

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

THURSDAY



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13/02/2014  
COMPANIES HOUSE

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS  
FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

**Trustees**

Rev L Brabin-Smith (appointed 10 October 2012)<sup>2</sup>  
Mrs V Brightwell (appointed 10 October 2012)<sup>1</sup>  
Mrs D Clark (appointed 10 October 2012)<sup>2</sup>  
Mr K Donaghey (appointed 1 May 2013)<sup>3</sup>  
Mrs J Heath, Chair of Trustees (appointed 10 October 2012)<sup>1 2 3</sup>  
Mrs E Moore, Head Teacher (appointed 10 October 2012)<sup>1,2,3</sup>  
Dr N Moore (appointed 1 May 2013)<sup>1</sup>  
Mrs P O'Flynn (appointed 10 October 2012)<sup>1</sup>  
Mrs F Rendall (appointed 10 October 2012)<sup>2</sup>  
Mr P Rendall (appointed 1 May 2013)<sup>1</sup>  
Dr E Ryves (appointed 10 October 2012)<sup>3</sup>  
Mrs S Whitehead, Staff Trustee (appointed 10 October 2012)<sup>3</sup>  
Mrs J Bird (appointed 10 October 2012, resigned 14 August 2013)<sup>1</sup>  
Mrs B Kearns (appointed 10 October 2012, resigned 10 January 2013)<sup>3</sup>

- <sup>1</sup> Finance and General Purposes Committee
- <sup>2</sup> Curriculum and Standards Committee
- <sup>3</sup> Safeguarding, Health and Safety Committee

**Company registered  
number**

8248063

**Registered office**

Hoby Road  
Thrussington  
Leicester  
Leicestershire  
LE7 4TH

**Senior management  
team**

Mrs E Moore, Headteacher

**Independent auditors**

Clear & Lane  
Chartered Accountants  
340 Melton Road  
Leicester  
LE4 7SL

**Bankers**

NatWest Plc  
11 Western Boulevard  
Bede Island  
Leicester  
LE2 7EJ

**Solicitors**

Browne Jacobson LLP  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 1BJ

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT**  
**FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Thrussington Church of England Primary School (the academy) for the period ended 31 August 2013. The Trustees confirm that the Annual report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

• **Constitution**

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

The governors act as the trustees for the charitable activities of Thrussington Church of England Primary School and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Thrussington Church of England Primary School. The charitable company was incorporated on 10 October 2012. The School converted to academy status on 1 November 2012 when operations, assets and liabilities were transferred to the academy from the local authority.

Details of the Trustees who served throughout the year except as noted 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.

• **Method of recruitment and appointment or election of Trustees**

Trustees are appointed as follows

Parent Trustees	Through open election for all eligible parents or guardians of students who attend Thrussington Church of England Primary School <u>Article 51</u> Subject to Article 57, the Parent Trustees shall be elected by parents of registered pupils at the Academy. A Parent Trustee must be a parent of a pupil at the Academy at the time when he is elected. <u>Article 57</u> The number of Parent Trustees required shall be made up by Parent Trustees appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies.
Staff Trustees	Through open election for all eligible members of staff working at Thrussington Church of England Primary School <u>Article 50A</u> The Members may appoint 1 Staff Trustee through such process as they may determine, provided that the total number of Trustees (including the Principal) who are employees of the Academy Trust does not exceed one third of the total number of Trustees.

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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

Foundation Trustees	<u>Article 50</u> The Members shall appoint a minimum of 6 Trustees of whom 1 shall be the team vicar within the Fosse team ministry responsible for the parish of Thrussington ex-officio, and 5 shall be appointed by the Diocese of Leicester Educational Trust from nominations made by Thrussington Parochial Church Council of whom 2 shall be eligible at the time of their election as parent Trustees
Co-opted Trustees	The Trustees appointed under Article 50 with the consent of the Diocesan Board of Education may appoint up to 2 Co-opted Trustees for such term (not exceeding four years) and otherwise upon such conditions as they shall think fit

- **Policies and procedures adopted for the induction and training of Trustees**

We expect all Trustees to undertake training as appropriate to their work at the school. New Trustees will be provided with an induction programme delivered partly in-house and partly through external sources as required. A log is kept of all Trustees training and reviewed on a regular basis at Trustees' Meetings.

- **Organisational structure**

The Trustees determine the general policy of the school. The day to day running of the school is delegated to the Head, supported by appropriate staff. The Headteacher undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with appropriate staff. The day to day administration is undertaken within the policies and procedures approved by the Trustees which provide for only significant expenditure decisions and major capital projects to be referred to the Trustees for prior approval. The Headteacher oversees the recruitment of all staff. The Headteacher is an ex-officio Trustee, Principal Accounting Officer and attends all meetings.

- **Connected organisations, including related party relationships**

The Headteacher is a member of number of professional organisations which enable her to keep abreast of current educational matters and collaborates with other outstanding schools to share expertise, knowledge and experience.

As part of its work, the school has a formal partnership, as a Strategic Partner, with The Affinity Teaching School Alliance and is a member the Syston and Thurmaston Education Partnership (S T E P) to provide high quality education.

- **Risk management**

The Trustees are responsible for the overseeing of the risks faced by the School. Detailed considerations of risk are delegated to the Headteacher of the school. Risks are identified, assessed and controls established throughout the period. A formal review of the school's risk management process will be undertaken on an annual basis. Risk is managed under the headings of Strategic and Reputational, Operational, Employment and Financial.

- **Trustees' indemnities**

In accordance with normal practice the school has purchased insurance to protect the Trustees and officers from claims arising from negligent acts, errors or omissions whilst on school business. The cover under the policy is £3 million and in the period under review this cost was included in the overall insurance cost.

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

• **Principal activities**

Thrussington Church of England Primary School Academy Trust's purpose is to provide high quality learning activities to pupils at the school and the wider community of which we are a part and which we serve

**OBJECTIVES AND ACTIVITIES**

• **Objects and aims**

Thrussington Church of England Primary School Academy Trust's objective 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
- to promote for the benefit of individuals living in Thrussington and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and within the object of improving the condition of the said individuals

• **Objectives, strategies and activities**

**Mission Statement**

Thrussington Church of England School is a place in which everyone is valued and cared for as an individual, where their views and culture are respected and is a place where children are at the centre of all that we do. We nurture the uniqueness of each individual within a happy, safe, stimulating and Christian environment, enabling them to meet their personal goals, to reach their full potential, intellectually, physically, socially, emotionally, morally and spiritually. Through a positive community ethos, we listen, engage and encourage confidence in order to prepare all learners for the future. It is our intention to provide a learning environment which inspires, encourages personal development, challenges and prepares everyone to take their place in an ever-changing world.

• **Activities for achieving objectives**

We aim to provide a caring, stimulating and safe school where achievements are celebrated and everyone is valued and shown respect.

We do this through providing

- Children with a structure which enables them to question and evaluate all areas relating to their emotional and physical health and so make informed choices
- A secure environment where everyone has a voice and is equipped with the life skills to keep themselves and others safe
- An enjoyable, creative, relevant and evolving curriculum that will motivate children to become lifelong learners and encourage every child to find and develop their own personal strengths
- Opportunities that will enable every child to nurture self-worth and develop skills to make a positive contribution to the community and where children, parents, school and the community work in mutually beneficial partnership

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

- The highest quality teaching and learning to enable all children to reach their full potential and thus lay strong foundations for the future To value ourselves, others and the environment through positive relationships, actions and attitudes

- **Public benefit**

Thrussington Church of England Primary School Academy Trust is a charitable trust which seeks to benefit the public throughout the pursuit of its stated aims

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission

### **ACHIEVEMENTS AND PERFORMANCE**

- **Going concern**

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

- **Key educational performance indicators and review of activities**

- The school's leadership has worked tirelessly to improve attendance and with significant success For the period, attendance was 97.4% which is well above the national average of 94.8%
- **Year 1**
  - The phonics screening programme the overall outcome for the school was 75% which is above the national average of 69%
- **End of Key Stage 1**
  - 100% of pupils achieved national expectations at the end of Key Stage One
  - The overall results were above the national average of 16.8
  - Reading was 16.6, which was above the national average of 16.3
  - 100% achieved national expectations
  - Level 3 significantly exceeds national expectations Results for the More Able pupils were above the national average in reading (31% gained level 3 in reading, compared to 29% nationally, 22% in writing compared to 15% nationally and 44% in Maths compared to 23% nationally)
- **End of Key Stage 2**
  - 90% of pupils gained a Level 4+ in all core areas (The national average was 75%)
  - Level 5 significantly exceeds national expectations 80% gained level 5 in Reading compared to 44% nationally, 60% in Writing compared to 30% nationally, 50% in Maths compared to 41% nationally with 10% achieving Level 6
  - The new Spelling, Punctuation and Grammar test resulted in the cohort's achieving an average point score of 30.6 compared to the national figure of 28.0 (placing the cohort almost one year ahead of national expectations)
  - The overall result of 30.8 average points places the school cohort significantly above the national average (28.3) and in line with the expected level beyond the end of Year 7 (end of Year 7 at secondary school)

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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

Thrussington School is a strategic partner to the University of Leicester, responsible for delivering high quality, Post Graduate Certificate in Education initial teacher training, is a Strategic Partner within the Affinity Teaching School Alliance – providing high quality support to other schools and professional development, it is a strategic partner within the Syston and Thurmaston Education Partnership, providing effective multi-academy collaboration, including teaching and learning competence, and support for small schools across the region

Thrussington School has members of staff who are recognised by the Local Authority, Tribal and the National College for Teaching and Leadership as specialists to provide strategies and leadership development to raise standards and to initiate succession planning, throughout the county and beyond

Areas for the school to develop during the course of the year include

- Reading at each Key Stage
- Progress and attainment in Mathematics at Key Stage 2

The school remains outstanding since its last inspection

## **FINANCIAL REVIEW**

### **• Financial review**

The majority of the school's funding was provided by the Education Funding Agency (EFA) The school's total incoming resources for the period ended 31 August 2013 amounted to £316,883 of which £286,121 related to the EFA General Annual Grant The school held free reserves (unrestricted funds) fund balances as at 31 August 2013 of £42,179

### **• Financial and risk management objectives and policies**

The school has compiled a risk register and analysed risks and controls in place for each risk The risks are reviewed by the governing body & sub-committees at least annually

### **• Principal risks and uncertainties**

Principal risks and uncertainties facing the academy trust are low and are addressed in the risk management document that the academy trust has in place which will be reviewed annually

At 31 August 2012 the pension deficit on the Local Government Pension Scheme stood at £72,000 The academy has mitigated its risk in relation to this pension scheme by taking out insurance against early retirement on the grounds of ill health Changes in contribution rates as decided upon by the actuaries of the scheme are budgeted for as soon as they are known, when they are updated every three years

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

### **• Reserves policy**

The Trustees have developed a reserve policy for the school The Trustees have determined that the appropriate level of free reserves (total funds less the amount held in tangible fixed assets and restricted funds) should be approximately one month's expenditure (£30,000) The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants to provide resources to deal with unexpected emergencies such as urgent maintenance As at 31 August 2013 the academy held £42,179 free reserves (unrestricted funds) so the Trustees consider reserves levels to be appropriate



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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

• **Material investments policy**

The school's investment strategy is

- Regularly monitor cash flow and current/fund account balances to ensure immediate financial commitments can be met (payroll and payment runs) and that the accounts have adequate balances to meet forthcoming commitments
- Identify funds surplus to immediate cash requirements and transfer to the school's deposit account bearing a higher interest rate
- Periodically review interest rates and compare with other investment opportunities
- The school's current policy is to only invest funds in risk free and immediately assessable deposit accounts

Any change in policy requires the approval of Trustees via the Finance Committee

**PLANS FOR THE FUTURE**

• **Future developments**

The Trustees intend to continue their current strategies of maintaining the school's position in a competitive market by providing outstanding education for all pupils. Achieving high standards of academic results is a constant aim in conjunction with maintaining the breadth and depth of wider education in order to develop the whole person.

The Headteacher and appropriate staff will continue to review the curriculum to ensure that the educational qualifications remain appropriate for our pupils' development.

The Academy Trusts future plans are financed from income direct from the EFA related to student numbers and other lump sum factors. Trustees will ensure funding is invested appropriately for the next generation of pupils as they have done in the past for pupils. Maintaining and, where necessary, developing the fabric of the facilities of the school is core to our strategy.

We have a planned programme of maintenance and investment for the school site. Each year we invest heavily in computer equipment, as part of a carefully budgeted rolling programme, to reflect the needs of the curriculum, and infrastructure to ensure our pupils and staff have access to the very best technology possible. Environmental issues are also a high priority and we continue to develop our buildings to ensure they are more energy efficient.

**Disclosure of information to auditors**

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

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

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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

**Auditors**

The auditors, Clear & Lane, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by order of the board of trustees on 16 December 2013 and signed on its behalf by

*Jane M A Heath*

**Mrs J Heath**  
**Chair of Trustees**

*Elizabeth Moore*

**Mrs E Moore**  
**Accounting Officer**

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
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**GOVERNANCE STATEMENT**

**Scope of Responsibility**

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

The 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 Thrussington Church of England Primary School 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 Trustees' responsibilities statement. The board of trustees has formally met 7 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Rev L Brabin-Smith	4	7
Mrs V Brightwell	6	7
Mrs D Clark	7	7
Mr K Donaghey	3	3
Mrs J Heath, Chair of Trustees	4	7
Mrs E Moore, Head Teacher	7	7
Dr N Moore	3	3
Mrs P O'Flynn	4	7
Mrs F Rendall	7	7
Mr P Rendall	3	3
Dr E Ryves	5	7
Mrs S Whitehead, Staff Trustee	6	7
Mrs J Bird	2	7
Mrs B Kearns	3	3

The Finance and General Purposes Committee is a delegated committee of the main governing body. Its purpose is to oversee the finance, property and staff.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
Mrs V Brightwell	4	4
Mrs J Heath, Chair of Trustees	4	4
Mrs E Moore, Head Teacher	4	4
Dr N Moore	0	0
Mrs P O'Flynn	2	4
Mr P Rendall	0	0
Mrs J Bird	0	4

The Curriculum and Standards Committee is a delegated committee of the main governing body. Its purpose is to oversee the Curriculum, Standards, Care, Guidance & Support, Behaviour, Ethical, Cultural and Moral standards, Welfare and the Impact and intervention of Pupil Premium.

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
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**GOVERNANCE STATEMENT (continued)**

Attendance at meetings in the period was as follows

Trustee	Meetings attended	Out of a possible
Rev L Brabin-Smith	0	4
Mrs D Clark	4	4
Mrs J Heath, Chair of Trustees	4	4
Mrs E Moore, Head Teacher	4	4
Mrs F Rendall	4	4

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Thrussington Church of England Primary School for the period 10 October 2012 to 31 August 2013 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 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 ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the period 10 October 2012 to 31 August 2013 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'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 to appoint Leicestershire County Council as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On an annual basis, the internal auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.



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**GOVERNANCE STATEMENT (continued)**

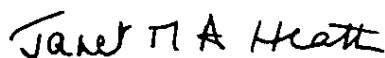
**Review of Effectiveness**

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes 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 16 December 2013 and signed on their behalf, by



Mrs J Heath  
Chair of Trustees



Mrs E Moore  
Accounting Officer

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Thrussington Church of England Primary School I have considered my responsibility to notify the academy 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 and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2012)

I confirm that I and the academy board of trustees are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook (2012)

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date



**Mrs E Moore**  
**Accounting Officer**

Date 16 December 2013

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
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**TRUSTEES' RESPONSIBILITIES STATEMENT**  
**FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

The Trustees (who act as governors of Thrussington Church of England Primary School 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 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 of the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- 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 the 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 members of the board of trustees on 16 December 2013 and signed on its behalf by



**Mrs J Heath**  
**Chair of Trustees**



**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THRUSSINGTON CHURCH OF ENGLAND  
PRIMARY SCHOOL**

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

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

**Respective responsibilities of Trustees and auditors**

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

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

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the 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's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

**Opinion on other matter prescribed by the Companies Act 2006**

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

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THRUSSINGTON CHURCH OF ENGLAND  
PRIMARY SCHOOL**

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

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

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



Luke Turner ACA FCCA (Senior statutory auditor)

for and on behalf of

**Clear & Lane**

Chartered Accountants  
Statutory Auditors

340 Melton Road  
Leicester  
LE4 7SL  
Date 20/12/13

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
(A company limited by guarantee)

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 12 October 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Thrussington Church of England Primary School during the period 10 October 2012 to 31 August 2013 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 Thrussington Church of England Primary School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Thrussington Church of England Primary School 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 Thrussington Church of England Primary School and the EFA, for our work, for this report, or for the conclusion we have formed

**Respective responsibilities of Thrussington Church of England Primary School's accounting officer and the reporting auditors**

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

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013. 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 10 October 2012 to 31 August 2013 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them

**Approach**

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

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

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

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



**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
**(A company limited by guarantee)**

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO THRUSSINGTON  
CHURCH OF ENGLAND PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

**Conclusion**

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 10 October 2012 to 31 August 2013 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them

During the year the academy's bank account went overdrawn. The bank account was overdrawn for 5 days and the maximum overdrawn amount in the period was £2,814 (This occurred prior to the Local Education Authority underspend being transferred)



Luke Turner ACA FCCA (Senior statutory auditor)

for and on behalf of

**Clear & Lane**

Chartered Accountants  
Statutory Auditors

340 Melton Road  
Leicester  
LE4 7SL

Date 20/12/13

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES**  
(incorporating income and expenditure account and statement of recognised gains and losses)  
FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds					
Voluntary income - transfer from local authority on conversion	2	48,560	(63,000)	6,885	(7,555)
Other voluntary income	2	-	129	-	129
Activities for generating funds	3	695	-	-	695
Incoming resources from charitable activities	4	26,200	292,750	4,664	323,614
<b>TOTAL INCOMING RESOURCES</b>		<b>75,455</b>	<b>229,879</b>	<b>11,549</b>	<b>316,883</b>
<b>RESOURCES EXPENDED</b>					
Charitable activities	9	(10,222)	286,751	3,085	279,614
Governance costs	5	34,154	8,742	-	42,896
<b>TOTAL RESOURCES EXPENDED</b>	8	<b>23,932</b>	<b>295,493</b>	<b>3,085</b>	<b>322,510</b>
<b>NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE TRANSFERS</b>		<b>51,523</b>	<b>(65,614)</b>	<b>8,464</b>	<b>(5,627)</b>
Transfers between Funds	17	(9,345)	(386)	9,731	-
<b>NET INCOME/(EXPENDITURE) FOR THE YEAR</b>		<b>42,178</b>	<b>(66,000)</b>	<b>18,195</b>	<b>(5,627)</b>
Actuarial gains and losses on defined benefit pension schemes		-	(6,000)	-	(6,000)
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>42,178</b>	<b>(72,000)</b>	<b>18,195</b>	<b>(11,627)</b>
Total funds at 10 October 2012		-	-	-	-
<b>TOTAL FUNDS AT 31 AUGUST 2013</b>		<b>42,178</b>	<b>(72,000)</b>	<b>18,195</b>	<b>(11,627)</b>

All of the academy's activities derive from acquisitions in the current financial period

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

The notes on pages 21 to 39 form part of these financial statements

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**

(A company limited by guarantee)  
REGISTERED NUMBER 8248063

**BALANCE SHEET  
AS AT 31 AUGUST 2013**

	Note	£	2013 £
<b>FIXED ASSETS</b>			
Tangible assets	13		18,195
<b>CURRENT ASSETS</b>			
Stocks	14	10,319	
Debtors	15	28,023	
Cash at bank and in hand		35,494	
		<u>73,836</u>	
<b>CREDITORS</b> amounts falling due within one year	16	<u>(31,658)</u>	
<b>NET CURRENT ASSETS</b>			<u>42,178</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>60,373</u>
Defined benefit pension scheme liability	23		<u>(72,000)</u>
<b>NET LIABILITIES INCLUDING PENSION SCHEME LIABILITIES</b>			<u><u>(11,627)</u></u>
<b>FUNDS OF THE ACADEMY</b>			
Restricted funds			
Restricted fixed asset fund		18,195	
Pension reserve		<u>(72,000)</u>	
Total restricted funds			<u>(53,805)</u>
Unrestricted funds	17		<u>42,178</u>
<b>TOTAL DEFICIT</b>			<u><u>(11,627)</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 16 December 2013 and are signed on their behalf, by

*Jane M A Heath*

Mrs J Heath  
Chair of Trustees

The notes on pages 21 to 39 form part of these financial statements

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
(A company limited by guarantee)

**CASH FLOW STATEMENT**  
**FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

	Note	2013 £
Net cash flow from operating activities	19	45,226
Capital expenditure and financial investment		(9,732)
<b>INCREASE IN CASH IN THE PERIOD</b>		<u><u>35,494</u></u>

All of the cash flows are derived from acquisitions in the current financial period

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**  
**FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

	2013 £
Increase in cash in the period	<u>35,494</u>
<b>MOVEMENT IN NET FUNDS IN THE PERIOD</b>	<u>35,494</u>
<b>NET FUNDS AT 31 AUGUST 2013</b>	<u><u>35,494</u></u>

The notes on pages 21 to 39 form part of these financial statements





**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

**1.2 FUND ACCOUNTING**

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

Transfers between funds and between categories of funds i.e. restricted, designated and unrestricted are only processed with due regard to grant terms, agreements of funders (where applicable) and due process where formal trustees' resolutions are required. Full disclosures are given within the notes to the accounts for any transfers processed.

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

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

**1. ACCOUNTING POLICIES (continued)**

**1.3 INCOMING RESOURCES**

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

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

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

**1.4 RESOURCES EXPENDED**

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

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

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

All resources expended are inclusive of irrecoverable VAT.



**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

**1 ACCOUNTING POLICIES (continued)**

**1.5 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 academy 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.

**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

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

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

A review 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.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	- 15% Straight line
Computer equipment	- 25% Straight line

**1.7 OPERATING LEASES**

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

**1.8 STOCKS**

Stocks are valued at the lower of cost and value in use.

**1.9 TAXATION**

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

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

**1. ACCOUNTING POLICIES (continued)**

**1.10 PENSIONS**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 23, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

**1.11 CONVERSION TO AN ACADEMY TRUST**

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £Nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Thrussington Church of England Primary School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Thrussington Church of England Primary School. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Fixed assets donated from the local education authority have been valued on a the basis of open market value as at the date of conversion, by the trustees.

The pension liability inherited on conversion has been included at the valuation determined by the pension scheme actuary at the date of the conversion.

The surplus cash balance (accruals adjusted) transferred from Leicestershire County Council on conversion has been included within the donation.



**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

**2. VOLUNTARY INCOME**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Voluntary income - transfer from local authority on conversion	48,560	(56,115)	(7,555)
PTFA Donations	-	129	129
Voluntary income	48,560	(55,986)	(7,426)

**3. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Ragtex	264	-	264
Parental contributions	431	-	431
	695	-	695

**4. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
<b>DfE/EFA grants</b>			
General annual grant (GAG)	-	286,121	286,121
Other DfE/EFA grants	26,200	7,766	33,966
Other grants	-	3,527	3,527
	26,200	297,414	323,614



**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

**5. GOVERNANCE COSTS**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Governance Internal audit costs	-	503	503
Governance Auditors' remuneration	-	4,161	4,161
Governance Auditors' non audit costs	-	2,078	2,078
Governance Legal costs and professional fees	34,154	2,000	36,154
	<u>34,154</u>	<u>8,742</u>	<u>42,896</u>

**6. DIRECT COSTS**

	Educational Operations £	Total 2013 £
LGPS Pension interest cost (£4,000) less expected return on assets (£2,000)	2,000	2,000
Educational supplies	6,584	6,584
Staff development	2,543	2,543
Depreciation	1,210	1,210
Other direct costs	5,597	5,597
Teaching and educational support staff costs - salaries	147,847	147,847
Teaching and educational support staff costs - NI	10,453	10,453
Teaching and educational support staff costs - pensions	22,953	22,953
	<u>199,187</u>	<u>199,187</u>

**7. SUPPORT COSTS**

	Educational Operations £	Total 2013 £
Maintenance of premises and equipment	14,592	14,592
Cleaning	785	785
Rent and rates	649	649
Insurance	10,424	10,424
Depreciation	1,875	1,875
Catering	3,971	3,971
Bank interest and charges	241	241
Legal and professional fees	1,411	1,411
Other support costs	15,531	15,531
Energy costs	5,815	5,815
Support staff costs - salaries	21,121	21,121
Support staff costs - NI	562	562
Support staff costs - pensions	3,450	3,450
	<u>80,427</u>	<u>80,427</u>

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

**8 ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	Staff costs 2013 £	Other costs 2013 £	Total 2013 £
Educational Operations	181,253	17,934	199,187
Support costs - Educational Operations	25,133	55,294	80,427
<b>CHARITABLE ACTIVITIES</b>	<b>206,386</b>	<b>73,228</b>	<b>279,614</b>
<b>GOVERNANCE</b>	<b>-</b>	<b>42,896</b>	<b>42,896</b>
	<b>206,386</b>	<b>116,124</b>	<b>322,510</b>

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

	Activities undertaken directly 2013 £	Support costs 2013 £	Total 2013 £
Educational Operations	199,187	80,427	279,614

**10. STAFF COSTS**

Staff costs were as follows

	2013 £
Wages and salaries	168,969
Social security costs	11,015
Other pension costs (Note 23)	26,404
	<b>206,388</b>

The average number of persons (including the senior management team) employed by the academy during the period expressed as full time equivalents was as follows

	2013 No.
Teachers	3
Administration and support	5
Management	1
	<b>9</b>

No employee received remuneration amounting to more than £60,000 for the period

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

**11. TRUSTEES' REMUNERATION AND EXPENSES**

During the period retirement benefits were accruing to 1 Trustee in respect of defined benefit pension schemes

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

	2013 £
Mrs E Moore (period 1 November 2012 - 31 August 2013)	45,000-50,000

During the period, no Trustees received any reimbursement of expenses

**12. 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 £3 million on any one claim and the cost for the period ended 31 August 2013 was £1,150

The cost of this insurance is included in the total insurance cost

**13. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Total £
<b>COST</b>			
Additions	13,220	1,176	14,396
Donated on conversion	1,781	5,103	6,884
At 31 August 2013	<u>15,001</u>	<u>6,279</u>	<u>21,280</u>
<b>DEPRECIATION</b>			
Charge for the period	1,875	1,210	3,085
At 31 August 2013	<u>1,875</u>	<u>1,210</u>	<u>3,085</u>
<b>NET BOOK VALUE</b>			
At 31 August 2013	<u><u>13,126</u></u>	<u><u>5,069</u></u>	<u><u>18,195</u></u>

**14. STOCKS**

	2013 £
Classroom and other materials	<u><u>10,319</u></u>

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

**15 DEBTORS**

	2013 £
Trade debtors	150
VAT recoverable	4,291
Other debtors	18,514
Prepayments and accrued income	5,068
	<u>28,023</u>

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

	2013 £
Trade creditors	17,401
Taxation and social security	3,783
Other creditors	4,043
Accruals and deferred income	6,431
	<u>31,658</u>

**17. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>UNRESTRICTED FUNDS</b>						
General Funds - all funds	-	75,455	(23,932)	(9,345)	-	42,178
<b>RESTRICTED FUNDS</b>						
General Annual Grant (GAG)	-	286,121	(285,735)	(386)	-	-
Other DfE/EFA grants	-	3,102	(3,102)	-	-	-
PTFA Donation	-	129	(129)	-	-	-
Diocese of Leicester	-	3,527	(3,527)	-	-	-
Pension reserve	-	(63,000)	(3,000)	-	(6,000)	(72,000)
	<u>-</u>	<u>229,879</u>	<u>(295,493)</u>	<u>(386)</u>	<u>(6,000)</u>	<u>(72,000)</u>

**THRUSSINGTON CHURCH OF ENGLAND PRIMARY SCHOOL**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 10 OCTOBER 2012 TO 31 AUGUST 2013**

**17 STATEMENT OF FUNDS (continued)**

**RESTRICTED FIXED ASSET FUNDS**

	<b>Brought Forward £</b>	<b>Incoming resources £</b>	<b>Resources Expended £</b>	<b>Transfers in/out £</b>	<b>Gains/ (Losses) £</b>	<b>Carried Forward £</b>
DfE/EFA capital grant	-	4,664	(1,800)	-	-	2,864
Capital expenditure from GAG	-	-	-	9,731	-	9,731
Transfer from local authority	-	6,885	(1,285)	-	-	5,600
	<u>-</u>	<u>11,549</u>	<u>(3,085)</u>	<u>9,731</u>	<u>-</u>	<u>18,195</u>
Total restricted funds	-	241,428	(298,578)	9,345	(6,000)	(53,805)
Total of funds	<u>-</u>	<u>316,883</u>	<u>(322,510)</u>	<u>-</u>	<u>(6,000)</u>	<u>(11,627)</u>

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

The General Annual Grant (GAG) relates to the school's development and operational activities

The DfE/EFA restricted funds grants consists of Pupil Premium and Special Educational Needs Additional Allowance (SENA) which were both fully spent in the year

The pension reserve relates to the school's share of the deficit of the Leicestershire County Council's Local Government Pension Scheme

DfE/EFA capital grants relate to funding received from these sources to purchase fixed assets The closing balance relates to the net book value of the assets concerned

The transfer from local authority relates to the value of moveable assets transferred from the local authority to the academy on conversion

Capital expenditure from GAG relates to capitalised expenditure allocated to the GAG within this grant's terms The income element is shown as a transfer from restricted funds, where the GAG is received, to the restricted fixed assets fund where it has been spent

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013

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

	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £
Tangible fixed assets	-	-	18,195	18,195
Current assets	42,178	31,657	-	73,835
Creditors due within one year	-	(31,657)	-	(31,657)
Provisions for liabilities and charges	-	(72,000)	-	(72,000)
	<u>42,178</u>	<u>(72,000)</u>	<u>18,195</u>	<u>(11,627)</u>

**19. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2013 £
Net incoming resources before revaluations	(5,627)
Gift of Land Buildings and assets from EFA	(6,884)
Depreciation of tangible fixed assets	3,085
Capital grants from DfE	(4,664)
Increase in stocks	(10,318)
Increase in debtors	(28,023)
Increase in creditors	31,657
FRS17 pension deficit	63,000
FRS17 pension cost less contributions payable	1,000
FRS17 pension finance costs	2,000

**NET CASH INFLOW FROM OPERATIONS**

45,226

**CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT**

Purchase of tangible fixed assets	(14,396)
Capital grants from DfE	4,664

**NET CASH OUTFLOW FROM CAPITAL EXPENDITURE**

(9,732)

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**20 ANALYSIS OF CHANGES IN NET FUNDS**

	10 October 2012 £	Cash flow £	Other non-cash changes £	31 August 2013 £
Cash at bank and in hand	-	35,494	-	35,494
<b>NET FUNDS</b>	<b>-</b>	<b>35,494</b>	<b>-</b>	<b>35,494</b>

**21 CONVERSION TO AN ACADEMY TRUST**

On 1 November 2012 Thrussington Church of England Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Thrussington Church of England Primary School from Leicestershire County Council for £NIL consideration

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised in the Statement of financial activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Other tangible fixed assets	-	-	6,885	6,885
Budget surplus/(deficit) on LA funds	48,560	-	-	48,560
LGPS pension surplus/(deficit)	-	(63,000)	-	(63,000)
<b>Net assets/(liabilities)</b>	<b>48,560</b>	<b>(63,000)</b>	<b>6,885</b>	<b>(7,555)</b>

The above net assets within unrestricted funds include £18,514 to be transferred as cash, accruals upwards for income/expenditure £30,046 going through the incorrect bank account from the perspective of which income/expenditure relates to the Local Education Authority school and which relates to the academy.

**22 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 exceed £10 for the debts and liabilities contracted before he/she ceases to be a member.

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**23. PENSION COMMITMENTS**

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2010

Contributions amounting to £3,709 were payable to the scheme at 31 August 2013 and are included within creditors

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract Teachers and lecturers are able to opt out of the TPS

**The Teachers' Pension Budgeting and Valuation Account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament 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 under arrangements governed by the above Act

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

**Valuation of the Teachers' Pension Scheme**

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts First, a standard contribution rate (SCR) was determined This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions The total contribution rate payable is the sum of the SCR and the supplementary contribution rate



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**23. PENSION COMMITMENTS (continued)**

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

**Teachers' Pension Scheme Changes**

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

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

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

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

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**23. PENSION COMMITMENTS (continued)**

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2013 was £12,000, of which employer's contributions totalled £9,000 and employees' contributions totalled £3,000. The agreed contribution rates for future years are 13% for employers and 5.5 - 7.5% for employees.

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

As described in note 21 the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

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**23. PENSION COMMITMENTS (continued)**

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

	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £
Equities	6.60	41,000
Bonds	3.80	17,000
Property	4.70	6,000
Cash	3.60	1,000
Total market value of assets		<u>65,000</u>
Present value of scheme liabilities		<u>(137,000)</u>
(Deficit)/surplus in the scheme		<u><u>(72,000)</u></u>

Expected returns on assets are calculated as follows -

The figures shown in the standard FRS17 report for Fund employers are based on the actuary's recommended return assumptions which are derived from the Hymans Robertson Asset Model (HRAM), the proprietary stochastic asset model developed and maintained by Hymans Robertson LLP

**Asset model**

The HRAM type of model is known as an economic scenario generator and uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variables. Some of the parameters of the model are dependent on the current state of financial markets and are updated each month (for example, the current level of equity market volatility) while other more subjective parameters do not change with different calibrations of the model.

**Key subjective assumptions are**

- the average excess equity return over the risk free asset (tending to approximately 3% p a as the investment horizon is increased),
- the volatility of equity returns (approximately 18% p a over the long term) and the level and volatility of yields, credit spreads, inflation and expected (breakeven) inflation, which affect the projected value placed on the liabilities and bond returns
- the output of the model is also affected by other more subtle effects, such as the correlations between economic and financial variables

The only exception to the use of HRAM is in deriving the expected return on bond assets. Instead of the HRAM output, the actuary has used the yields applicable at the accounting date on suitable bond indices.

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 October 2012 for the year to 31 August 2013, or date of joining the fund if later).

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**23. PENSION COMMITMENTS (continued)**

The amounts recognised in the Balance sheet are as follows

	2013 £
Present value of funded obligations	(137,000)
Fair value of scheme assets	65,000
	<hr/>
Net liability	(72,000)
	<hr/> <hr/>

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

	2013 £
Current service cost	(10,000)
Interest on obligation	(4,000)
Expected return on scheme assets	2,000
	<hr/>
Total	(12,000)
	<hr/> <hr/>
Actual return on scheme assets	6,000
	<hr/> <hr/>

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

	2013 £
Opening defined benefit obligation	110,000
Current service cost	10,000
Interest cost	4,000
Contributions by scheme participants	3,000
Actuarial Losses	10,000
	<hr/>
Closing defined benefit obligation	137,000
	<hr/> <hr/>

Movements in the fair value of the academy's share of scheme assets

	2013 £
Opening fair value of scheme assets	47,000
Expected return on assets	2,000
Actuarial gains and (losses)	4,000
Contributions by employer	9,000
Contributions by employees	3,000
	<hr/>
	65,000
	<hr/> <hr/>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £4,000

The academy expects to contribute £12,000 to its Defined benefit pension scheme in 2014

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**23. PENSION COMMITMENTS (continued)**

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

	<b>2013</b>
Equities	<b>64.00 %</b>
Bonds	<b>26.00 %</b>
Property	<b>9.00 %</b>
Cash	<b>1.00 %</b>

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

	<b>2013</b>
Discount rate for scheme liabilities	<b>4.60 %</b>
Expected return on scheme assets at 31 August	<b>5.70 %</b>
Rate of increase in salaries	<b>5.10 %</b>
Rate of increase for pensions in payment / inflation	<b>2.80 %</b>
Inflation assumption (CPI)	<b>2.90 %</b>
Commutation of pensions to lump sums	<b>50.00 %</b>

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

	<b>2013</b>
Retiring today	
Males	<b>20.9</b>
Females	<b>23.3</b>
Retiring in 20 years	
Males	<b>23.3</b>
Females	<b>25.6</b>

Amounts for the current period are as follows

Defined benefit pension schemes

	<b>2013</b>
	<b>£</b>
Defined benefit obligation	<b>(137,000)</b>
Scheme assets	<b>65,000</b>
Deficit	<b>(72,000)</b>
Experience adjustments on scheme assets	<b>4,000</b>

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**Sensitivity analysis**

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

**Change in assumptions as at 31 August 2013:**

	<b>Approximate % increase to Employer Liability</b>	<b>Approximate monetary amount</b>
0.5% decrease in Real Discount Rate	14%	19,000
1 year increase in member life expectancy	3%	4,000
0.5% increase in the Salary Increase Rate	8%	11,000
0.5% increase in the Pension Increase Rate	6%	8,000

**24 RELATED PARTY TRANSACTIONS**

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

There were no material related party transactions in the period.