Grants**

The academy may use the capital grants to maintain and improve its buildings and facilities.

**22. PENSION 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 Bedford Borough Council. 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 of the LGPS 31 March 2013.

Contributions amounting to £41,901 (2014: £37,144) were payable to the schemes at 31 August 2015 and are included within creditors.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
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**22. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

**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 TPS in the period amounted to £145,024 (2014: £144,213).

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.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**22. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

**Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £241,000, of which employer's contributions totalled £190,000 and employees' contributions totalled £51,000. The agreed contribution rates for future years are 22% for employers and between the ranges of 5.5% - 12.5% for employees.

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

The amounts recognised in the balance sheet are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Present value of funded obligations	(2,515,000)	(2,144,000)
Fair value of plan assets	<u>1,628,000</u>	<u>1,377,000</u>
	<u>(887,000)</u>	<u>(767,000)</u>
Deficit	<u>(887,000)</u>	<u>(767,000)</u>
Liability	<u>(887,000)</u>	<u>(767,000)</u>

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

	<b>Defined benefit pension plans</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Current service cost	239,000	180,000
Interest cost	84,000	80,000
Expected return	<u>(80,000)</u>	<u>(66,000)</u>
	<u>243,000</u>	<u>194,000</u>
Actual return on plan assets	<u>33,000</u>	<u>136,000</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £179,000 loss (2014: £112,000 loss).

**CHANTRY PRIMARY ACADEMY TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**22. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

The estimated employers contribution for the year to 31 August 2016 is approximately £204,000 (2015: £177,000).

Changes in the present value of the defined benefit obligation are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Defined benefit obligation	(2,121,000)	(1,647,000)
Current service cost	(239,000)	(180,000)
Contributions by scheme participants	(51,000)	(46,000)
Interest cost	(84,000)	(80,000)
Actuarial losses/(gains)	(20,000)	(191,000)
	<u>(2,515,000)</u>	<u>(2,144,000)</u>

Changes in the fair value of scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Fair value of scheme assets	1,354,000	1,030,000
Contributions by employer	190,000	165,000
Contributions by scheme participants	51,000	46,000
Expected return	80,000	66,000
Actuarial gains/(losses)	(47,000)	70,000
	<u>1,628,000</u>	<u>1,377,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**22. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

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

	<b>Defined benefit pension plans</b>	
	<b>2015</b>	<b>2014</b>
Equities	67%	69%
Bonds	18%	19%
Property	11%	9%
Cash	4%	3%

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 2015</b>	<b>Fair value at 31 August 2015 £</b>	<b>Expected return at 31 August 2014</b>	<b>Fair value at 31 August 2014 £</b>
Equities	3.7%	1,084,000	6.3%	934,000
Bonds	3.7%	291,000	3.3%	257,000
Property	3.7%	178,000	4.5%	122,000
Cash	3.7%	65,000	3.3%	41,000
<b>Total market value of assets</b>		<b>1,354,000</b>		<b>1,354,000</b>
<b>Present value of scheme liabilities</b>				
- Funded		<b>(2,505,000)</b>		<b>(2,121,000)</b>
<b>Deficit in the scheme</b>		<b>(887,000)</b>		<b>(767,000)</b>

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period.

The actual return on scheme assets was £33,000 (2014: £126,000).

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

	<b>2015</b>	<b>2014</b>
Discount rate	3.7%	3.7%
Expected return on scheme assets	3.7%	5.4%
Future salary increases	3.5%	3.4%
Future pension increases	2.6%	2.6%

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

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**22. PENSION AND SIMILAR OBLIGATIONS**  
- continued

	2015	2014
Retiring today:		
Males	22.4	22.4
Females	24.3	24.3
Retiring in 20 years:		
Males	24.4	24.4
Females	26.8	26.8

Amounts for the current and previous two periods are as follows:

	2015 £	2014 £	2013 £
<b>Defined benefit pension plans</b>			
Defined benefit obligation	(2,515,000)	(2,144,000)	(1,647,000)
Fair value of scheme assets	1,628,000	1,377,000	1,030,000
Deficit	(887,000)	(767,000)	(617,000)
Experience adjustments on scheme liabilities	2,000	(72,000)	-
Experience adjustments on scheme assets	(47,000)	70,000	47,000

**23. RELATED PARTY DISCLOSURES**

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 transaction took place in the period of account.

During the year a close family member of the head teacher was employed by the trust, J Bateman. This individual was fairly recruited and their performance is managed in the normal way, their employment is a benefit to the trust in providing specialist knowledge and support in educating the pupils of the Academy. J Bateman was an employee of the school prior to the conversion into an Academy.

J Bateman's remuneration for the year was £10,189 (2014: £10,087).

J Bateman's employer pension contributions for the year were £1,437 (2014: £1,422).

**24. ULTIMATE CONTROLLING PARTY**

There is no ultimate controlling party.

**CHANTRY PRIMARY ACADEMY TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**25. COMPANY LIMITED BY GUARANTEE**

The Academy is a company limited by guarantee and does not have share capital.