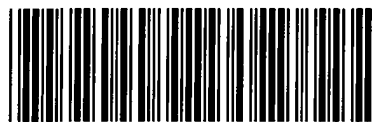


**REGISTERED COMPANY NUMBER: 08170071 (England and Wales)**

**Trustees' Report and  
Financial Statements for the Year Ended 31st August 2015  
for  
Carmountside Primary Academy**

Hardings  
Chartered Accountants & Statutory Auditor  
6 Marsh Parade  
Newcastle-under-Lyme  
Staffordshire  
ST5 1DU

FRIDAY



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COMPANIES HOUSE

# **Carmountside Primary Academy**

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## **Carmountside Primary Academy**

### **Reference and Administrative Details for the Year Ended 31st August 2015**

<b>Members</b>	B Lorento E Walker P McLauchlan (resigned 31/08/15) R Palin (appointed 15/07/15) A Wragg (appointed 1/06/15 and resigned 15/07/15)
<b>Trustees</b>	E Walker (Chairperson - resigned 22/06/15) # R Palin (Chairperson - elected 22/06/15 & commenced office 1/09/15) B Lorento (Vice Chairperson) # P McLauchlan (Accounting Officer - resigned 31/08/15) # L Challinor (Accounting Officer - appointed 1/09/15)
<b>Governors</b>	D Disbrey # L Hall # M Oldfield # J Cowden # M Bloor # R Palin J Fury N Williams # A Wragg V Bell ( appointed 2/03/2015) P Lane (resigned 23/06/2015) M Baddeley (resigned 23/06/2015) J Parker (resigned 23/06/2015)  L Challinor +# K Edwards +#  +Associate Governors # Members of Resources Committee
<b>Senior Management Team</b>	P McLauchlan (Headteacher - resigned 1/09/15) L Challinor (Deputy Head - appointed as Headteacher 1/09/15) K Sutton (Assistant Head - resigned 31/08/15) J Cowden (SENCo) R Redler (Senior Team Member - appointed 1/09/15) D Guy (Senior Team Member - appointed 1/09/15) S Lynch (Early Years Manager)
<b>Company Registration Number</b>	08170071
<b>Auditors</b>	Hardings 6 Marsh Parade Newcastle-under-Lyme Staffordshire ST5 1DU
<b>Banker</b>	Lloyds Bank plc The Strand Longton Stoke-on-Trent ST3 2RP

**Carmountside Primary Academy**

**Reference and Administrative Details  
for the Year Ended 31st August 2015**

**Solicitors**

Waldron & Scholfield  
25 York Street  
Heywood  
Lancashire  
OL10 4NN

**Surveyors**

FHP Property Consultants  
10 Oxford Street  
Nottingham  
NG1 5BG

## **Carmountside Primary Academy**

### **Trustees' Report for the Year Ended 31st August 2015**

The trustees 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 31st August 2015. The trustees 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.

#### **Structure, governance and management**

##### **Governing document**

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

The trustees of Carmountside Primary Academy are also the directors of the charitable company for the purposes of company law. The charitable company is known as Carmountside Primary Academy.

Details of the trustees who served during the year are included in the Reference and Administrative Details.

##### **Members' liability**

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

##### **Trustees' Indemnities**

In accordance with normal practice the Academy has purchased insurance to protect the Trustees from claims arising from negligent acts, errors or omissions whilst on Academy business.

##### **Principal activities**

Our Academy Trust's object is specifically restricted to the following: 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. We are an educational institution which is principally concerned with providing full-time education for children of compulsory school age.

##### **Recruitment and appointment of new governors**

The Governors of the Academy Trust shall comprise the signatories to the Memorandum of Association and up to 18 persons who may be appointed by a majority vote of members - These 18 are made up as follows:

- 2 staff representatives - through open election for all eligible members of staff working at Carmountside Primary Academy
- 4 parent representatives - through open election for all eligible parents or guardians of pupils at Carmountside Primary Academy
- 3 'co-opted' members - these are co-opted from the local community to the Governing Body. We would seek to appoint Governors with relevant background or experience to complement the existing Governor qualifications. Co-opted Governors serve for a period of 3 years. They can be re-nominated after each 3 year period.
- Up to 9 'Community' members - These are co-opted from the wider community to the Governing Body. We would seek to appoint Governors with relevant background or experience to complement the existing Governor qualifications. Community Governors serve for a period between 6 months and 3 years. They can be re-nominated after each period.
- The Deputy-Head and Bursar are Associate Governors and attend the Governors meetings in an advisory capacity.
- The Head Teacher is an ex-officio governor.

**Trustees' Report  
for the Year Ended 31st August 2015**

**Structure, governance and management  
Induction and training of new governors**

All Governors are expected to undertake training as appropriate to their work at the school. New Governors will be provided with an induction programme delivered partly in house and partly through external sources as required.

New Governors will:

- Be welcomed to the governing body by the Chair
- Be invited by the Head teacher to visit the school to experience its atmosphere and understand its ethos
- Have opportunity to tour the school and meet the children and staff
- Receive informal briefing on the school from the Head teacher to explain the partnership between the Head teacher, school and governing body
- Have the opportunity to meet informally with an existing governor who will then act as their mentor. They will explain how the governing body and its committees works
- Be encouraged to join committee(s) of their choice
- Be accompanied by their mentor to their first full governing body meeting (if required)
- Be given background information/material on the school & current issues
- Be encouraged to ask questions about their role
- Be encouraged to access training

**Organisational structure**

The Governors determine the general policy of the school. The day to day running of the school is delegated to the Head teacher, supported by senior staff. The Head teacher undertakes the key leadership role, overseeing educational, pastoral and administrative functions in consultation with senior staff. The day to day administration is undertaken within the policies and procedures approved by the governors which provide for only significant expenditure decisions and major capital projects to be referred to the Governors for prior approval.

The Head teacher oversees the recruitment of all school staff. The Head teacher is an ex-officio governor, Principal Accounting Officer and attends all meetings. Members of the Senior Leadership Team are invited to attend meetings as appropriate.

**Risk management**

The trustees have a duty to identify and review the risks to which the academy trust is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Governors are responsible for overseeing the risks faced by the school. Detailed considerations of risk are delegated to the Senior Leadership Team of the school. Risks are identified, assessed and controls established throughout the year. A Risk management Register is established and will be reviewed annually. Actions plans are put in place for any risk considered to be both likely and with severe consequences.

The Governors have implemented a number of systems to assess risk, especially in the operational areas (e.g. in relation to teaching, health & safety, bullying, school trips) and in relation to control of finance. They have introduced systems, including operational procedures and financial controls in order to minimise risk. Where significant financial risk still remains, they have ensured that they have adequate insurance cover.

Through the Risk Management process established for the school, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

**Objectives and activities**

**Objectives and aims**

Our Academy Trust's object is specifically restricted to the following: 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.

Through high expectations and honesty, we will nurture a climate of respect and responsibility, inspiring all learners to become resilient, confident and resourceful, believing in their potential to achieve and exceed all expectations so that they are well prepared to succeed in life.

**Trustees' Report  
for the Year Ended 31st August 2015**

**Objectives and activities**

**Significant activities**

Our priorities for 2015/16 academic year are:

- Further raise pupil achievement and standards in all curriculum areas
- Ensure that all pupils are safe, happy and fully engaged in all aspects of school life
- Further improve the quality of teaching and learning so that all pupils make good or better progress
- Increase the effectiveness of leadership and management at all levels, with a particular focus on governance and middle leaders
- Maintain and enhance the school premises so that they provide an effective learning environment

The Academy has developed an on-site provision for 2 year olds to be opened in September 2015.

**Public benefit**

Carmountside Primary Academy's principal objective is to provide education for pupils of different abilities between the ages of 2 and 11.

**Strategic report**

**Achievement and performance**

*Achievements and performance*

Our priority at Carmountside is to maintain the high standards of attainment in all subjects, without compromising on the broad and balanced curriculum that has largely come to characterise the education that we provide.

Overall, pupil's achievement and enjoyment is good. Attainment is satisfactory and learning & progress are very good, often outstanding. The quality of pupil's learning is good because pupils acquire knowledge and develop understanding very well.

Our Ofsted inspection of January 2015 confirmed the school's view that is a 'good' school.

Lesson observations show that children try hard and behave well, are confident/feel secure and generally show resilience when tackling challenging tasks.

Pupils are helped by their teachers to become effective learners. The whole ethos of our school is geared to creating a safe, secure yet challenging environment, which enables pupils to realise their potential, and supports pupils to rise to the many challenges presented to them with enthusiasm and great effort.

All children, including those with special educational needs, believe that they can achieve. This is because pupils in the school see themselves as effective learners and have confidence in their ability to achieve their potential. They have opportunities to work both independently and collaboratively and lessons increasingly offer opportunities for making choices. All groups, including SEN, make good progress in all areas of the curriculum.

- Children enter our Nursery significantly below national and local expected levels in all areas of learning and development.
- By end of the Foundation Stage, children are still significantly below local and national expectations; however, this gap is closing. Girls significantly outperform boys
- Results for Year 1 Phonics Test are now slightly below local and national levels. There is a 'disadvantaged' gap but this gap is rapidly closing.
- End of Key Stage 1 results for Reading, Writing and Maths are below national expectations (APS) but the gap between school and local/national expectations continues to close
- End of Key Stage 2 APS (Average Point Score) in Reading, Writing, Grammar and Maths is in line with National and local expectations. The gender gap is closed.

Cohorts of pupils enter with the skills, development and understanding significantly below those expected nationally. By the end of Key Stage 1, cohorts have made accelerated progress and, although still performing below national expectations, the gap is closing. Cohorts continue to make accelerated progress throughout Key Stage 2 so that by the end of Key Stage 2, they are performing at a level in line with national and local averages.

**Trustees' Report  
for the Year Ended 31st August 2015**

**Strategic report**

**Achievement and performance**

*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 financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

*Key financial performance indicators*

Our main expenditure is on staff salaries (71%). This is 1% above national average and 2% above local average. 8% of our budget goes on 'buildings' (1% above national average), including our PFI contribution. 21% of our budget is spent on 'resources' and 'other' expenditure - this is slightly less than the national average.

**Financial review**

*Reserves policy*

The Academy's reserves will never total more than 8% of the total budget unless funds are being reserved against a particular project from our school improvement plan. The academy will always ensure to stay within EFA guidelines on levels and appropriate use of reserves

*Principal funding sources*

The Academy's total incoming resources for the year ended 31 August 2015 amounted to £1,368,214.

The Academy has a Risk Management Policy. The Governors are aware of the risks that the Academy may face in the short, medium and long term. The principle risks and uncertainties (other than the pension deficit and PFI charges) are:

- Pupil numbers
- Uncertainty over timeline for ending of pupil sector pay freeze
- New national funding agreements
- Public sector pensions
- Success/impact of capital building projects
- Changes to PFI charges

*Investment policy and objectives*

The Academy will only invest in risk free and easily accessible deposit accounts. Funds can be invested up to 12 months if appropriate.

The Academy's Investment Strategy is:

- Regularly monitor cash flow and current & fund accounts to ensure immediate financial commitments can be met (Payroll & payment runs) and that the accounts have adequate balances to meet forthcoming commitments.
- The school moved to Lloyds Bank when we converted to Academy status and set up accounts appropriate for an Academy

**Future developments**

The Governors intend to continue their current strategies of maintaining the Academy's position in a competitive market by providing outstanding education for all pupils. Achieving high standards of academic results is a constant aim whilst maintaining the breadth and depth of wider education to develop the whole child.

A new Head teacher will be in place from September 2015. The Head teacher and senior staff continue to review the curriculum to ensure that it remains broad, balanced and relevant to the needs of our pupils

Our future plans are financed from income direct from the DfE, related to pupil numbers and other lump sum factors. Governors will ensure funding is invested appropriately for the next generation of pupils, as they have done in the past for current pupils.

Maintaining and, where necessary, developing the fabric of the facilities of the school are central to our strategy. Opportunities to develop our facilities to enhance pupils learning are key. We have developed a provision for two year olds on our site and plan to extensively refurbish our Key Stage 2 playground.

We have a planned programme of maintenance and investment. Each year we invest in computing equipment and infrastructure to ensure our pupils and staff have the very best technology we can provide.



**Carmountside Primary Academy**

**Trustees' Report  
for the Year Ended 31st August 2015**

**Funds held as custodian for others**

The Academy does not hold such funds.

**Auditors**

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 11th December 2015 and signed on the board's behalf by:



R Palin - Chair of Trustees

## Carmountside Primary Academy

### Governance Statement for the Year Ended 31st August 2015

#### Scope of Responsibility

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

The board of the trustees 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 Carmountside Primary Academy and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees Responsibilities. The board of trustees has formally met 3 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Governor	Meetings Attended	Out of a possible
E Walker	1	3
B Lorento	3	3
D Disbrey	3	3
L Hall	1	3
M Oldfield	3	3
J Cowden	3	3
M Bloor	3	3
P McLauchlan	3	3
R Palin	3	3
N Williams	3	3
A Wragg	1	3
J Fury	3	3
V Bell (joined 02/03/2015)	2	2
L Challinor	3	3
K Edwards	3	3

The Resources/Finance Committee is a sub-committee of the main governing body. Its purpose is to oversee financial, staff, premises, IT and Health & Safety issues.

The committee consists of J.Cowden (Chair), B.Lorento, N.Williams, P.McLauchlan, L.Challinor, L.Hall, M.Oldfield and K.Edwards

#### 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 tax payer 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 considering the following areas:

- Funding
- Staffing
- Accommodation and the school site
- Material resources and equipment.

**Governance Statement  
for the Year Ended 31st August 2015**

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

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

**Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1st 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 trustees.

**The Risk and Control Framework**

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. Our 'Responsible Officer' is Rev. M. Stephens.

The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the RO reports to the board of trustees, through the finance and general purposes committee 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 Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

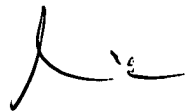
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

**Carmountside Primary Academy**

**Governance Statement  
for the Year Ended 31st August 2015**

Approved by order of the members of the board of trustees on 11th December 2015 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'R. Palin', with a stylized flourish at the end.

R Palin - Chair of Trustees

A handwritten signature in black ink, appearing to be 'L. Challinor', written in a cursive style.

Mrs L Challinor - Accounting Officer

**Carmountside Primary Academy**

**Statement on Regularity, Propriety and Compliance  
for the Year Ended 31st August 2015**

As accounting officer of Carmountside Primary Academy I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and EFA.



Mrs L Challinor - Accounting Officer

11th December 2015

## **Carmountside Primary Academy**

### **Statement of Trustees Responsibilities for the Year Ended 31st August 2015**

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the 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 trustees 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 trustees 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 trustees 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/DfE have been applied for the purposes intended.

In so far as the trustees are aware:

- there is no relevant audit information of which the academy trust's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on 11th December 2015 and signed on it's behalf by:

  
R Palin - Chair of Trustees

## **Report of the Independent Auditors to the Members of Carmountside Primary Academy**

We have audited the financial statements of Carmountside Primary Academy for the year ended 31st August 2015 on pages ten to fourteen. 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 trustees and auditors**

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including APB Ethical Standard - Provisions Available for Small Entities (Revised), in the circumstances set out in note 22 to the financial statements

### **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 trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31st 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**

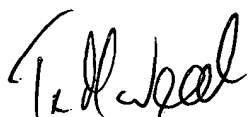
In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of  
Carmountside Primary Academy**

**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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Trustees' Report.



TIMOTHY McNEAL FCA (Senior Statutory Auditor)  
for and on behalf of Hardings  
Chartered Accountants & Statutory Auditor  
6 Marsh Parade  
Newcastle-under-Lyme  
Staffordshire  
ST5 1DU

11th December 2015



## **Independent Reporting Accountant's Assurance Report on Regularity to Carmountside Primary Academy 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 Carmountside Primary Academy during the period 1st September 2014 to 31st 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 Carmountside Primary Academy and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Carmountside Primary Academy 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 Carmountside Primary Academy and the EFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Carmountside Primary Academy's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Carmountside Primary Academy's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st 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 1st September 2014 to 31st 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.

### **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 1st September 2014 to 31st August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Hardings  
Chartered Accountants  
6 Marsh Parade  
Newcastle-under-Lyme  
Staffordshire  
ST5 1DU

11th December 2015

**Carmountside Primary Academy**

**Statement of Financial Activities  
for the Year Ended 31st August 2015**

					31/8/15	31/8/14
	Notes	Unrestricted fund £	Restricted fixed assets funds £	Restricted funds £	Total funds £	Total funds £
<b>Incoming resources</b>						
<b>Incoming resources from generated funds</b>						
Voluntary income	3	525	-	2,950	3,475	4,354
Activities for generating funds	4	3,677	-	30,428	34,105	36,874
Investment income	5	236	-	-	236	175
<b>Incoming resources from charitable activities</b>						
Academy's educational operations	6	-	219,842	1,110,556	1,330,398	1,102,573
<b>Other incoming resources</b>		-	-	-	-	6,947
<b>Total incoming resources</b>		4,438	219,842	1,143,934	1,368,214	1,150,923
<b>Resources expended</b>						
<b>Costs of generating funds</b>						
Costs of generating voluntary income	8	-	-	8,821	8,821	4,755
<b>Charitable activities</b>						
Academy's educational operations	9	-	85,587	1,100,420	1,186,007	1,081,539
<b>Governance costs</b>	10	-	-	50,068	50,068	58,684
<b>Total resources expended</b>	7	-	85,587	1,159,309	1,244,896	1,144,978
<b>Net incoming/(outgoing) resources</b>		4,438	134,255	(15,375)	123,318	5,945
<b>Gross transfers between funds</b>	19	-	10,253	(10,253)	-	-
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>		4,438	144,508	(25,628)	123,318	5,945
<b>Other recognised gains/losses</b>						
Actuarial gains/losses on defined benefit schemes		-	-	(15,000)	(15,000)	(67,000)
<b>Net movement in funds</b>		4,438	144,508	(40,628)	108,318	(61,055)
<b>Reconciliation of funds</b>						
<b>Total funds brought forward</b>		77,873	2,394,703	(255,594)	2,216,982	2,278,037
<b>Total funds carried forward</b>		82,311	2,539,211	(296,222)	2,325,300	2,216,982

The notes form part of these financial statements

**Carmountside Primary Academy**

**Statement of Financial Activities - continued  
for the Year Ended 31st August 2015**

**Continuing operations**

All incoming resources and resources expended arise from continuing activities.

**Carmountside Primary Academy**

**Balance Sheet  
At 31st August 2015**

					31/8/15	31/8/14
	Notes	Unrestricted fund £	Restricted fixed assets funds £	Restricted funds £	Total funds £	Total funds £
<b>Fixed assets</b>						
Tangible assets	14	-	2,539,211	-	2,539,211	2,394,703
<b>Current assets</b>						
Stocks		-	-	2,195	2,195	1,620
Debtors	15	-	-	202,220	202,220	51,062
Cash at bank and in hand		82,311	-	40,585	122,896	214,302
		<u>82,311</u>	<u>-</u>	<u>245,000</u>	<u>327,311</u>	<u>266,984</u>
<b>Creditors</b>						
Amounts falling due within one year	16	-	-	(162,222)	(162,222)	(100,705)
<b>Net current assets</b>		<u>82,311</u>	<u>-</u>	<u>82,778</u>	<u>165,089</u>	<u>166,279</u>
<b>Total assets less current liabilities</b>		82,311	2,539,211	82,778	2,704,300	2,560,982
<b>Pension liability</b>	20	-	-	(379,000)	(379,000)	(344,000)
<b>Net assets</b>		<u>82,311</u>	<u>2,539,211</u>	<u>(296,222)</u>	<u>2,325,300</u>	<u>2,216,982</u>
<b>Funds</b>	19					
Unrestricted funds					82,311	77,873
Restricted funds					<u>2,242,989</u>	<u>2,139,109</u>
<b>Total funds</b>					<u>2,325,300</u>	<u>2,216,982</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 11th December 2015 and were signed on its behalf by:



R Palin -Chair of Trustees

**Carmountside Primary Academy**

**Cash Flow Statement  
for the Year Ended 31st August 2015**

	Notes	31/8/15 £	31/8/14 £
<b>Net cash (outflow)/inflow from operating activities</b>	23	(38,267)	142,123
<b>Returns on investments and servicing of finance</b>	24	236	175
<b>Capital expenditure and financial investment</b>	24	(53,375)	(39,559)
<b>(Decrease)/increase in cash in the period</b>		<u>(91,406)</u>	<u>102,739</u>

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

25

(Decrease)/increase in cash in the period	(91,406)	102,739
Change in net debt resulting from cash flows	(91,406)	102,739
<b>Movement in net debt in the period</b>	(91,406)	102,739
<b>Net debt at 1st September</b>	<u>214,302</u>	<u>111,563</u>
<b>Net debt at 31st August</b>	<u>122,896</u>	<u>214,302</u>

The notes form part of these financial statements

**Notes to the Financial Statements  
for the Year Ended 31st August 2015**

**1. Accounting policies**

**Accounting convention**

The financial statements have been prepared under the historical cost convention, the Companies Act 2006, the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

**Going concern**

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

**Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the academy trust is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Grants receivable**

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

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

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

**Sponsorship income**

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

**Donations**

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

**Other income**

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

**Donated goods, facilities and services**

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

**Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015**

**1. Accounting policies - continued**

**Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Cost of generating funds**

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

**Charitable activities**

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

**Governance costs**

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

**Tangible fixed assets**

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

Leasehold land & buildings	- over the expected useful economic life
Improvements to leasehold property	- over the expected useful economic life
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on cost

Assets costing £50 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 in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

**Stocks**

Unsold uniforms are valued at the lower of cost or net realisable value.

**Taxation**

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

**Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015**

**1. Accounting policies - continued**

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the academy trust. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes and include grants from the Education Funding Agency.

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**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.

**2. General annual grant**

Under the funding agreement with the Secretary of State the academy trust was not subject to limits at 31 August 2015 on the amount of GAG that could be carried forward from one year to the next.



Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015

3. Voluntary income

	Unrestricted funds £	Restricted funds £	31/8/15 Total funds £	31/8/14 Total funds £
Donations	525	179	704	1,082
Educational visits	-	2,771	2,771	1,672
Other voluntary income	-	-	-	1,600
	<u>525</u>	<u>2,950</u>	<u>3,475</u>	<u>4,354</u>

4. Activities for generating funds

	Unrestricted funds £	Restricted funds £	31/8/15 Total funds £	31/8/14 Total funds £
Fundraising events	2,657	695	3,352	4,102
Catering income	-	19,057	19,057	21,142
Other activities for generating funds income	1,020	10,015	11,035	3,189
Miscellaneous income	-	325	325	-
Receipts from supply teacher insurance claims	-	336	336	1,452
Other insurance claims	-	-	-	6,989
	<u>3,677</u>	<u>30,428</u>	<u>34,105</u>	<u>36,874</u>

5. Investment income

	Unrestricted funds £	Restricted funds £	31/8/15 Total funds £	31/8/14 Total funds £
Deposit account interest	<u>236</u>	<u>-</u>	<u>236</u>	<u>175</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015

## 6. Incoming resources from charitable activities - academy's educational operations

	Unrestricted funds £	Restricted funds £	31/8/15 Total funds £	31/8/14 Total funds £
<b>DfE/EFA revenue grant</b>				
General Annual Grant(GAG)	-	844,002	844,002	839,606
Other DfE / EFA grant	-	149,561	149,561	124,242
	-	993,563	993,563	963,848
<b>DfE/EFA capital grant</b>				
Capital grants	-	6,120	6,120	6,295
<b>Other government grant</b>				
Local Authority grants	-	321,365	321,365	132,430
<b>Awards for all - National Lottery</b>				
Capital Grant	-	9,350	9,350	-
	-	1,330,398	1,330,398	1,102,573

## 7. Resources expended

	Staff costs £	Non-pay expenditure Premises £	Other costs £	31/8/15 Total £	31/8/14 Total £
<b>Costs of generating funds</b>					
Costs of generating voluntary income	-	-	8,821	8,821	4,755
<b>Charitable activities</b>					
<b>Academies educational operations</b>					
Direct costs	754,980	-	116,233	871,213	755,567
Allocated support costs	71,859	150,536	92,399	314,794	325,972
	826,839	150,536	217,453	1,194,828	1,086,294
<b>Governance costs including allocated support costs</b>					
	20,000	-	30,068	50,068	58,684
	846,839	150,536	247,521	1,244,896	1,144,978

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015

7. Resources expended - continued

Net resources are stated after charging/(crediting)

	Year Ended 31.08.15 £	Year Ended 31.08.14 £
Auditor's remuneration	3,600	3,000
Depreciation - owned assets	35,106	34,190
Depreciation - leasehold assets	50,481	50,481
Other operating leases	1,203	763
	<u>          </u>	<u>          </u>

8. Costs of generating voluntary income

	Unrestricted funds £	Restricted funds £	31/8/15 Total funds £	31/8/14 Total funds £
Educational visits	-	8,821	8,821	4,755
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

9. Resources expended from Charitable activities - academy's educational operations

	Unrestricted funds £	Restricted funds £	31/8/15 Total funds £	31/8/14 Total funds £
<b>Direct costs</b>				
Teaching and educational support staff	-	754,980	754,980	692,128
Depreciation	-	21,104	21,104	18,369
Technology costs	-	8,996	8,996	4,626
Educational supplies	-	24,964	24,964	23,332
Staff development	-	5,608	5,608	2,195
Educational consultancy	-	52,174	52,174	10,669
Other direct costs	-	2,184	2,184	3,485
Other direct costs	-	1,203	1,203	763
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	-	871,213	871,213	755,567
<b>Allocated support costs</b>				
Support staff costs	-	71,859	71,859	78,233
Depreciation	-	64,483	64,483	66,302
Technology costs	-	13,436	13,436	14,901
Recruitment and support	-	1,041	1,041	468
Maintenance of premises and equipment	-	28,772	28,772	43,414
Cleaning	-	19,116	19,116	19,709
Rent and rates	-	5,151	5,151	3,529
Energy costs	-	17,841	17,841	12,678
Insurance	-	14,278	14,278	22,140
Security and transport	-	3,504	3,504	3,186
Catering	-	63,920	63,920	50,911
Other support costs	-	11,393	11,393	10,501
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	-	314,794	314,794	325,972
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	-	1,186,007	1,186,007	1,081,539
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015

10. Governance costs

	Unrestricted funds £	Restricted funds £	31/8/15 Total funds £	31/8/14 Total funds £
Staff costs	-	20,000	20,000	18,000
Accountancy	-	3,000	3,000	3,000
Auditors' remuneration	-	3,600	3,600	3,000
Legal and professional	-	21,526	21,526	32,463
Office expenses	-	355	355	650
Governors support charges	-	1,587	1,587	1,571
	<u>-</u>	<u>50,068</u>	<u>50,068</u>	<u>58,684</u>

11. Trustees' remuneration and benefits

There was only one trustee who received remuneration for the year ended 31 August 2015 and the year ended 31 August 2014, this was the Principal, there was no other trustees' remuneration paid or other benefits for the year ended 31 August 2015 and the year ended 31 August 2014. The value of trustees' remuneration was as follows:

	31/8/15 £	31/8/14 £
P McLauchlan (Principal and trustee):		
Remuneration	£55,000 - £60,000	£50,000 - £55,000
Employer's pension contributions	£5,000 - £10,000	£5,000 - £10,000

Trustees' expenses

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

**Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015**

**12. Staff costs**

	31/8/15	31/8/14
	£	£
Wages and salaries	655,828	626,786
Social security costs	41,153	40,953
Other pension costs	124,029	105,318
	<u>821,010</u>	<u>773,057</u>
Supply teacher costs	25,829	15,304
	<u>846,839</u>	<u>788,361</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:

	31/8/15	31/8/14
Teachers	13	13
Administration and support	15	15
Management	3	3
	<u>31</u>	<u>31</u>

No employees received emoluments in excess of £60,000.

**13. Trustees' and officers' insurance**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015

## 14. Tangible fixed assets

	Freehold property £	Leasehold land & buildings £	Improvements to leasehold property £	
<b>Cost</b>				
At 1st September 2014	-	2,295,000	-	
Additions	200,030	-	8,119	
	<hr/>	<hr/>	<hr/>	
At 31st August 2015	200,030	2,295,000	8,119	
	<hr/>	<hr/>	<hr/>	
<b>Depreciation</b>				
At 1st September 2014	-	50,481	-	
Charge for year	-	50,481	-	
	<hr/>	<hr/>	<hr/>	
At 31st August 2015	-	100,962	-	
	<hr/>	<hr/>	<hr/>	
<b>Net book value</b>				
At 31st August 2015	200,030	2,194,038	8,119	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	
At 31st August 2014	-	2,244,519	-	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	
	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>Cost</b>				
At 1st September 2014	100,785	5,782	82,511	2,484,078
Additions	17,947	-	3,999	230,095
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st August 2015	118,732	5,782	86,510	2,714,173
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>				
At 1st September 2014	16,333	1,626	20,935	89,375
Charge for year	12,962	1,039	21,105	85,587
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st August 2015	29,295	2,665	42,040	174,962
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
At 31st August 2015	89,437	3,117	44,470	2,539,211
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31st August 2014	84,452	4,156	61,576	2,394,703
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Included in cost or valuation of land is leasehold land of £620,000.

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015

15. Debtors: amounts falling due within one year

	31/8/15	31/8/14
	£	£
Trade debtors	-	8,332
VAT	16,382	8,561
Prepayments and accrued income	185,838	34,169
	<u>202,220</u>	<u>51,062</u>

16. Creditors: amounts falling due within one year

	31/8/15	31/8/14
	£	£
Trade creditors	75,120	3,300
Social security and other taxes	-	12,325
Payroll control	-	48,893
Accruals and deferred income	60,861	25,985
Deferred government grants	26,241	10,202
	<u>162,222</u>	<u>100,705</u>

Deferred government grants

	31.8.15	31.8.14
	£	£
Resources deferred in the year	<u>26,241</u>	<u>10,202</u>
Deferred income at year end	<u>26,241</u>	<u>10,202</u>

At the balance sheet date, the academy trust was holding funds received in advance relating to the 2015/16 academic year (2014 - relating to the 2014/15 academic year).

Universal Free School Meals	12,491	10,202
Nursery Education Grant	13,750	-
-		

17. Operating lease commitments

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

	Other operating leases	
	31/8/15	31/8/14
	£	£
Expiring:		
Within one year	1,093	-
Between one and five years	-	763
	<u>1,093</u>	<u>763</u>

18. 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.

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015

## 19. Movement in funds

	At 1/9/14 £	Net movement in funds £	Transfers between funds £	At 31/8/15 £
<b>Unrestricted funds</b>				
Unrestricted funds	77,873	4,438	-	82,311
<b>Restricted funds</b>				
General Annual Grant (GAG)	65,439	4,392	(10,253)	59,578
Other DfE / EFA grants	22,967	233	-	23,200
Pension deficit	(344,000)	(35,000)	-	(379,000)
Restricted fixed assets funds	2,394,703	134,255	10,253	2,539,211
	<u>2,139,109</u>	<u>103,880</u>	<u>-</u>	<u>2,242,989</u>
<b>TOTAL FUNDS</b>	<u>2,216,982</u>	<u>108,318</u>	<u>-</u>	<u>2,325,300</u>

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>				
Unrestricted funds	4,438	-	-	4,438
<b>Restricted funds</b>				
General Annual Grant (GAG)	849,551	(845,159)	-	4,392
Other DfE / EFA grants	149,561	(149,328)	-	233
Local Authority grants	116,807	(116,807)	-	-
Other	28,015	(28,015)	-	-
Restricted fixed assets funds	219,842	(85,587)	-	134,255
Pension deficit	-	(20,000)	(15,000)	(35,000)
	<u>1,363,776</u>	<u>(1,244,896)</u>	<u>(15,000)</u>	<u>103,880</u>
<b>TOTAL FUNDS</b>	<u>1,368,214</u>	<u>(1,244,896)</u>	<u>(15,000)</u>	<u>108,318</u>



**Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015**

**19. Movement in funds - continued**

**Purposes of unrestricted funds**

Included in unrestricted funds includes the surplus on conversion from a local authority school, income from outsourcing of staff and other income generated from the other small donations, etc. which carry no specific restrictions. These funds are available for the academy trust to use as deemed appropriate.

**Purposes of restricted funds**

The General Annual Grant represents the grant funding received from the EFA in order to cover the on-going costs of the academy trust.

The start-up grant is funding received by the trust for assistance with the legal costs of conversion to an academy.

Other DfE/EFA grants received include amounts to cover the cost of insurance, pupil premiums and PFI funding to provide support to pupils on the free school meals register.

Local Authority grants include nursery / early years funding as well as funding to support children with special education needs.

**Purposes of restricted fixed assets funds**

The restricted fixed assets funds reflects resources received by the academy trust to acquire assets for continuing use and furtherance of the trust's aims and objectives. Resources expended reflect the associated depreciation charges as set out on the accounting policies.

**20. 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 Staffordshire County 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.

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

**Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015**

**20. 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 the TPS in the period amounted to £ 60,029 (2014: £ 52,318).

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

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

**Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £57,000, of which employer's contributions totalled £44,000 and employees' contributions totalled £13,000. The agreed contribution rates for future years are 20.2% per cent for employers and the contribution for employees is dependant upon banding.

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.

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015

20. Pension and similar obligations  
- continued

The amounts recognised in the balance sheet are as follows:

	<b>Defined benefit pension plans</b>	
	<b>31/8/15</b>	<b>31/8/14</b>
	<b>£</b>	<b>£</b>
Present value of funded obligations	(710,000)	(610,000)
Fair value of plan assets	331,000	266,000
	<u>(379,000)</u>	<u>(344,000)</u>
Deficit	(379,000)	(344,000)
Liability	<u>(379,000)</u>	<u>(344,000)</u>

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

	<b>Defined benefit pension plans</b>	
	<b>31/8/15</b>	<b>31/8/14</b>
	<b>£</b>	<b>£</b>
Current service cost	57,000	44,000
Interest cost	24,000	33,000
Expected return	(17,000)	(13,000)
	<u>64,000</u>	<u>64,000</u>
Actual return on plan assets	<u>8,000</u>	<u>27,000</u>

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

	<b>Defined benefit pension plans</b>	
	<b>31/8/15</b>	<b>31/8/14</b>
	<b>£</b>	<b>£</b>
Defined benefit obligation	(610,000)	(452,000)
Current service cost	(57,000)	(44,000)
Contributions by scheme participants	(13,000)	-
Interest cost	(24,000)	(33,000)
Actuarial losses/(gains)	(6,000)	(81,000)
	<u>(710,000)</u>	<u>(610,000)</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015

20. Pension and similar obligations  
- continued

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

	Defined benefit pension plans	
	31/8/15	31/8/14
	£	£
Fair value of scheme assets	266,000	193,000
Contributions by employer	44,000	35,000
Contributions by scheme participants	13,000	11,000
Expected return	17,000	13,000
Actuarial gains/(losses)	(9,000)	14,000
	<u>331,000</u>	<u>266,000</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	31/8/15	31/8/14
	£	£
Equities	245,000	202,000
Bonds	36,000	35,000
Property	30,000	21,000
Cash	20,000	8,000
	<u>331,000</u>	<u>266,000</u>

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

	31/8/15	31/8/14
Discount rate	3.7%	3.7%
Expected return on scheme assets	3.7%	5.6%
Future salary increases	4.5%	4.4%
Future pension increases	2.6%	2.6%
Inflation assumption (CPI)	2.8%	2.8%
Commutation of pensions to lump sums	50%	50%

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

	At 31.8.15	At 31.8.14
Retiring today		
Males	22.1	22.1
Females	24.3	24.3
Retiring in 20 years		
Males	24.3	24.3
Females	26.6	26.6

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015

20. Pension and similar obligations  
- continued

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

	31/8/15	31/8/14	31/8/13
	£	£	£
<b>Defined benefit pension plans</b>			
Defined benefit obligation	(710,000)	(610,000)	(452,000)
Fair value of scheme assets	331,000	266,000	193,000
Deficit	(379,000)	(344,000)	(259,000)

21. Related party disclosures

Owing to the nature of the academy trust'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 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.

No related party transactions took place in the period of account.

22. Apb ethical standard - provisions available for small entities

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

23. Reconciliation of net incoming resources to net cash (outflow)/inflow from operating activities

	31/8/15	31/8/14
	£	£
Net incoming resources	123,318	5,945
Depreciation charges	85,587	84,671
Capital grants from DfE/EFA	(6,120)	(6,295)
Interest received	(236)	(175)
Capital grants from LA/National Lottery	(213,722)	-
Increase in stocks	(575)	(1,117)
(Increase)/decrease in debtors	(17,303)	31,442
(Decrease)/increase in creditors	(29,216)	9,652
Difference between pension charge and cash contributions	20,000	18,000
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(38,267)</b>	<b>142,123</b>

24. Analysis of cash flows for headings netted in the cash flow statement

	31/8/15	31/8/14
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	236	175
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b>236</b>	<b>175</b>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2015

24. Analysis of cash flows for headings netted in the cash flow statement- continued

	31/8/15	31/8/14
	£	£
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(139,362)	(45,854)
Capital grants from DfE/EFA	6,120	6,295
Capital grants from LA/National Lottery	79,867	-
	<u>          </u>	<u>          </u>
<b>Net cash outflow for capital expenditure and financial investment</b>	<u><u>(53,375)</u></u>	<u><u>(39,559)</u></u>

25. Analysis of changes in net debt

	At 1/9/14	Cash flow	At 31/8/15
	£	£	£
Net cash:			
Cash at bank and in hand	214,302	(91,406)	122,896
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total</b>	<u><u>214,302</u></u>	<u><u>(91,406)</u></u>	<u><u>122,896</u></u>