

Registered number: 08137451

COSBY PRIMARY SCHOOL
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

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COMPANIES HOUSE

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COSBY PRIMARY SCHOOL
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members	Mr M W Booley Mr J Hemes Mrs C Pepper
Governors	Mr M W Booley, Chair Mrs T Withers, Head Teacher Mrs R Drake Mr J Hemes Mrs H Hobbs (resigned 25 August 2015) Mr M Howkins Mrs D Parkinson Mrs C Pepper Mr I Wakelam Mrs R Woodland Miss C Holmes Mr P O'Brien Mrs E Watson Mr A Bolton Mr L Von Anrep Mr A Tanner Mr S Burton (appointed 13 September 2014) Mrs K Hosmer (appointed 23 September 2014)
Company registered number	08137451
Principal and registered office	Cosby Primary School Portland Street Leicester LE9 1TE
Company secretary	Mrs S Allen
Independent auditor	BDO LLP Pannell House 159 Charles Street Leicester LE1 1LD
Bankers	NatWest Bank Plc 7 Hinckley Road Leicester LE3 0TQ
Solicitors	BHW Solicitors 5 Grove Court Grove Park Enderby Leicestershire LE19 15A

COSBY PRIMARY SCHOOL
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Governors (who are trustees under charity law and directors for the purposes of the Companies Act) present their statutory annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2015.

The report has been prepared in accordance with Part VIII of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 22 to 24 of the attached financial statements and comply with the school's Memorandum and Articles of Association, applicable laws and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005).

Structure, governance and management

a. Constitution

The school is an academy trust, company limited by guarantee and a registered charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the academy trust.

The governors act as the trustees for the charitable activities of Cosby Primary School and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Cosby Primary School.

Details of the governors who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

b. Members' liability

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

c. Method of recruitment and appointment or election of Governors

The Governing Body of Cosby Primary School is constituted as laid down in its Articles of Association and is made up of not less than three governors but has no stated maximum, allowing us to adjust membership to reflect the needs of the school as it evolves. All Governors, other than the Head Teacher, serve for a term of four years after which they are required to be re-elected/re-appointed. Staff governors are appointed through open election for all eligible members of staff.

d. Policies and procedures adopted for the induction and training of Governors

The training and induction for new Governors will depend on their existing experience and will be tailored specifically to the needs of the individual. Cosby Primary School has a contract with the LA Governors Development service, which provides governor induction training and other specified courses as required. Copies of minutes, accounts, budgets, plans and other documents needed to undertake the role are available in hard copy on request.

Where a training need is identified the appropriate training is procured which may be on site, on-line or by attendance at an external event. The school budget includes an allocation to allow for training needs to enable such needs to be financed where necessary. Feedback on training undertaken and any action subsequently identified is reported to the full Governing Body.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

e. Organisational structure

The Governors, who are also the charity trustees, are responsible for the overall management and control of the school and meet a minimum of four times each academic year.

The work involved in reviewing and ratifying policies is delegated to the members of the Finance and Personnel, Management, Curriculum and Standards committees. These meet at least once per term and work as directed by a chair appointed at the first meeting of the academic year. Terms of reference of these committees are reviewed and ratified annually. The clerk to the Governors is responsible for arranging meetings, supporting the work of the Governors, the preparation of agendas and the production of minutes.

Governors were not paid any remuneration or expenses for carrying out their duties.

The Head Teacher is responsible for the day to day running of the school including teaching and learning, safeguarding, health and safety functions and is supported by the Senior Leadership Team. Day to day administration is undertaken within the policies and procedures agreed by the Governors with major expenditure and other significant decisions being referred to the Governors in line with agreed policy/procedure.

The Head Teacher oversees the recruitment of all staff. She is a staff Governor, Principal Accounting Officer and attends all Governing body and sub-committee meetings apart from Curriculum Committee, which is attended by the Assistant Head Teacher. The Business Manager attends all Finance and Personnel meetings.

f. Connected organisations, including related party relationships

The Head Teacher and Business Manager are members of several professional organisations and regularly attend a range of local and county-wide meetings to enable them to keep up to date with current educational policies/practice and thinking.

The Academy is part of the South Leicestershire Learning Partnership, which is the group of schools that form the Umbrella Trust as well as the Countesthorpe Development Group, which is a group of schools who work together to share knowledge, experience and expertise between its members. These partnerships aim to provide its members with the support, challenge and networks previously provided through the local authority.

The Head Teacher is one of the Strategic Lead Head Teachers for the Thomas Estley Learning Alliance Teaching School which provides opportunities for staff to access and deliver training.

The Academy has appointed BDO as their statutory financial auditors with the audit section of the Local Authority carrying out a yearly check of the school financial systems.

g. Risk management

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy (and its finances) and systems are in place to mitigate those risks. The Governors assess the risks that the academy faces, especially in operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. A financial risk register is in place taking account of established good practice, to ensure any financial risks identified are fully and properly assessed and necessary mitigation put in place. The Governors monitor systems, including operational procedures (vetting of DBS checks and cashflow monitoring) and internal financial controls in order to minimise risk. The Academy has an effective system of internal financial controls.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

h. Governors' indemnities

The Companies Act 2006 s236 requires disclosure concerning qualifying third party indemnity provisions. In accordance, the Academy purchases insurance to protect governors and officers from claims arising from negligent acts, errors or omissions whilst on school business. The cover under this policy is £2,000,000.

i. Principal activities

The Academy's principal activity is to educate the pupils within its care to the best of its ability with the funds provided. It aims to provide a broad, balanced and inclusive curriculum that follows statutory guidance from the DfE. It aims to provide the above whilst taking into account the safeguarding and wellbeing of the pupils within its care.

Objectives and Activities

a. Objects and aims

The principal objective of Cosby Primary School as a charitable company is to provide the best education it can for pupils of different abilities between the ages of 4-11 years.

As set out in our Funding Agreement and Articles of Association, the Academy's object is specifically restricted to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. This includes providing educational facilities and services to pupils of all ages and the wider community for public benefit.

b. Objectives, strategies and activities

Mission Statement:

Working Together for Excellence

Cosby Primary School aims to enable each child to:

- Be someone who loves to learn and aspires to fulfil their true potential.
- Be a confident, creative and independent learner with the skills to succeed in the future.
- Be a resourceful, resilient risk-taker who makes the most of every learning opportunity.
- Take pride in themselves and their achievements and show respect for others and the environment.
- Cooperate, collaborate and communicate effectively.
- Be happy, healthy and active members of the school and wider community.

c. Objectives

Child

- To become independent and caring in a positive environment where individual achievements are recognised, supported and respected.
- To develop self-esteem and self-discipline, behaving well at all times.
- To be involved in all aspects of school life whilst working cooperatively and collaboratively with adults and their peers.
- To respect other people's beliefs, opinions and property, caring for the environment and community.

Teaching

- To provide a stimulating learning environment.
- To use a variety of teaching and learning strategies suited to the needs of the children, to support, challenge and reinforce the learning process.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

- To expect high standards of effort and achievement, encouraging self-discipline in both work and behaviour.

Curriculum

- To provide a broad and balanced curriculum that is both relevant and differentiated to the needs of each individual child and which fulfils national requirements.
- To enhance the children's education by offering a wide range of educational opportunities.

Home

- To foster a partnership between home and school, in all aspects of the education of their children.
- To encourage parental support of the Home-School Agreement and the school homework policy.
- To provide information about the curriculum and the progress of each child.

d. Public benefit

'Public benefit' is the legal requirement that every organisation with one or more charitable aims must be able to demonstrate that its aims are for the public benefit if it is so to be recognised and registered as a charity in England and Wales.

The three underlying principles for the Charity are as follows:

- it must be clear what the benefits are;
- the benefits must be related to the aims;
- benefits must be balanced against detriment or harm.

The aims and objectives of Cosby Primary School are outlined in the section above but in ensuring the school focuses upon these aims the following has been taken into account by the Governing Body:

- the beneficiaries must be appropriate to the aims;
- where the benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted;
- any private benefits must be incidental.

These principles underline the work undertaken at Cosby Primary School and, through monitoring and evaluation of procedures and policies, the Governing Body ensures that the Academy has complied with its duties.

The Academy's intake includes the village of Cosby as its traditional catchment area; with a small proportion of pupils coming from outside the village which is classed as out of catchment. The Academy has adopted the Admissions Policy of Leicestershire Local Authority and first time admissions to the school are therefore based upon their criteria.

The OFSTED rating as a 'Good School' remains in place and the continual improvements in academic progress ensure that our pupils benefit from the education we provide with an aim to provide outstanding education.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Strategic report

Achievements and performance

a. Going concern

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

b. Key academic performance indicators

- Pupil achievement is the Academy's key performance indicator.
- Financial performance is monitored monthly against budget and established expenditure profiles.
- All staff undertake performance management.

c. Review of activities

2015 Key Stage 2 Outcomes

	Reading	Writing	Grammar, Punctuation, Spelling	Maths	Reading, Writing, Maths	Science
Level 4	95	97	76	95	89	100
Level 5	57	57	51	43	30	70
2 levels progress	95	100		89		

Pupils across Cosby Primary School made good progress in their learning in the academic year 2014/15.

With high proportions of pupils working within the 30-50 month band on entry, pupils made very good progress through the Foundation Stage so that the proportion of pupils achieving the expected levels, or exceeding the expected levels, were above those achieved nationally by the end of the year.

At the end of Key Stage 1, outcomes at all levels in Reading, Writing and Maths were above or in line with the national averages and school data shows that all pupils consistently make good progress during Key Stage 1.

At the end of Key Stage 2, the proportions of pupils attaining level 4 were above national averages in all areas apart from Grammar, where it was slightly below. The proportions of pupils attaining level 5 were above national averages in all subjects except Grammar where it was slightly below and Reading, Writing and Maths combined, where it was in line with national averages.

The Academy has a broad, balanced and creative curriculum which enables all pupils to develop the skills they need in order to achieve well and succeed in the future. The curriculum is further enhanced by a variety of enrichment opportunities including inspiration days and theme weeks, a range of visits and visitors, and use of the outdoors and local village facilities, as well as extensive extra-curricular opportunities.

The academy holds the following awards:

- Basic Skills
- Enhanced Healthy Schools Award
- International Schools Award.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Collaboration is a key aspect of the Academy's work and this includes involvement in the local Teaching School Alliance as well as work alongside other academies within the umbrella trust to ensure that our pupils experience a smooth transition at the end of Year 6. Collaborative work with other local schools provides many opportunities for both staff and pupils to be involved in extension and development work.

Financial review

a. Financial and risk management objectives and policies

The Academy's exposure to risk is largely future intake due to changes in local birth rates, and therefore future bank balances, cash and trade creditors, other liabilities and trade debtors.

The Academy has inherited the Local Government defined pension benefit scheme deficit for support staff which it is reducing in line with guidance from the Local Authority and actuarial advice.

b. Principal risks and uncertainties

The principal risks for the academy for the future are:

1. fluctuating rolls which impact on the financial aspect of the Academy;
2. risks relating to staffing – absence, recruitment and skillset;
3. future funding changes

c. Reserves policy

The Governors review the reserve levels of the Academy annually. The review includes nature of income and expenditure with the need to match income with commitments. The Governors have determined an appropriate level of reserves to cover capital expenditure and unexpected emergencies.

d. Principal funding

Most of the Academy's income is obtained from the DfE, the use of which is restricted to particular purposes. The income received from the DfE during the period ended 31st August 2015 and the associated expenditure are shown in the restricted funds in the Statement of Financial Activities.

e. Investments policy

The cash flow and bank account is monitored on a weekly basis to ensure that the immediate financial commitments of payroll and payments can be met and that the Academy has adequate balances to meet planned future commitments.

The fund balance is reviewed on a six monthly basis to consider interest rates and possible investment opportunities.

Plans for future periods

a. Future developments

The Academy will continue to work to improve outcomes for all pupils through development work in the following key areas:

Achievement and Standards

- To raise standards in core curriculum areas.
- To raise standards by improving the progress and attainment of higher achieving pupils.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

- To promote and develop teaching and learning in Science.

Quality of Teaching

- To increase the number of lesson elements judged as outstanding across the school.
- To enhance and extend learning by providing a high quality curriculum.
- To develop effective processes and systems for assessing pupil progress.

Behaviour and Safety

- To develop an ethos in which all pupils are motivated to learn effectively.
- To ensure children are well informed about how to stay safe in a range of situations.

Leadership and Management

- To raise the profile of the school with parents and the local community.
- To make all teaching as good as the best by improving the consistency of practice across the school.
- Develop Governors' knowledge of the school's strengths and areas for improvement.
- Develop Governor skills and knowledge.
- To enhance and extend learning through the provision of an inclusive and creative curriculum.
- Promote and develop spiritual, moral, social and cultural understanding.
- To strengthen partnerships with parents, Friends of the School, the teaching school alliance, family of schools and academy trust.

Funds held as custodian trustee on behalf of others

The Academy does not hold funds on behalf of any other organisations.

Disclosure of information to auditor

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

- so far as that Governor is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant information needed by the charitable company's auditor in connection with preparing its report and to establish that the charitable company's auditor is aware of that information.

This report, incorporating the strategic report, was approved by order of the members of the Governing Body, as the company directors, on 11/12/15 and signed on the board's behalf by:



Mr M W Booley, Chair

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GOVERNANCE STATEMENT

Scope of Responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Cosby Primary School has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Governing Body has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Cosby Primary School and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' report and in the Governors' responsibilities statement. The Governing Body has formally met 4 times during the year.

Attendance during the year September 2014 to August 2015 at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
Mr M W Booley, Chair	4	4
Mrs T Withers, Head Teacher	4	4
Mrs R Drake	3	4
Mr J Hemes	4	4
Mrs H Hobbs	4	4
Mr M Howkins	4	4
Mrs D Parkinson	2	4
Mrs C Pepper	3	4
Mr I Wakelam	1	4
Mrs R Woodland	4	4
Miss C Holmes	2	4
Mr P O'Brien	0	4
Mrs E Watson	3	4
Mr A Bolton	1	4
Mr L Von Anrep	1	4
Mr A Tanner	3	4
Mr S Burton	4	4
Mrs K Hosmer	4	4

The Finance & Personnel Committee is a sub-committee of the main Governing Body. Its purpose is to ensure that the Academy meets the highest standards of financial control. During the period of accounts the committee has met on 5 occasions and dealt with the many and complex financial implications of operating as an academy.

The Curriculum Committee met 3 times during the year to consider curriculum development and monitoring of our provision. The Standards Committee also met 3 times with the purpose of understanding the attainment and achievement of the pupils in the Academy.

The Management Committee meets 3 times each year and is responsible for monitoring and developing the premises, monitoring health and safety and considering capital expenditure.

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GOVERNANCE STATEMENT (continued)

Attendance at the Committees for the period September 2014 to August 2015 was as follows:

Finance

Governor	Meetings attended	Out of a possible
Mr M W Booley	4	5
Mrs T Withers	5	5
Mr J Hemes	5	5
Mr M Howkins	5	5
Mr P O'Brien	1	5
Mr L Von Anrep	3	5

Curriculum

Name	Meetings attended	Out of a possible
Mr M W Booley	3	3
Mrs R Drake	3	3
Mr M Howkins	2	3
Mrs R Woodland	3	3
Mrs K Hosmer	3	3
Mrs E Watson	2	3

Standards

Name	Meetings attended	Out of a possible
Mr M W Booley	3	3
Mrs T Withers	3	3
Mr A Gallagher	2	3
Mrs D Parkinson	3	3
Mr I Wakelam	3	3

Management

Name	Meetings attended	Out of a possible
Mr J Hemes	1	3
Mrs T Withers	3	3
Mr S Burton	3	3
Mrs H Hobbs	3	3
Miss C Holmes	2	3
Mrs C Pepper	3	3
Mr A Tanner	3	3

Review of Value for Money

As accounting officer the Head Teacher 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:

- Improving educational results – pupils at Cosby Primary School made good progress in their learning so that the proportions of pupils attaining level 4 at the end of Key Stage 2 were above national averages in Reading, Writing, Maths and Reading, Writing and Maths combined and in line with national averages in Grammar, Punctuation and Spelling.

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GOVERNANCE STATEMENT (continued)

- Deploying staff to support the delivery of our high quality and constantly improving curriculum. Most recent examples would be the reorganisation of Learning Support Staff to enable effective intervention work to take place in targeted areas; deployment of teaching staff to enable small class sizes in Key Stage 1 and the adjustment of timetabled teaching time to enable specific delivery and application of core skills.
- Focus on individual pupils: The Academy has managed the differing needs of pupils, such as those requiring learning support and those requiring additional challenge, through the following interventions: Additional small group learning support for identified pupils, learning mentor support for underachievers and to enhance skills development.
- Collaborating with other educational providers and experts to share delivery or good practice, and to drive up standards for the least cost. This includes: involvement in the local Teaching School Alliance as a strategic leader in the area of Research and Development, working closely with other academies within the umbrella trust to ensure that our pupils experience a smooth transition at the end of Year 6 and collaborative work with other schools to provide many opportunities for both staff and pupils to be involved in extension and development work.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Cosby Primary School for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 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 Governing Body.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance and Premises 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 Governing Body has considered the need for a specific internal audit function and has decided to appoint the Local Authority Audit Section as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

On an annual basis, the internal auditor reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

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GOVERNANCE STATEMENT (continued)

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 the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the Business Manager within the Academy who has 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 Personnel Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 11/12/15 and signed on its behalf, by:



Mr M W Booley, Chair



Mrs T Withers, Head Teacher

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Cosby Primary School I have considered my responsibility to notify the Academy Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the Academy Governing Body are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook (2014).

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 Governing Body and EFA.


.....
Mrs T Withers, Head Teacher
Accounting Officer

Date: 11 December 2015

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GOVERNORS' RESPONSIBILITIES STATEMENT

The Governors (who act as trustees of the Academy and are also the directors of the Academy for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the 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 and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these financial statements the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy's transactions and disclose with reasonable accuracy at any time the financial position of the Academy and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015. They are also responsible for safeguarding the assets of the Academy 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 applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the Board of Governors and signed on its behalf by:



Mr M W Booley, Chair,
for and on behalf of the board of governors
Date: 11 December 2015

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COSBY PRIMARY SCHOOL

We have audited the financial statements of Cosby Primary School ("the Academy") for the year ended 31 August 2015 which comprise the statement of financial activities, incorporating the income and expenditure account and statement of total recognised gains and losses, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 (SORP 2005) issued by the Education Funding Agency ("the EFA").

This report is made solely to the Academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the trustees, as a body, in accordance with the Academies Accounts Direction 2014 to 2015 (SORP 2005). Our audit work has been undertaken so that we might state to the Academy's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy, the Academy's members as a body and the Academy's trustees as a body for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Governors and auditor

As explained more fully in the Governors' responsibilities statement, the Governors (who act as trustees of Cosby Primary School and 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. We have been appointed as auditor under the Companies Act 2006 and report in accordance with that Act.

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 (SORP 2005) issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' report, which includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

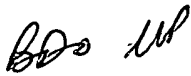
COSBY PRIMARY SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COSBY PRIMARY SCHOOL

Matters on which we are required to report by exception

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

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



Nishit Bathia (senior statutory auditor)

for and on behalf of

BDO LLP, statutory auditor

Leicester

United Kingdom

Date: 15 December 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

COSBY PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO COSBY
PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 5 November 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015 (SORP 2005), we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Cosby Primary School during the year 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 Cosby Primary School and to the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Cosby Primary School and to 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 Cosby Primary School and to the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Cosby Primary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Cosby Primary School's funding agreement with the Secretary of State for Education dated 1 August 2012, 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 (SORP 2005). We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 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 (SORP 2005) issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes an assessment of the level of risk associated with the specific categories of income and expenditure and the potential for irregularities to be identified. Our work is performed in accordance with Part 9 of the Academies Accounts Direction 2014 to 2015 (SORP 2005).

COSBY PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO COSBY
PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

BDO LLP

BDO LLP

Reporting Accountant
Leicester
United Kingdom

Date: *15 December 2015*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

COSBY PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	15,757	16,075	-	31,832	15,655
Activities for generating funds	3	36,256	-	-	36,256	36,900
Investment income	4	789	-	-	789	1,708
Incoming resources from charitable activities	5	-	1,323,687	-	1,323,687	1,034,800
TOTAL INCOMING RESOURCES		52,802	1,339,762	-	1,392,564	1,089,063
RESOURCES EXPENDED						
Costs of generating funds:						
Fundraising expenses and other costs	3	29,806	-	-	29,806	23,864
Charitable activities		-	993,173	58,671	1,051,844	959,209
Governance costs	6	-	14,687	-	14,687	10,292
TOTAL RESOURCES EXPENDED	9	29,806	1,007,860	58,671	1,096,337	993,365
NET INCOMING RESOURCES BEFORE TRANSFERS		22,996	331,902	(58,671)	296,227	95,698
Transfers between Funds	21	-	(344,981)	344,981	-	-
NET INCOME FOR THE YEAR		22,996	(13,079)	286,310	296,227	95,698
Actuarial gains and losses on defined benefit pension schemes		-	(12,000)	-	(12,000)	(107,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		22,996	(25,079)	286,310	284,227	(11,302)
Total funds at 1 September 2014		97,793	(259,950)	1,713,316	1,551,159	1,562,461
TOTAL FUNDS AT 31 AUGUST 2015		120,789	(285,029)	1,999,626	1,835,386	1,551,159

All of the Academy's activities derive from continuing operations during the above two financial periods. The Statement of Financial Activities includes all gains and losses recognised in the year.


The notes on pages 22 to 39 form part of these financial statements.

COSBY PRIMARY SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 08137451

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	16		1,999,626		1,713,316
CURRENT ASSETS					
Stocks	17	3,022		2,675	
Debtors	18	35,194		90,462	
Cash at bank		598,805		305,979	
		<u>637,021</u>		<u>399,116</u>	
CREDITORS: amounts falling due within one year	19	<u>(363,261)</u>		<u>(153,946)</u>	
NET CURRENT ASSETS			<u>273,760</u>		<u>245,170</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,273,386</u>		<u>1,958,486</u>
CREDITORS: amounts falling due after more than one year	20		<u>-</u>		<u>(5,327)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			<u>2,273,386</u>		<u>1,953,159</u>
Defined benefit pension scheme liability	26		<u>(438,000)</u>		<u>(402,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>1,835,386</u></u>		<u><u>1,551,159</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	21	152,971		142,050	
Restricted fixed asset funds	21	1,999,626		1,713,316	
Restricted funds excluding pension liability		<u>2,152,597</u>		<u>1,855,366</u>	
Pension reserve		<u>(438,000)</u>		<u>(402,000)</u>	
Total restricted funds			<u>1,714,597</u>		<u>1,453,366</u>
Unrestricted funds	21		<u>120,789</u>		<u>97,793</u>
TOTAL FUNDS			<u><u>1,835,386</u></u>		<u><u>1,551,159</u></u>

The financial statements were approved by the Governors, and authorised for issue, on 11 December 2015 and are signed on their behalf, by:


.....
Mr M W Booley, Chair


.....
Mrs T Withers, Head Teacher

The notes on pages 22 to 39 form part of these financial statements.

COSBY PRIMARY SCHOOL
(A company limited by guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	23	424,422	115,240
Returns on investments and servicing of finance	24	789	1,708
Capital expenditure and financial investment	24	(243,864)	(15,667)
INCREASE IN CASH IN THE YEAR		181,347	101,281

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
Increase in cash in the year	181,347	101,281
MOVEMENT IN NET FUNDS IN THE YEAR	181,347	101,281
Net funds at 1 September 2014	283,528	182,247
NET FUNDS AT 31 AUGUST 2015	464,875	283,528

The notes on pages 22 to 39 form part of these financial statements.

COSBY PRIMARY SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by the EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy at the discretion of the 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 and include grants from the Department for Education.

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

1.3 Incoming resources

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

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

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

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

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

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

COSBY PRIMARY SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 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.

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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

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

Long-term Leasehold Property	-	2% straight line
Fixtures and fittings	-	25% straight line
Computer equipment	-	33% straight line

Long-term Leasehold Property was transferred across upon conversion, at the market value determined as at that date. The valuation was completed by Andreas Hopkins (MRICS) of Leicestershire County Council on a depreciated replacement cost valuation.

Land is not depreciated.

COSBY PRIMARY SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.8 Taxation

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

1.9 Pensions

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the Academy.

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

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

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	15,757	16,075	31,832	15,655

COSBY PRIMARY SCHOOL
(A company limited by guarantee)

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

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Charity trading income			
Other trading	9,063	9,063	9,800
Childcare income	27,193	27,193	27,100
	<u>36,256</u>	<u>36,256</u>	<u>36,900</u>
Charity trading expenses			
Other trading costs	7,246	7,246	6,648
Childcare costs	22,560	22,560	17,216
	<u>29,806</u>	<u>29,806</u>	<u>23,864</u>
Net surplus from activities for generating funds	<u><u>6,450</u></u>	<u><u>6,450</u></u>	<u><u>13,036</u></u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	789	-	789	1,708
	<u><u>789</u></u>	<u><u>-</u></u>	<u><u>789</u></u>	<u><u>1,708</u></u>

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants			
General annual grant	854,453	854,453	880,924
Pupil premium	46,158	46,158	39,536
Other EFA funding	56,874	56,874	7,213
Capital grants	361,374	361,374	96,288
	<u>1,318,859</u>	<u>1,318,859</u>	<u>1,023,961</u>
Other funding			
Other grants	4,828	4,828	10,839
	<u>4,828</u>	<u>4,828</u>	<u>10,839</u>
	<u><u>1,323,687</u></u>	<u><u>1,323,687</u></u>	<u><u>1,034,800</u></u>

COSBY PRIMARY SCHOOL
(A company limited by guarantee)

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

6. GOVERNANCE COSTS

	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditor's remuneration	6,365	6,365	6,100
Legal and professional fees	8,322	8,322	4,192
	<u>14,687</u>	<u>14,687</u>	<u>10,292</u>

7. DIRECT COSTS

	Funding for the academy's educational operations £	Total 2015 £	Total 2014 £
Net interest on Pension scheme liability (note 15)	10,000	10,000	10,000
Teaching and education	22,015	22,015	-
Depreciation	58,671	58,671	28,386
Technology costs	6,523	6,523	481
Educational supplies	20,871	20,871	22,119
Staff development	9,638	9,638	7,365
Educational consultancy	2,530	2,530	3,376
Other direct costs	24,362	24,362	24,487
Wages and salaries	424,409	424,409	435,027
National insurance	35,100	35,100	35,792
Pension cost	68,322	68,322	62,784
	<u>682,441</u>	<u>682,441</u>	<u>629,817</u>

COSBY PRIMARY SCHOOL
(A company limited by guarantee)

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

8. SUPPORT COSTS

	Funding for the academy's educational operations £	Total 2015 £	Total 2014 £
Recruitment and support	-	-	408
Maintenance of premises and equipment	25,374	25,374	12,254
Cleaning	2,244	2,244	1,641
Rent and rates	6,538	6,538	5,881
Energy costs	18,204	18,204	19,765
Insurance	19,126	19,126	20,034
Catering	38,369	38,369	11,584
Bank interest and charges	882	882	553
Other support costs	22,135	22,135	25,246
Wages and salaries	196,531	196,531	193,359
National insurance	5,226	5,226	5,289
Pension cost	34,774	34,774	33,378
	<u>369,403</u>	<u>369,403</u>	<u>329,392</u>

9. RESOURCES EXPENDED

	Staff costs 2015 £	Non Pay Premises 2015 £	Expenditure Other costs 2015 £	Total 2015 £	Total 2014 £
Activities for generating funds	22,734	-	7,072	29,806	23,864
Costs of generating funds	<u>22,734</u>	<u>-</u>	<u>7,072</u>	<u>29,806</u>	<u>23,864</u>
Charitable activities:					
Funding for the academy's educational operations - Direct costs (note 7)	527,831	22,112	132,498	682,441	629,817
Funding for the academy's educational operations - Support costs (note 8)	236,531	5,042	127,830	369,403	329,392
Subtotal charitable activities	<u>764,362</u>	<u>27,154</u>	<u>260,328</u>	<u>1,051,844</u>	<u>959,209</u>
Governance	<u>-</u>	<u>-</u>	<u>14,687</u>	<u>14,687</u>	<u>10,292</u>
	<u>787,096</u>	<u>27,154</u>	<u>282,087</u>	<u>1,096,337</u>	<u>993,365</u>

COSBY PRIMARY SCHOOL
(A company limited by guarantee)

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

10. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2015 £	Support costs 2015 £	Total 2015 £	Total 2014 £
Charitable activities - Funding for the academy's educational operations	<u>682,441</u>	<u>369,403</u>	<u>1,051,844</u>	<u>959,209</u>

11. NET INCOMING RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned by the charity	58,671	28,386
Auditor's remuneration	<u>6,365</u>	<u>6,100</u>

12. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	639,460	642,655
Social security costs	41,263	42,006
Other pension costs (Note 26)	106,372	98,922
	<u>787,095</u>	<u>783,583</u>

b. Staff numbers

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

	2015 No.	2014 No.
Management	4	4
Teachers	9	9
Administration and support	14	14
	<u>27</u>	<u>27</u>

COSBY PRIMARY SCHOOL
(A company limited by guarantee)

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

12. STAFF (continued)

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	<u>1</u>	<u>1</u>

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £8,603 (2014 - £8,517).

13. GOVERNORS' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 4 Governors (2014 - 4) in respect of defined benefit pension schemes.

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

	2015 £	2014 £
Mrs T Withers, Head Teacher - Remuneration	60,000-65,000	60,000-65,000
Mrs T Withers, Head Teacher - Employers' Pension contributions	5,000-10,000	5,000-10,000
Mrs K Hosmer, Assistant Head Teacher - Remuneration	40,000-45,000	
Mrs K Hosmer, Assistant Head Teacher - Employers' Pension contributions	5,000-10,000	
Miss C Holmes, Staff Governor - Remuneration	40,000-45,000	35,000-40,000
Mrs H Hobbs, Staff Governor - Remuneration	5,000-10,000	5,000-10,000
Mr J Cader, Staff Governor - Remuneration		35,000-40,000
Mr J Cader, Staff Governor - Employers' Pension contributions		5,000-10,000

During the year, no Governors received any reimbursement of expenses (2014 - £NIL).

14. 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 £2 million on any one claim and the cost for the year ended 31 August 2015 was £500 (2014 - £500). The cost of this insurance is included in the total insurance cost.

COSBY PRIMARY SCHOOL
(A company limited by guarantee)

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

15. NET INTEREST ON PENSION SCHEME LIABILITY

	2015 £	2014 £
Expected return on pension scheme assets	17,000	15,000
Interest on pension scheme liabilities	(27,000)	(25,000)
	<u>(10,000)</u>	<u>(10,000)</u>

16. TANGIBLE FIXED ASSETS

	Long-term Leasehold Property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 September 2014	1,696,000	56,787	14,533	1,767,320
Additions	147,951	165,735	31,295	344,981
At 31 August 2015	<u>1,843,951</u>	<u>222,522</u>	<u>45,828</u>	<u>2,112,301</u>
Depreciation				
At 1 September 2014	46,041	2,174	5,789	54,004
Charge for the year	22,112	23,914	12,645	58,671
At 31 August 2015	<u>68,153</u>	<u>26,088</u>	<u>18,434</u>	<u>112,675</u>
Net book value				
At 31 August 2015	<u>1,775,798</u>	<u>196,434</u>	<u>27,394</u>	<u>1,999,626</u>
At 31 August 2014	<u>1,649,959</u>	<u>54,613</u>	<u>8,744</u>	<u>1,713,316</u>

Included in long-term leasehold property is land of £590,400 (2014 - £590,400) which is not depreciated.

17. STOCKS

	2015 £	2014 £
Finished goods and goods for resale	<u>3,022</u>	<u>2,675</u>

18. DEBTORS

	2015 £	2014 £
Other debtors	24,834	11,351
Prepayments and accrued income	10,360	79,111
	<u>35,194</u>	<u>90,462</u>

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19. CREDITORS:
Amounts falling due within one year

	2015 £	2014 £
Bank overdrafts	133,930	22,451
Trade creditors	-	62,204
Other taxation and social security	13,036	13,024
Other creditors	17,678	17,007
Accruals and deferred income	198,617	39,260
	<u>363,261</u>	<u>153,946</u>

At the balance sheet date the Academy Trust was holding parental contributions received in advanced for future years and grant funding for 2014/15 which has been received in advance.

	£
Deferred income	
Deferred income at 1 September 2014	22,771
Resources deferred during the year	24,436
Amounts released from previous years	(22,771)
Deferred income at 31 August 2015	<u>24,436</u>

20. CREDITORS:
Amounts falling due after more than one year

	2015 £	2014 £
Other creditors	-	5,327
	<u>-</u>	<u>5,327</u>

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

21. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds	97,793	52,802	(29,806)	-	-	120,789
Restricted funds						
General Annual Grant (GAG)	97,721	854,453	(856,932)	(36,009)	-	59,233
Pupil premium	4,278	46,158	(50,436)	-	-	-
Capital grants	40,051	361,375	-	(308,972)	-	92,454
Other grants	-	4,827	(4,827)	-	-	-
Parental contributions	-	16,075	(16,075)	-	-	-
Other EFA funds	-	56,874	(55,590)	-	-	1,284
Pension reserve	(402,000)	-	(24,000)	-	(12,000)	(438,000)
	(259,950)	1,339,762	(1,007,860)	(344,981)	(12,000)	(285,029)
Restricted fixed asset funds						
Restricted Fixed Asset Funds	1,713,316	-	(58,671)	344,981	-	1,999,626
Total restricted funds	1,453,366	1,339,762	(1,066,531)	-	(12,000)	1,714,597
Total of funds	1,551,159	1,392,564	(1,096,337)	-	(12,000)	1,835,386

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

General Annual Grant (GAG)

Funds from the Education Funding Agency for the provision of education in line with the funding agreement. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Pupil premium

Funds received for the purposes of providing additional support to pupils who receive free school meals.

Capital Grants

Funds received from various bodies for the purposes of capital and repairs works.

Other Grants

Funds generated in relation to other specific grants and income.

Parental Contributions

Funds generated from parents of students for use towards specific educational expenditure, e.g. trips.

Pension reserve

Being the fund in relation to the defined benefit pension scheme liability included in the balance sheet. This fund is in deficit given the nature of the liability, however this is not payable immediately.

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**NOTES TO THE FINANCIAL STATEMENTS
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21. STATEMENT OF FUNDS (continued)

Transfers

Relates to the transfer of the purchase of fixed assets from the relevant fund where the income is received to the fixed asset fund.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	97,793	52,802	(29,806)	-	-	120,789
Restricted funds	(259,950)	1,339,762	(1,007,860)	(344,981)	(12,000)	(285,029)
Restricted fixed asset funds	1,713,316	-	(58,671)	344,981	-	1,999,626
	<u>1,551,159</u>	<u>1,392,564</u>	<u>(1,096,337)</u>	<u>-</u>	<u>(12,000)</u>	<u>1,835,386</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	1,999,626	1,999,626	1,713,316
Current assets	120,789	516,230	-	637,019	399,117
Creditors due within one year	-	(363,259)	-	(363,259)	(153,947)
Creditors due in more than one year	-	-	-	-	(5,327)
Provisions for liabilities and charges	-	(438,000)	-	(438,000)	(402,000)
	<u>120,789</u>	<u>(285,029)</u>	<u>1,999,626</u>	<u>1,835,386</u>	<u>1,551,159</u>

23. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	296,227	95,698
Returns on investments and servicing of finance	(789)	(1,708)
Depreciation of tangible fixed assets	58,671	28,386
(Increase)/decrease in stocks	(347)	914
Decrease/(increase) in debtors	55,268	(55,134)
(Decrease)/increase in creditors	(8,608)	30,084
FRS 17 adjustments	24,000	17,000
Net cash inflow from operations	<u>424,422</u>	<u>115,240</u>

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

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	789	1,708
	<u>789</u>	<u>1,708</u>
	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(243,864)	(15,667)
	<u>(243,864)</u>	<u>(15,667)</u>

25. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	305,979	292,826	-	598,805
Bank overdraft	(22,451)	(111,479)	-	(133,930)
	<u>283,528</u>	<u>181,347</u>	<u>-</u>	<u>464,875</u>
Net funds				

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NOTES TO THE FINANCIAL STATEMENTS
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26. PENSION COMMITMENTS

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

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

Contributions amounting to £11,615 were payable to the scheme at 31 August 2015 (2014 - £11,682) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the year amounted to £54,372 (2014: £55,822).

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

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

26. PENSION COMMITMENTS (continued)

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £49,000, of which employer's contributions totalled £38,000 and employees' contributions totalled £11,000. The agreed contribution rates for future years are 21.2% for employers and 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.

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

26. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	3.70	230,000	6.30	202,000
Bonds	3.70	73,000	3.30	49,000
Property	3.70	38,000	4.50	29,000
Cash	3.70	7,000	3.30	9,000
Total market value of assets		<u>348,000</u>		<u>289,000</u>
Present value of scheme liabilities		<u>(786,000)</u>		<u>(402,000)</u>
(Deficit)/surplus in the scheme		<u><u>(438,000)</u></u>		<u><u>(113,000)</u></u>

The amounts recognised in the balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(786,000)	(691,000)
Fair value of scheme assets	<u>348,000</u>	<u>289,000</u>
Net liability	<u><u>(438,000)</u></u>	<u><u>(402,000)</u></u>

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

	2015 £	2014 £
Current service cost	(52,000)	(43,000)
Interest on obligation	(27,000)	(25,000)
Expected return on scheme assets	<u>17,000</u>	<u>15,000</u>
Total	<u><u>(62,000)</u></u>	<u><u>(53,000)</u></u>

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

	2015 £	2014 £
Opening defined benefit obligation	691,000	522,000
Current service cost	52,000	43,000
Interest cost	27,000	25,000
Contributions by scheme participants	11,000	10,000
Actuarial Losses	8,000	93,000
Benefits paid	<u>(3,000)</u>	<u>(2,000)</u>
Closing defined benefit obligation	<u><u>786,000</u></u>	<u><u>691,000</u></u>

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

26. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening fair value of scheme assets	289,000	244,000
Expected return on assets	17,000	15,000
Actuarial gains and (losses)	(4,000)	(14,000)
Contributions by employer	38,000	36,000
Contributions by employees	11,000	10,000
Benefits paid	(3,000)	(2,000)
	<u>348,000</u>	<u>289,000</u>

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses was £(116,000) (2014 - £(104,000)).

The Academy expects to contribute £41,000 to its defined benefit pension scheme in 2016.

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

	2015	2014
Equities	66.00 %	70.00 %
Bonds	21.00 %	17.00 %
Property	11.00 %	10.00 %
Cash	2.00 %	3.00 %

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

	2015	2014
Discount rate for scheme liabilities	3.70 %	3.70 %
Expected return on scheme assets at 31 August	3.70 %	5.50 %
Rate of increase in salaries	4.50 %	4.40 %
Rate of increase for pensions in payment / inflation	2.60 %	2.60 %

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

	2015	2014
Retiring today		
Males	22.2 years	22.2 years
Females	24.3 years	24.3 years
Retiring in 20 years		
Males	24.2 years	24.2 years
Females	26.6 years	26.6 years

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

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 August 2015:	Approximate % increase to Employer Liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	13%	103,000
1 year increase in member life expectancy	3%	24,000
0.5% increase in the Salary Increase Rate	7%	52,000
0.5% increase in the Pension Increase Rate	6%	48,000

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

Defined benefit pension schemes

	2015 £	2014 £	2013 £
Defined benefit obligation	(786,000)	(691,000)	(522,000)
Scheme assets	348,000	289,000	244,000
Deficit	(438,000)	(402,000)	(278,000)
Experience adjustments on scheme liabilities	(8,000)	(93,000)	(12,000)
Experience adjustments on scheme assets	(4,000)	(14,000)	15,000

27. RELATED PARTY TRANSACTIONS

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

28. 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.