

**Trustees' Report and
Financial Statements for the Year Ended 31st August 2016
for
Carmountside Primary Academy**



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

Carmountside Primary Academy

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for the Year Ended 31st August 2016**

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Carmountside Primary Academy

Reference and Administrative Details for the Year Ended 31st August 2016

Members	B Lorento E Walker R Palin
Trustees	R Palin (Chairperson) # B Lorento (Vice Chairperson) # E Walker (Governor)
Governors	L Challinor (Accounting Officer) # D Disbrey (left 13/06/2016) L Hall # M Oldfield J Cowden M Bloor R Palin # J Fury N Williams # A Wragg V Bell E Dean (joined 29/02/2016) B Johnson (joined 13/06/2016)
Associate Governor	K Edwards +# +Associate Governors # Members of Resources Committee
Registered Office	Woodhead Road Abbey Hulton Stoke-on-Trent ST2 8DJ
Senior Management Team	L Challinor (Headteacher) J Cowden (Senior Leader/ SENCo) R Redler (Senior Team Member) D Guy (Senior Team Member) S Lynch (Senior Leader/ Early Years Manager)
Company Registration Number	08170071
Auditors	Hardings 6 Marsh Parade Newcastle-under-Lyme Staffordshire ST5 1DU
Banker	Lloyds Bank plc The Strand Longton Stoke-on-Trent ST3 2RP

Carmountside Primary Academy

**Reference and Administrative Details
for the Year Ended 31st August 2016**

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 2016

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 2016. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Academies Accounts Direction issued by the Education Funding Agency.

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. We are an educational institution which is principally concerned with providing full-time education for children of compulsory school age.

Significant activities

Our priorities for 2016/17 academic year are:

- Further raise pupil achievement & 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
- Maintain and enhance the school premises so that they provide an effective learning environment

Public benefit

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

**Trustees' Report
for the Year Ended 31st August 2016**

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 it 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 that 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 but the gap between school and local/national expectations continues to close.
- End of Key Stage 2 in Reading, Writing, Grammar and Maths are below National and local expectations but all pupils make good progress.

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.

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.

**Trustees' Report
for the Year Ended 31st August 2016**

Strategic report

Financial review

Principal funding sources

Most of the Academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31st August 2016 and the associated expenditure are shown in the statement of financial activities.

The Academy also received funding from the Local Authority for individually assigned resources for supporting pupils with Special Educational Needs with associated funding allocation. This also includes Early Years Funding grant.

In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income.

During the year ended 31st August 2016, incoming resources included amounted to £1,315,046. The majority of this funding was received from the EFA and local authority in connection with the educational operations on the Trust. Notes 2-5 show a detailed breakdown of the incoming resources.

Resources expended for the period of £1,270,063, showed a surplus in year of £44,983. The reason for the reduced in-year surplus was largely due to £26,000 cost attributed to the LGPS, along with depreciation on tangible fixed assets. In terms of actual monetary amounts, the Trust had an in-year surplus of £26,531. The actuarial loss on the LGPS of £83,000 led to an ultimate reduction in overall funds for the year of £38,017. The trustees are concerned with the increase in the deficit on the LGPS following the year end valuation and will now be exploring measures to mitigate this situation.

At the balance sheet date the Academy held a positive balance of £86,263 of unrestricted funds, £101,917 of general restricted funds, £3,440 of specific restricted funds and 2,583,663 of restricted fixed asset funds, offset by a deficit on the LGPS of £488,000.

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

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

Going concern

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

**Trustees' Report
for the Year Ended 31st August 2016**

Strategic report

Principal risks and uncertainties

Risk Management

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.

Financial and risk management objectives and policies

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.

Future plans

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.

The Headteacher 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 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.

Structure, governance and management

Governing document

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

The trustees of 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.

**Trustees' Report
for the Year Ended 31st August 2016**

Structure, governance and management

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 Head Teacher is an ex-officio governor.

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.

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

Key management remuneration

Pay and remuneration of key management personnel is determined by a variety of contributory factors, such as the school group size, ISR, the pay scales for each role e.g. Headteacher, Deputy Headteacher, Assistant Headteacher, and the level of experience of the staff member. In addition to this, levels of pay may be effected by any nationally agreed pay awards, the ability to recruit key management personnel and retain them in post, which all coincides with the schools appointment and pay policies. All amendments to key management personnel's pay and remuneration is discussed and agreed by the governing body.

Related parties

There are no related parties which either control or significantly influence the decisions and operations of the Academy. There are no sponsors or formal Parent Teacher Association associated with the Academy.

Funds held as custodian for others

The Academy does not hold such funds.

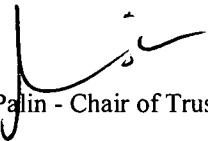
**Trustees' Report
for the Year Ended 31st August 2016**

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 5th December 2016 and signed on the board's behalf by:


R Palin - Chair of Trustees

**Governance Statement
for the Year Ended 31st August 2016**

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher 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 Trust 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
R Palin	3	3
B Lorento	3	3
E Walker	0	3
L Challinor (Accounting Officer)	3	3
D Disbrey (left 13/06/2016)	0	3
L Hall	3	3
M Oldfield	3	3
J Cowden	3	3
M Bloor	3	3
J Fury	2	3
N Williams	2	3
A Wragg	2	3
V Bell	1	3
E Dean (joined 29/02/2016)	2	2
B Johnson (joined 13/06/2016)	0	1
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 R Palin, L Challinor, B Lorento, N Williams, L Hall and K Edwards.

	Meetings attended	Out of a possible
Ray Palin	1	3
Lisa Challinor	3	3
Beryl Lorento	3	3
Neil Williams	1	3
Lisa Hall	2	3
Kay Edwards	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 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:

**Governance Statement
for the Year Ended 31st August 2016**

Review of Value for Money

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

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 2015 to 31 August 2016 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.

The 'Responsible Officer' is Rev. M. Stephens. After this year Rev. Stephens will no longer be able to carry out the role of Responsible Officer, as he has moved out of the area. Arrangements have been made with a SBM, from a local Academy, to carry out our review in the future.

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.

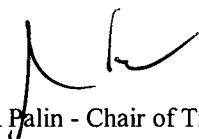
Carmountside Primary Academy

**Governance Statement
for the Year Ended 31st August 2016**

Review of Effectiveness

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.

Approved by order of the members of the board of trustees on 5th December 2016 and signed on its behalf by:



R Palin - Chair of Trustees



Mrs L Challinor - Accounting Officer

**Statement on Regularity, Propriety and Compliance
for the Year Ended 31st August 2016**

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 2015.

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 2015.

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

5th December 2016

**Statement of Trustees Responsibilities
for the Year Ended 31st August 2016**

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 published 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the board of trustees on 5th December 2016 and signed on its 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 2016 on pages seventeen to thirty-eight. 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 2015 to 2016 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 thirteen, 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 21 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 2016 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 Charities SORP 2015 and Academies Accounts Direction 2015 to 2016.

Opinion on other matter prescribed by the Companies Act 2006

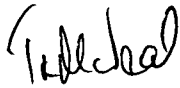
In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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

5th December 2016

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 2015 to 2016, 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 2015 to 31st August 2016 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 2015, 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 2015 to 2016. 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 2015 to 31st August 2016 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 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

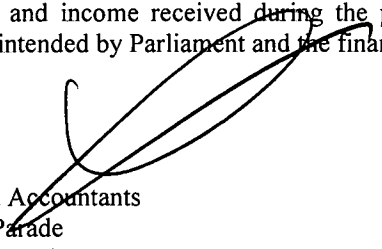
The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

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 2015 to 31st August 2016 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

5th December 2016

Carmountside Primary Academy

**Statement of Financial Activities
for the Year Ended 31st August 2016**

				31/8/16	31/8/15	
		Unrestricted fund	Restricted fixed assets	Restricted funds	Total funds	Total funds
	Notes	£	£	£	£	£
Income and endowments from						
Donations and capital grants	2	772	96,198	6,743	103,713	18,945
Charitable activities						
Funding for the academy's educational operations	3	-	-	1,176,292	1,176,292	1,314,928
Other trading activities	4	3,454	-	31,360	34,814	34,105
Investment income	5	227	-	-	227	236
Total		4,453	96,198	1,214,395	1,315,046	1,368,214
 Expenditure on						
Raising funds	7	-	-	7,157	7,157	8,821
Charitable activities						
Academy's educational operations		501	91,229	1,171,176	1,262,906	1,242,075
Total	6	501	91,229	1,178,333	1,270,063	1,250,896
Net income		3,952	4,969	36,062	44,983	117,318
Transfers between funds	18	-	39,483	(39,483)	-	-
 Other recognised gains/(losses)						
Actuarial gains/losses on defined benefit schemes		-	-	(83,000)	(83,000)	(9,000)
Net movement in funds		3,952	44,452	(86,421)	(38,017)	108,318
Reconciliation of funds						
Total funds brought forward		82,311	2,539,211	(296,222)	2,325,300	2,216,982
Total funds carried forward		86,263	2,583,663	(382,643)	2,287,283	2,325,300

The notes form part of these financial statements

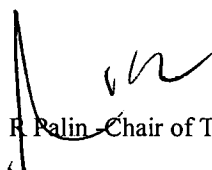
Carmountside Primary Academy

**Balance Sheet
At 31st August 2016**

					31/8/16	31/8/15
	Notes	Unrestricted fund £	Restricted fixed assets funds £	Restricted funds £	Total funds £	Total funds £
Fixed assets						
Tangible assets	13	-	2,583,663	-	2,583,663	2,539,211
Current assets						
Stocks		-	-	1,411	1,411	2,195
Debtors	14	-	-	59,892	59,892	202,220
Cash at bank and in hand		<u>86,263</u>	<u>-</u>	<u>122,468</u>	<u>208,731</u>	<u>122,896</u>
		86,263	-	183,771	270,034	327,311
Creditors						
Amounts falling due within one year	15	-	-	(78,414)	(78,414)	(162,222)
Net current assets		<u>86,263</u>	<u>-</u>	<u>105,357</u>	<u>191,620</u>	<u>165,089</u>
Total assets less current liabilities		86,263	2,583,663	105,357	2,775,283	2,704,300
Pension liability	19	-	-	(488,000)	(488,000)	(379,000)
Net assets		<u>86,263</u>	<u>2,583,663</u>	<u>(382,643)</u>	<u>2,287,283</u>	<u>2,325,300</u>
Funds	18					
Unrestricted funds					86,263	82,311
Restricted funds					<u>2,201,020</u>	<u>2,242,989</u>
Total funds					<u>2,287,283</u>	<u>2,325,300</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 5th December 2016 and were signed on its behalf by:


R. Palin - Chair of Trustees

The notes form part of these financial statements

Carmountside Primary Academy

**Cash Flow Statement
for the Year Ended 31st August 2016**

	Notes	31/8/16 £	31/8/15 £
Cash flows from operating activities:			
Cash generated from operations	22	<u>96,849</u>	<u>(38,267)</u>
Net cash provided by (used in) operating activities		<u>96,849</u>	<u>(38,267)</u>
 Cash flows from investing activities:			
Purchase of tangible fixed assets		(17,439)	(139,362)
Capital grants from DfE/EFA		6,198	6,120
Capital grants from LA/National Lottery		-	79,867
Interest received		<u>227</u>	<u>236</u>
Net cash provided by (used in) investing activities		<u>(11,014)</u>	<u>(53,139)</u>
 Change in cash and cash equivalents in the reporting period		<u>85,835</u>	<u>(91,406)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>122,896</u>	<u>214,302</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>208,731</u></u>	<u><u>122,896</u></u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31st August 2016**

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2015 to 2016 issued by the EFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Carmountside Primary Academy meets the definition of a public benefit entity under FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Carmountside Primary Academy prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities SORP 2015. The financial statements of Carmountside Primary Academy for the year ended 31st August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

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.

Income

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants

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 meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement 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 are no performance-related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

Other income including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2016**

1. Accounting policies - continued

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust accounting policies.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the academy trust to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

Raising funds

Raising funds includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Charitable activities

Costs of charitable activities are incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

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.

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2016**

1. Accounting policies - continued

Tangible fixed assets

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

Freehold property	- over the expected useful economic 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.

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.

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2016**

1. Accounting policies - continued

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.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2016**

1. Accounting policies - continued

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2016**

2. Donations and capital grants

	Unrestricted funds £	Restricted funds £	31/8/16 Total funds £	31/8/15 Total funds £
Donations	772	93,749	94,521	704
Grants	-	6,198	6,198	15,470
Educational visits	-	2,994	2,994	2,771
	<u>772</u>	<u>102,941</u>	<u>103,713</u>	<u>18,945</u>
			31/8/16 £	31/8/15 £
Capital grants			6,198	6,120
Lottery capital grant			-	9,350
			<u>6,198</u>	<u>15,470</u>

Donations includes £90,000 received from Stoke-of-Trent City Council in respect of the Pre-school leasehold land.

3. Funding for the academy's educational operations

	Unrestricted funds £	Restricted funds £	31/8/16 Total funds £	31/8/15 Total funds £
DfE/EFA revenue grant				
General Annual Grant(GAG)	-	857,249	857,249	822,588
Other DfE / EFA grant	-	168,607	168,607	170,975
	-	1,025,856	1,025,856	993,563
Other government grant				
Local Authority grants	-	148,851	148,851	321,365
Other grant				
School direct funding (TILT trust board)	-	1,585	1,585	-
	-	1,176,292	1,176,292	1,314,928

4. Other trading activities

	Unrestricted funds £	Restricted funds £	31/8/16 Total funds £	31/8/15 Total funds £
Fundraising events	2,275	215	2,490	3,352
Catering income	-	18,765	18,765	19,057
Other activities for generating funds income	1,179	9,580	10,759	11,035
Miscellaneous income	-	160	160	325
Receipts from supply teacher insurance claims	-	2,640	2,640	336
	<u>3,454</u>	<u>31,360</u>	<u>34,814</u>	<u>34,105</u>

Carmountside Primary Academy

Notes to the Financial Statements - continued for the Year Ended 31st August 2016

5. Investment income

	Unrestricted funds £	Restricted funds £	31/8/16 Total funds £	31/8/15 Total funds £
Deposit account interest	<u>227</u>	<u>-</u>	<u>227</u>	<u>236</u>

6. Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other costs £	31/8/16 Total £	31/8/15 Total £
Raising funds					
Costs of fundraising	-	-	7,157	7,157	8,821
Charitable activities					
Academies educational operations					
Direct costs	758,248	-	77,623	835,871	871,213
Allocated support costs	<u>93,166</u>	<u>229,168</u>	<u>104,701</u>	<u>427,035</u>	<u>370,862</u>
	<u>851,414</u>	<u>229,168</u>	<u>189,481</u>	<u>1,270,063</u>	<u>1,250,896</u>

Net resources are stated after charging/(crediting)

	31/8/16 £	31/8/15 £
Auditor's remuneration	3,600	3,600
Depreciation - owned assets	39,892	35,106
Depreciation - leasehold assets	51,337	50,481
Other operating leases	<u>1,203</u>	<u>1,203</u>

7. Raising funds

Costs of fundraising

	Unrestricted funds £	Restricted funds £	31/8/16 Total funds £	31/8/15 Total funds £
Educational visits	<u>-</u>	<u>7,157</u>	<u>7,157</u>	<u>8,821</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2016**

8. Charitable activities - academy's educational operations

	Unrestricted funds £	Restricted funds £	31/8/16 Total funds £	31/8/15 Total funds £
Direct costs	108	835,763	835,871	871,213
Support costs	<u>393</u>	<u>426,642</u>	<u>427,035</u>	<u>370,862</u>
	<u>501</u>	<u>1,262,405</u>	<u>1,262,906</u>	<u>1,242,075</u>

	31/8/16 Total £	31/8/15 Total £
Analysis of support costs		
Support staff costs	93,166	71,859
Depreciation	15,325	14,002
Technology costs	13,496	13,436
Premises costs	186,775	150,536
Other support costs	69,280	64,961
Governance costs	<u>48,993</u>	<u>56,068</u>
Total support costs	<u>427,035</u>	<u>370,862</u>

9. Trustees' remuneration and benefits

There was no trustees' remuneration paid or other benefits for the year ended 31 August 2016, but there was one trustee who received remuneration for the year ended 31 August 2015, this was the previous Principal, there was no other trustees' remuneration paid or other benefits for the year ended 31 August 2015. The value of trustees' remuneration was as follows:

	31/8/16 £	31/8/15 £
P McLauchlan (Principal and trustee):		
Remuneration	-	£55,000 - £60,000
Employer's pension contributions	-	£5,000 - £10,000

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st August 2016 nor for the year ended 31st August 2015.

Notes to the Financial Statements - continued
for the Year Ended 31st August 2016

10. Staff costs

	31/8/16	31/8/15
	£	£
Wages and salaries	672,109	655,828
Social security costs	44,841	41,153
Other pension costs	<u>122,013</u>	<u>104,029</u>
	838,963	801,010
Supply teacher costs	<u>12,451</u>	<u>25,829</u>
	<u>851,414</u>	<u>826,839</u>

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

	31/8/16	31/8/15
Teachers	8	10
Administration and support	30	26
Management	<u>5</u>	<u>3</u>
	<u>43</u>	<u>39</u>

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

The key management personnel of the academy trust comprise of the trustees and the senior management team as listed on page 1. The amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £199,484 (2015: £165,954).

11. 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.

12. Comparatives for the statement of financial activities

	Unrestricted fund £	Restricted fixed assets funds £	Restricted funds £	Total funds £
Income and endowments from				
Donations and capital grants	525	15,284	3,136	18,945
Charitable activities				
Funding for the academy's educational operations	-	204,558	1,110,370	1,314,928
Other trading activities	3,677	-	30,428	34,105
Investment income	<u>236</u>	<u>-</u>	<u>-</u>	<u>236</u>
Total	4,438	219,842	1,143,934	1,368,214

Notes to the Financial Statements - continued
for the Year Ended 31st August 2016

12. Comparatives for the statement of financial activities - continued

	Unrestricted fund £	Restricted fixed assets funds £	Restricted funds £	Total funds £
Expenditure on				
Raising funds	-	-	8,821	8,821
Charitable activities				
Academy's educational operations	-	85,587	1,156,488	1,242,075
Total	-	85,587	1,165,309	1,250,896
Net income	4,438	134,255	(21,375)	117,318
Transfers between funds	-	10,253	(10,253)	-
Other recognised gains/(losses)				
Actuarial gains/losses on defined benefit schemes	-	-	(9,000)	(9,000)
Net movement in funds	4,438	144,508	(40,628)	108,318
Reconciliation of funds				
Total funds brought forward	77,873	2,394,703	(255,594)	2,216,982
Total funds carried forward	82,311	2,539,211	(296,222)	2,325,300

Notes to the Financial Statements - continued
for the Year Ended 31st August 2016

13. Tangible fixed assets

	Freehold property £	Leasehold land & buildings £	Improvement s to leasehold property £
Cost			
At 1st September 2015	200,030	2,295,000	8,119
Additions	<u>-</u>	<u>90,000</u>	<u>39,908</u>
At 31st August 2016	<u>200,030</u>	<u>2,385,000</u>	<u>48,027</u>
Depreciation			
At 1st September 2015	-	100,962	-
Charge for year	<u>3,333</u>	<u>50,481</u>	<u>856</u>
At 31st August 2016	<u>3,333</u>	<u>151,443</u>	<u>856</u>
Net book value			
At 31st August 2016	<u>196,697</u>	<u>2,233,557</u>	<u>47,171</u>
At 31st August 2015	<u>200,030</u>	<u>2,194,038</u>	<u>8,119</u>

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
Cost				
At 1st September 2015	118,732	5,782	86,510	2,714,173
Additions	<u>2,071</u>	<u>-</u>	<u>3,702</u>	<u>135,681</u>
At 31st August 2016	<u>120,803</u>	<u>5,782</u>	<u>90,212</u>	<u>2,849,854</u>
Depreciation				
At 1st September 2015	29,295	2,665	42,040	174,962
Charge for year	<u>13,690</u>	<u>779</u>	<u>22,090</u>	<u>91,229</u>
At 31st August 2016	<u>42,985</u>	<u>3,444</u>	<u>64,130</u>	<u>266,191</u>
Net book value				
At 31st August 2016	<u>77,818</u>	<u>2,338</u>	<u>26,082</u>	<u>2,583,663</u>
At 31st August 2015	<u>89,437</u>	<u>3,117</u>	<u>44,470</u>	<u>2,539,211</u>

Included in cost of leasehold land and buildings is leasehold land of £710,000, which includes an addition during the year of £90,000 for the Pre-school leasehold land from Stoke-on-Trent City Council.

Notes to the Financial Statements - continued
for the Year Ended 31st August 2016

14. Debtors: amounts falling due within one year

	31/8/16	31/8/15
	£	£
VAT	11,534	16,382
Prepayments and accrued income	<u>48,358</u>	<u>185,838</u>
	<u>59,892</u>	<u>202,220</u>

15. Creditors: amounts falling due within one year

	31/8/16	31/8/15
	£	£
Trade creditors	14,895	75,120
Social security and other taxes	12,799	-
Accruals and deferred income	38,993	60,861
Deferred government grants	<u>11,727</u>	<u>26,241</u>
	<u>78,414</u>	<u>162,222</u>

Deferred government grants

	31/8/16	31/8/15
	£	£
Resources deferred in the year	<u>11,727</u>	<u>26,241</u>
Deferred income at year end	<u>11,727</u>	<u>26,241</u>

At the balance sheet date, the academy trust was holding funds received in advance relating to the 2016/17 academic year (2015 - relating to the 2015/16 academic year).

Universal Free School Meals	11,727	12,491
Nursery Education Grant	-	13,750

16. Operating lease commitments

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

	Other operating leases	
	31/8/16	31/8/15
	£	£
Expiring:		
Within one year	<u>763</u>	<u>1,093</u>

17. 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 2016

18. Movement in funds

	At 1/9/15 £	Net movement in funds £	Transfers between funds £	At 31/8/16 £
Unrestricted funds				
Unrestricted funds	82,311	3,952	-	86,263
Restricted funds				
General Annual Grant (GAG)	59,578	56,442	(39,483)	76,537
Other DfE / EFA grants	23,200	220	-	23,420
Other	-	1,960	-	1,960
Pension deficit	(379,000)	(109,000)	-	(488,000)
Restricted fixed assets funds	2,539,211	4,969	39,483	2,583,663
Minibus	-	1,440	-	1,440
Preschool equipment	-	2,000	-	2,000
	2,242,989	(41,969)	-	2,201,020
TOTAL FUNDS	<u>2,325,300</u>	<u>(38,017)</u>	<u>-</u>	<u>2,287,283</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted funds	4,453	(501)	-	3,952
Restricted funds				
General Annual Grant (GAG)	857,249	(800,807)	-	56,442
Other DfE / EFA grants	168,607	(168,387)	-	220
Local Authority grants	148,851	(148,851)	-	-
Other	36,248	(34,288)	-	1,960
Restricted fixed assets funds	96,198	(91,229)	-	4,969
Minibus	1,440	-	-	1,440
Preschool equipment	2,000	-	-	2,000
Pension deficit	-	(26,000)	(83,000)	(109,000)
	1,310,593	(1,269,562)	(83,000)	(41,969)
TOTAL FUNDS	<u>1,315,046</u>	<u>(1,270,063)</u>	<u>(83,000)</u>	<u>(38,017)</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2016**

18. 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.

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.

The minibus fund relates to donations received to finance a new minibus.

The Preschool equipment fund relates to a donation received to purchase preschool equipment.

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.

19. 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.

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.

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2016**

**19. Pension and similar obligations
- continued**

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

The employer's pension costs paid to the TPS in the period amounted to £64,013 (2015: £60,029).

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

Under the definitions set out in FRS 102, 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 2016 was £74,000 (2015: £57,000), of which employer's contributions totalled £58,000 (2015: £44,000) and employees' contributions totalled £16,000 (2015: £13,000). The agreed contribution rates for future years are 21.2% per cent for employers and the contribution for employees is dependent 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 2016

19. Pension and similar obligations
- continued

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31/8/16	31/8/15
	£	£
Present value of funded obligations	(967,000)	(710,000)
Fair value of plan assets	<u>479,000</u>	<u>331,000</u>
	<u>(488,000)</u>	<u>(379,000)</u>
Deficit	<u>(488,000)</u>	<u>(379,000)</u>
Liability	<u>(488,000)</u>	<u>(379,000)</u>

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

	Defined benefit pension plans	
	31/8/16	31/8/15
	£	£
Current service cost	70,000	57,000
Net interest from net defined benefit asset/liability	<u>28,000</u>	<u>24,000</u>
	<u>98,000</u>	<u>81,000</u>
Actual return on plan assets	<u>60,000</u>	<u>(3,000)</u>

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

	Defined benefit pension plans	
	31/8/16	31/8/15
	£	£
Defined benefit obligation	(710,000)	(610,000)
Current service cost	(70,000)	(57,000)
Contributions by scheme participants	(16,000)	(13,000)
Interest cost	(28,000)	(24,000)
Actuarial (gains)/losses from changes in financial assumptions	<u>(143,000)</u>	<u>(6,000)</u>
	<u>(967,000)</u>	<u>(710,000)</u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2016

19. Pension and similar obligations
- continued

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

	Defined benefit pension plans	
	31/8/16	31/8/15
	£	£
Fair value of scheme assets	331,000	266,000
Contributions by employer	58,000	44,000
Contributions by scheme participants	16,000	13,000
Interest income on plan assets	14,000	11,000
Return on assets (excluding interest income)	<u>60,000</u>	<u>(3,000)</u>
	<u>479,000</u>	<u>331,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31/8/16	31/8/15
	£	£
Actuarial (gains)/losses from changes in financial assumptions	(143,000)	(6,000)
Return on plan assets (excluding interest income)	<u>60,000</u>	<u>(3,000)</u>
	<u>(83,000)</u>	<u>(9,000)</u>

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

	Defined benefit pension plans	
	31/8/16	31/8/15
	£	£
Equities	359,000	245,000
Bonds	53,000	36,000
Property	38,000	30,000
Cash	<u>29,000</u>	<u>20,000</u>
	<u>479,000</u>	<u>331,000</u>

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

	31/8/16	31/8/15
Discount rate	2%	3.7%
Future salary increases	2.5%	4.5%
Future pension increases	2.1%	2.6%
Inflation assumption (CPI)	2.1%	2.8%
Commutation of pensions to lump sums	50%	50%

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2016**

**19. Pension and similar obligations
- continued**

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

	At 31/8/16	At 31/8/15
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

Amounts for the current and previous period are as follows:

	31/8/16 £	31/8/15 £
Defined benefit pension plans		
Defined benefit obligation	(967,000)	(710,000)
Fair value of scheme assets	479,000	331,000
Deficit	(488,000)	(379,000)

20. Related party disclosures

There were no related party transactions for the year ended 31st August 2016.

21. 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.

22. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	31/8/16 £	31/8/15 £
Net income for the reporting period (as per the statement of financial activities)	44,983	117,318
Adjustments for:		
Depreciation	91,229	85,587
Capital grants from DfE/EFA	(6,198)	(6,120)
Interest received	(227)	(236)
Capital grants from LA/National Lottery	-	(213,722)
Decrease/(increase) in stocks	784	(575)
Decrease/(increase) in debtors	8,473	(17,303)
Decrease in creditors	(68,195)	(29,216)
Difference between pension charge and cash contributions	26,000	26,000
Net cash provided by (used in) operating activities	<u>96,849</u>	<u>(38,267)</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2016**

23. First year adoption

Transitional relief

On transition to FRS 102, the academy trust has taken advantage of the following transitional relief:

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31st August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1st September 2014.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Change in recognition of LGPS interest cost

Transitional relief

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1st September 2014 or 31st August 2015. The effect of the change has been to increase the debit to income/expense by £6,000 and increase the credit in other recognised gains and losses in the SoFA by an equivalent amount

**Reconciliation of Income and Expenditure
for the Year Ended 31st August 2015**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
Income and endowments from				
Donations and capital grants		3,475	15,470	18,945
Charitable activities		1,330,398	(15,470)	1,314,928
Other trading activities		34,105	-	34,105
Investment income		<u>236</u>	<u>-</u>	<u>236</u>
Total		1,368,214	-	1,368,214
Expenditure on				
Raising funds		8,821	-	8,821
Charitable activities		1,186,007	56,068	1,242,075
OBSOLETE Governance costs		<u>50,068</u>	<u>(50,068)</u>	<u>-</u>
Total		1,244,896	6,000	1,250,896
Net income		<u>123,318</u>	<u>(6,000)</u>	<u>117,318</u>

Carmountside Primary Academy

Reconciliation of Funds

At 1st September 2014

(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
Fixed assets				
Tangible assets		<u>2,394,703</u>	-	<u>2,394,703</u>
		2,394,703	-	2,394,703
 Current assets				
Stocks		1,620	-	1,620
Debtors		16,893	-	16,893
Prepayments and accrued income		34,169	-	34,169
Cash at bank and in hand		<u>214,302</u>	-	<u>214,302</u>
		266,984	-	266,984
 Creditors				
Amounts falling due within one year		(100,705)	-	(100,705)
		<u>166,279</u>	-	<u>166,279</u>
Net current assets				
		2,560,982	-	2,560,982
Total assets less current liabilities				
Pension liability		(344,000)	-	(344,000)
		<u>2,216,982</u>	-	<u>2,216,982</u>
 Funds				
Unrestricted funds		77,873	-	77,873
Restricted funds		<u>2,139,109</u>	-	<u>2,139,109</u>
Total funds		<u>2,216,982</u>	-	<u>2,216,982</u>

Carmountside Primary Academy

**Reconciliation of Funds
At 31st August 2015**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
Fixed assets				
Tangible assets		2,539,211	-	2,539,211
Current assets				
Stocks		2,195	-	2,195
Debtors		202,220	-	202,220
Cash at bank and in hand		<u>122,896</u>	<u>-</u>	<u>122,896</u>
		327,311	-	327,311
Creditors				
Amounts falling due within one year		(162,222)	-	(162,222)
		<u>165,089</u>	<u>-</u>	<u>165,089</u>
Net current assets				
		2,704,300	-	2,704,300
Total assets less current liabilities				
Pension liability		(379,000)	-	(379,000)
		<u>2,325,300</u>	<u>-</u>	<u>2,325,300</u>
Net assets				
Funds				
Unrestricted funds		82,311	-	82,311
Restricted funds		<u>2,242,989</u>	<u>-</u>	<u>2,242,989</u>
Total funds		<u>2,325,300</u>	<u>-</u>	<u>2,325,300</u>