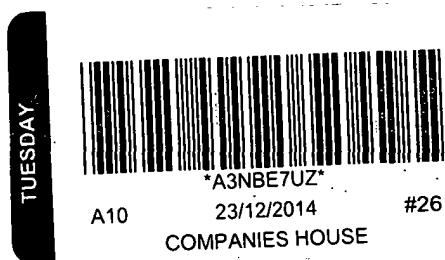


CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014



CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Academy, its Trustees and Advisers	1 - 2
Trustees' Report	3 - 10
Governance Statement	11 - 13
Statement on Regularity, Propriety and Compliance	14
Trustees' Responsibilities Statement	15
Independent Auditor's Report	16 - 17
Independent Reporting Accountant's Assurance Report on Regularity	18 - 19
Statement of Financial Activities	20 - 21
Balance Sheet	22
Cash Flow Statement	23
Notes to the Financial Statements	24 - 41

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Trustees

Dr B Durning*, Chair of Trustees
Sir Tim Brighouse*, Vice Chair
Mr Martin Broderick^
Dr Nick Hindley*
Mr Richard Stamper*
Ms Alison Tickell^
Mrs Jolie Kirby*
Mr Nick Field^
Mr Joseph Ewen*
Mrs Lucie Garland*
Ms Pippa Hitchcock^
Ms Nageena Shaheen^
Dr Richard Josephy^
Mr Paul Landon^
Mr Jawaid Malik^
Mr Steven Czajewski^

* Trustee Governors (the directors who act as the trustees for Cheney School Academy Trust)

^ Associate Governors

Company registered number

08319810

Principal and registered office

Cheney Lane, Headington, Oxford, OX3 7QH

Company secretary

L Jennings (Resigned 4 June 2014)
Suzanna Berry (Appointed 4 June 2014)

Senior management team

J Kirby, Headteacher
S Berry, Business Manager
S Hawken, Deputy Headteacher
K Hackett
A White
S O'Keefe
H Nelson
P Waters
C Young
A Ali

Independent auditor

James Cowper LLP, 2 Chawley Park, Cumnor Hill, Oxford, Oxfordshire, OX2 9GG

Bankers

The Co-operative bank, 4th Floor, 9 Prescott Street, London, E1 8BE

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014

The Trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the period 1 September 2013 to 31 August 2014.

CONSTITUTION

The Academy, which was incorporated on 5 December 2012 and opened as an Academy on 1 January 2013, 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.

The Trustees act as the Trustees for the charitable activities of the Academy and are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the period, except as noted, are included in the Reference and Administrative Details on page 1.

MEMBERS' LIABILITY

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

TRUSTEES INDEMNITIES

The Trustees benefit from indemnity insurance purchased by the Academy to cover the liability of the Trustees arising from negligent acts, errors or omissions occurring whilst on Academy business. The limit of this indemnity is £25,000,000 for Public and Employers Liability and £1,000,000 for Professional Indemnity.

PRINCIPAL ACTIVITIES

The principal activities of Cheney School Academy Trust are:

- a) 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 ("the Academy"); and
- b) To promote for the benefit of the inhabitants of Headington and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

On 1 January 2013, the Members appointed 7 of the Governors that served the predecessor school to be Trustees of the newly formed Academy. These Governors were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy shall have the following Trustees as set out in its Articles of Association and Funding Agreement:

- 9 Trustees are appointed by the Members.
- The members may appoint Staff Trustees 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.
- The LA may appoint the LA Trustee.
- The Principal is treated for all purposes as being an ex officio Trustee.

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

- A minimum of 2 Parent Trustees shall be elected by parents of registered pupils at the Academy. Unless there are 2 parents represented on the Local Governing Body.
- Additional or further Trustees may be appointed by the Secretary of State and/or up to three co-opted trustees appointed by the Trustees

Trustees are appointed for a 4 year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board of Trustees will give consideration to the skills and experience mix of existing Trustees in order to ensure the Board of Trustees has the necessary skills to contribute fully to the Academy's development.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Trustees. Induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by various other organisations as appropriate.

ORGANISATIONAL STRUCTURE

The structure of the Academy consists of a Board of Governors consisting of seven Trustee Governors (the directors who act as the trustees for the charitable activities of Cheney School Academy Trust) plus eight further Associate Governors.

The Governing Body normally meets twice each term. The Governing Body establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees of the Governing Body and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Governing Body may from time to time establish working groups to perform specific tasks over a limited timescale.

There are 5 Committees of the Governing Body as follows:

- Finance and Resources
- Teaching and Learning
- Engagement and Monitoring
- Personnel and Training
- Partnership Advisory Group

Each Committee has its own terms of reference detailing the responsibilities discharged to it.

The following decisions are reserved to the full Governing Body:

- to consider any proposals for changes to the status or constitution of the Academy and its committee structure;
- to appoint or remove the Chair and / or Vice Chair; and
- to appoint and / or consider the performance management of the Headteacher
- to appoint the Company Secretary.

The Trustees are responsible for setting general policies, adopting an annual School Development and Improvement Plan, adopting the annual and long term budget plans, regularly monitoring the Academy's use of budgets and making major decisions about the direction of the Academy, its capital expenditure and senior staff appointments.

The Trustees have devolved the day-to-day management of the Academy to the Headteacher and the Senior

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

Leadership Team ('SLT'). The SLT comprises the Headteacher, Deputy Headteachers, Assistant Headteachers and the Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

RISK MANAGEMENT

The Trustees have implemented a system to assess risks that the Academy faces, especially in the operational areas (such as in relation to teaching, health & safety and school trips) and in relation to the control of finances. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Academy has an effective system of internal financial controls and this is explained in more detail in the Statement of Internal Control.

CONNECTED ORGANISATIONS INCLUDING RELATED PARTY RELATIONSHIPS

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

OBJECTS AND AIMS

The principal objects of Cheney School Academy Trust, as set out in its Articles of Association, are 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; and
- promote for the benefit of the inhabitants of Headington and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants

Cheney School has an ambitious goal which underpins how the school is organised. This is:
'To ensure that all students at Cheney School consistently achieve the highest "best in class" outcomes in terms of academic qualifications, social responsibility, sporting excellence and artistic achievement.'

The aims of the Academy during the period ended 31 August 2014 are summarised below

- At least 65% of 5+ A*-C GCSE (or equivalent) grades including English and Mathematics
- At least 78% of students making expected levels of progress in English
- At least 80% of students making expected levels of progress in Mathematics
- 90% plus of students securing 5A* - C grades at GCSE or equivalent
- An expectation that all students at least achieve their FFT D estimate in optional subjects
- An expectation that all post 16 students achieve their target grades
- 95% Attendance including sixth form; unauthorized attendance levels at less than 5%

OBJECTIVES, STRATEGIES AND ACTIVITIES

The following have been the main activities of the school's strategy from 1st January to 31st August 2014.

Leadership and Management

- To communicate our vision, core values and moral purpose and reflect these in all we do.
- To ensure that all staff fulfil their role effectively and to support them in their development to achieve this.
- To improve the quality of leadership in Cheney School through developing collaboration within Oxford City

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

- Learning and Primary Partnerships.
- To continue to develop a curriculum that is fit for purpose and meets the needs of all students.

Student Achievement

- To ensure that all staff are confident in using data to plan for student progress.
- All staff and students are fully committed to helping students achieve 4 levels of progress in English and Mathematics.
- To ensure that all staff are fully committed to accelerating the progress of students receiving the pupil premium.
- To have an effective transition from primary school to Cheney School to ensure that the student experience is a positive one. The transition work will accelerate students' achievement levels in Key Stage 3 and beyond.

Quality of teaching and learning

- Teaching and learning - All staff are fully committed to embedding literacy within teaching and learning.
- Feedback to students - To develop our approach on feedback which moves learning forwards and results in excellent levels of progress.
- Homework - All staff are fully committed to implementing and embedding the homework policy.

Behaviour and Safety

- All staff are fully committed to embedding consistency within the respect for learning policy.
- All staff are supportive of the Cheney School Charter

Effectiveness of the sixth Form

- Students in the sixth form are independent learners and achieve excellent levels of progress in their studies.
- Students in the sixth form fully support and help lead on the positive ethos and values of Cheney School community.

PUBLIC BENEFIT

The Governors confirm that they have complied with the requirement in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy aims to advance for the public benefit education in Headington and the surrounding area, offering a broad curriculum.

The Academy also allows use of its facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of that community.

Strategic Report

Achievements and performance

The total number of pupils in the period ended 31 August 2014 was 1,392, but this has decreased to 1,371 at the October 2014 census date due to the falling demand for Sixth Form places at the Academy.

The Academy is committed to continual improvement which is achieved in a number of ways; including improvement planning, review meetings, continual professional development, lesson observations, performance management, self evaluation, data analysis and action planning.

The Academy invested £45,675 in staff development. This training focused on priorities relating to professional skills, general teaching & learning, leadership and management, exam specifications, pastoral care, finance,

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

health and safety and first aid.

The particular achievements and performance of the Academy during the period ended 31 August 2014 were as follows:

- GCSE - 62% 5A*-C grades including English and mathematics
- GCSE English language 65% A*-C grade
- E Bacc at GCSE is 32%
- 56% of GCSE grades were awarded A*-B and 79% of grades were awarded A*-C grades.
- At GCSE our overall 5A*-C grades are at 67%
- A2 results – 72% A*-C
- A2 results – 97.38% A*-E

GOING CONCERN

After making appropriate enquiries, Trustees and the Board of Governors, including all Committees, 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 note of the financial statements.

STRATEGIC REPORT INCLUDING KEY FINANCIAL PERFORMANCE INDICATORS

The Academy has continued to work on the priorities set out in the School Improvement Plan approved by the Governing Body. Notable achievements this year were subjects; Biology, Chemistry, Physics, French, Physical Education and French all having over 90% of students achieving GCSE grades A*-C. Mathematics GCSE results remained consistently higher than the national average with 77% of students attaining grades A*-C. The GCSE English results dropped minimally so 'bucking' the national drop.

Environmental factors have continued to be further enhanced by installation of new Boilers, LED Lighting, Solar Panels and a new Gym.

The School faces a number of principal risks as set out in the 'Principal Risks and Uncertainties' section

The School uses various financial instruments including cash and items such as trade debtors and trade creditors that arise directly from its operations. The existence of these financial instruments exposes the school to a number of financial risks which are described in more detail below.

The main risks arising from the financial statements are cash flow, interest rate risk and credit risk. The school seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The school seeks to manage its cash reserves to ensure liabilities are settled as they fall due.

Although the Academy's Funding Agreement is not subject to a specific carry forward limit on the amount of GAG funding, the main financial performance indicator is the level of reserves held at the balance sheet date and, in particular, the amount of GAG funding carried forward at the balance sheet date. At 31 August 2014, the balance of the GAG Restricted Fund was £3,317, which is after a transfer of £247,806 to the Restricted Fixed Asset Fund to fund capital expenditure during the period.

As the majority of the Academy's funding is based on pupil numbers, pupil numbers is also a key performance indicator. As noted above, pupil numbers at the most recent census were 1,371 which is a decrease of 1.5% from the previous census.

As a result, the ratio of GAG funding per pupil was £5,662 for the period.

Staffing costs are another key performance indicator for the Academy and the percentage of total staff costs to GAG funding for the period was 80.1%, while the percentage of staff costs to total costs (including depreciation) was 74.5%.

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

FINANCIAL REVIEW

The majority of the Academy's income is received from the Department for Education (DfE) via 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 DfE during the period ended 31 August 2014 and the associated expenditure of these grants are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE and other organisations and funders and these are shown as Restricted Fixed Asset Funds in the Statement of Financial Activities. The balance of the Restricted Fixed Asset fund is reduced by the depreciation charges on the assets acquired using these funds.

During the period ended 31 August 2014, the total expenditure of £8,432,195 was covered by the recurrent grant funding from the DfE, together with other incoming resources. The excess of incoming resources over total expenditure for the period was £ 161,577.

The net book value of fixed assets at 31 August 2014 were £21,628,554, which includes the value of land and buildings transferred on conversion of £21,135,000 and depreciation charges for the period of £390,646

The fixed assets held by the Academy are used exclusively for providing education and associated support services to the pupils of the Academy.

The balance of total funds held at 31 August 2014 were £20,540,901 which comprised the following:

Restricted Funds (excluding Pension Liability)	£28,040
Restricted Pension Liability Fund	£(2,059,000)
Restricted Fixed Asset Fund	£21,628,554
Unrestricted Funds	£943,307

The key financial policies reviewed and adopted during the period included the Financial Procedures Policies and Manual, which lays out the framework for the Academy's financial management, including financial responsibilities of the Board of Governors, Headteacher, managers, budget holders and other staff, as well as the delegated authorities for spending. The other financial policies reviewed and adopted during the period included Charges and Remissions, Investment and Insurance.

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by the Trustees and include the financial risks to the Academy. The Risk Register and Risk Management Plan are constantly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls. Where significant financial risk still remains, the Trustees have ensured the Academy has adequate insurance cover.

Whilst the Academy is currently near capacity in years 7-11, risks to revenue funding from a falling roll are small. However, the drop in sixth form numbers and the current freeze on the Government's overall education budget, changes in funding arrangements for special educational needs and the increasing employment and premises costs mean that budgets are likely to be increasingly tight in future years.

The Trustees examine the financial health of the Academy formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all Board of Governors and Finance and Resources Committee meetings.

At the balance sheet date, the Academy had no significant liabilities arising from trade creditors or debtors where these would significantly affect the Academy's liquidity.

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

The Trustees recognise that the Local Government Pension Scheme deficit represents a significant potential liability to the Academy. However, as the Trustees consider the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

PRINCIPAL RISKS AND UNCERTAINTIES

Financial

The Academy has considerable reliance on continued Government funding through the EFA. In the period, approximately 94% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and / or management

The risk in this area arises from the potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks.

Reputational

The continuing success of the Academy is dependent on continuing to attract pupils in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, the Trustees ensure that pupil success and achievement are closely monitored and reviewed.

Safeguarding and child protection

The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Staffing

The success of the Academy is reliant on the quality of its staff so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds

The Academy has engaged external auditors to perform a program of work aimed at checking and reviewing the financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and to develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the period by improving the process and ensuring staff awareness. A Risk Register is maintained and reviewed and updated on a regular basis.

RESERVES POLICY

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors also take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Academy's current level of reserves is £20,540,901, of which £943,307 is free reserves (that is, total funds less the amount held in fixed assets and restricted funds). Reserves are required for the items shown in the plans for the future shown below.

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

INVESTMENT POLICY AND PERFORMANCE

All funds surplus to immediate requirements are invested to optimal effect by the Academy with the objective of ensuring maximum return on assets invested but with minimal risk.

On a daily basis this is achieved by automatic transfer of surplus funds to an overnight deposit account with the Academy's principal bankers. Where cash flow allows, sums in excess of £250,000 may be invested on deposit for extended periods with the Academy's principal bankers or other reputable financial institutions.

PLANS FOR THE FUTURE

The Academy strives to continually improve levels of attainment for all pupils, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be into further and higher education or employment, as well as promoting the continued professional development of its staff.

The Academy's plans for future periods are:

- Successfully complete the building of a new Science Block for December 2015 and appropriate resourcing of classrooms.
- Increase the annual intake of students from 240 to 270 for September 2016. Funds are being held to ensure the school can employ additional staff for this increase, prior to additional funding being made available in 2017.
- Become a Multi-Academy Trust from 1st October with the Sponsoring of Bayards Hill Primary School. This sponsorship will lead to a raising in attainment of students at Bayards Hill.
- Reserves are required to fund maintenance of two 1950 built teaching blocks which require significant investment.
- For Cheney School to achieve the targets set out in the School Improvement Plan
- For Bayards Hill Primary School to achieve the targets set out in the Raising Attainment Plan

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

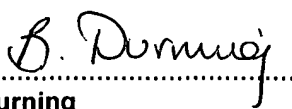
The Academy and its Governors act as Custodian Trustees of the Mrs T H Green Memorial Prize.

DISCLOSURE OF INFORMATION TO AUDITOR

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees report, incorporating a strategic report, was approved by order of the Board of Trustees 8 December 2014 and signed on the board's behalf by:


.....
Dr B Durning
Chair of Trustees

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Cheney School 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 Cheney School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees, including all Committees, any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustee's Report and in the Trustees' Responsibilities Statement. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

	Meetings attended	Out of a possible
Dr B Durning*, Chair	5	5
Sir Tim Brighthouse*, Vice Chair	5	5
Mr Martin Broderick^	3	5
Dr Nick Hindley*	4	5
Mr Richard Stamper*	5	5
Ms Alison Tickell^	3	5
Mrs Jolie Kirby*	5	5
Mr Nick Field^	5	5
Mr Joseph Ewen*	5	5
Mrs Lucie Garland*	4	5
Ms Pippa Hitchcock^	3	4
Ms Nageena Shaheen^	2	3
Dr Richard Josephy^	4	5
Mr Paul Landon^	2	5
Mr Jawaid Malik^	4	5
Mr Steven Czajewski^	3	4

* Trustee Governors

^ Associate Governors

The Finance and Resources Committee is a sub-Committee of the Board of Governors. Its purpose is to provide guidance and assistance to the Board of Governors on all matters related to finance, resources, premises and Health & Safety of the Academy. This includes preparing and approving annual budgets, monitoring financial performance against that budget, reviewing delegated authorities, ensuring all transactions are conducted in accordance with good practice as directed by the EFA, to ensure best value is achieved in all financial transactions and to receive and (where relevant) respond to period audit reports on the Academy and of public funds. This committee also acts as the Academy's Audit Committee.

Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
Dr B Durning, Chair	6	6
Sir Tim Brighthouse	6	6
Mrs Jolie Kirby	5	6
Ms Pippa Hitchcock	3	5

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

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's Governing Body 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 Cheney School Academy Trust for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees have reviewed the key risks to which the Academy's Governing Body is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees are of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's Governing Body's significant risks, that has been in place for the period from incorporation to 31 August 2014 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 Governing Body'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 resources 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 Trustees have considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed James Cowper LLP, the external auditor, to perform additional checks.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy's Governing Body's financial systems. On a tri-annual basis, the reviewer reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees', including all Committees', financial responsibilities.

The external annual audit and two further assurance reviews were carried out in the period. By June 2014 only two medium risk items required attention – being the provision of a contingency policy and an additional layer of checking of final payroll to ensure adjustments that are due have been made.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year ended 31 August 2014 the review has been informed by:

- the work of the external auditor, providing additional checks
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy's Governing Body who have responsibility for the development and maintenance of the internal control framework.

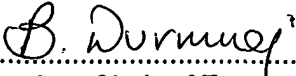
The Accounting Officer has been advised of the implications of the result of their review of the system of internal

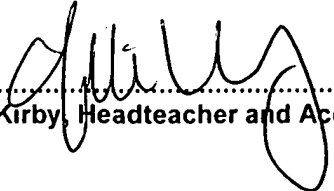
CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

control by the Finance and Resources 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 Governors on 8 December 2014 and signed on its behalf, by:


.....
Dr B Durning, Chair of Trustees


.....
J Kirby, Headteacher and Accounting Officer

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Cheney School Academy Trust I have considered my responsibility to notify the Academy's Governing Body, including all Committees', 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's Governing Body and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2013).

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

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


.....
J Kirby
Accounting Officer

Date: 8 December 2014

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

The Trustees (who act as governors of The Cheney School Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic 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 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:

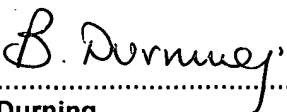
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 members of the board of trustees on 8 December 2014 and signed on its behalf by:


.....
Dr B Durning
Chair of Trustees

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF CHENEY SCHOOL ACADEMY TRUST

We have audited the financial statements of Cheney School Academy Trust for the year ended 31 August 2014 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 to 2014 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 Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy 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 AUDITOR

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

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 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, incorporating the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF CHENEY SCHOOL ACADEMY TRUST

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.



Adrian Rann BSc FCA (Senior Statutory Auditor)

for and on behalf of

James Cowper LLP

Chartered Accountants and Statutory Auditor

2 Chawley Park
Cumnor Hill
Oxford
Oxfordshire
OX2 9GG

Date: 18.12.14

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHENEY SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 27 September 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Cheney School Academy Trust during the year 1 September 2013 to 31 August 2014 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 Cheney School Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Cheney School Academy Trust and 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 Cheney School Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF CHENEY SCHOOL ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Cheney School Academy Trust's funding agreement with the Secretary of State for Education dated 27 July 2012, and the Academies Financial Handbook extant from 1 September 2013, 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 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 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 to 2014 issued by 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.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

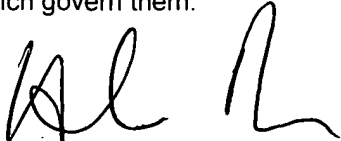
We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Adrian Rann BSc FCA (Senior Statutory Auditor)

James Cowper LLP

Chartered Accountants and Statutory Auditor

2 Chawley Park
Cumnor Hill
Oxford
Oxfordshire
OX2 9GG

Date: 18.12.14

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2014

		Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	8 months ended Total funds 2013 £
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds:						
Transfer from Local Authority on Conversion	2	-	-	-	-	20,904,088
Other voluntary income	2	105,690	-	-	105,690	18,951
Activities for generating funds	3	90,419	190	-	90,609	62,995
Investment income	4	4,984	-	-	4,984	141
Incoming resources from charitable activities	5	277,953	7,975,804	138,732	8,392,489	5,802,537
TOTAL INCOMING RESOURCES		479,046	7,975,994	138,732	8,593,772	26,788,712
RESOURCES EXPENDED						
Charitable activities	6	305,947	7,720,749	390,647	8,417,343	5,522,430
Governance costs	7	-	14,852	-	14,852	35,958
TOTAL RESOURCES EXPENDED	8	305,947	7,735,601	390,647	8,432,195	5,558,388
NET INCOMING RESOURCES BEFORE TRANSFERS		173,099	240,393	(251,915)	161,577	21,230,324

CHENEY SCHOOL ACADEMY TRUST


(A Company Limited by Guarantee)

REGISTERED NUMBER: 08319810

**BALANCE SHEET
AS AT 31 AUGUST 2014**

	Note	£	2014 £	2013 £
FIXED ASSETS				
Tangible assets	13		21,628,554	21,460,632
CURRENT ASSETS				
Debtors	14	311,949		315,560
Cash at bank and in hand		1,343,750		1,329,063
		<u>1,655,699</u>		<u>1,644,623</u>
CREDITORS: amounts falling due within one year	15	(684,352)		(749,931)
NET CURRENT ASSETS			<u>971,347</u>	<u>894,692</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>22,599,901</u>	<u>22,355,324</u>
Defined benefit pension scheme liability	21	(2,059,000)		(1,430,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>20,540,901</u></u>	<u><u>20,925,324</u></u>
FUNDS OF THE ACADEMY				
Restricted funds:				
Restricted funds	16	28,040		(2,954)
Restricted fixed asset funds	16	21,628,554		21,588,638
Restricted funds excluding pension liability		21,656,594		21,585,684
Pension reserve		<u>(2,059,000)</u>		<u>(1,430,000)</u>
Total restricted funds			19,597,594	20,155,684
Unrestricted funds	16		943,307	769,640
TOTAL FUNDS			<u><u>20,540,901</u></u>	<u><u>20,925,324</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 8 December 2014 and are signed on their behalf, by:

.....

Dr B Durning, Chair of Trustees

The notes on pages 24 to 41 form part of these financial statements.

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

		Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	<i>8 months ended Total funds 2013 £</i>
Transfers between Funds	Note 16	568	(292,399)	291,831	-	-
NET INCOME FOR THE YEAR		173,667	(52,006)	39,916	161,577	21,230,324
Actuarial gains and losses on defined benefit pension schemes		-	(546,000)	-	(546,000)	(305,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		173,667	(598,006)	39,916	(384,423)	20,925,324
<i>Total funds at 1 September 2013</i>		<i>769,640</i>	<i>(1,432,954)</i>	<i>21,588,638</i>	<i>20,925,324</i>	<i>-</i>
TOTAL FUNDS AT 31 AUGUST 2014		943,307	(2,030,960)	21,628,554	20,540,901	20,925,324

All activities relate to continuing operations.

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

The comparative figures cover an 8 month period only.

The notes on pages 24 to 41 form part of these financial statements.

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

		31 August 2014 £	<i>8 months ended 31 August 2013 £</i>
	Note		
Net cash flow from operating activities	18	568,271	1,025,929
Returns on investments and servicing of finance	19	4,984	141
Capital expenditure and financial investment	19	(558,568)	(309,095)
Cash transferred on conversion to an academy trust		-	612,088
INCREASE IN CASH IN THE YEAR		<u><u>14,687</u></u>	<u><u>1,329,063</u></u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2014**

	31 August 2014 £	<i>8 months ended 31 August 2013 £</i>
Increase in cash in the year	<u>14,687</u>	<u>1,329,063</u>
MOVEMENT IN NET FUNDS IN THE YEAR	<u>14,687</u>	<u>1,329,063</u>
Net funds at 1 September 2013	<u>1,329,063</u>	<u>-</u>
NET FUNDS AT 31 AUGUST 2014	<u><u>1,343,750</u></u>	<u><u>1,329,063</u></u>

The notes on pages 24 to 41 form part of these financial statements.

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

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 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Company status

The academy is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the academy being wound up, the liability in respect of the guarantee is limited to £1 per member of the academy.

1.3 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 funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

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

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.4 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.

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

Donations 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.

1.5 Resources expended

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

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.

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.

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

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

Buildings	-	50 years straight line
Plant and machinery	-	10 years straight line
Fixtures and fittings	-	5 years straight line
Computer equipment	-	4 years straight line

Operating leases

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

Taxation

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

1.7 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 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 21, 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.

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

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.

Donated Services and Gifts in Kind

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

2. VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	<i>8 months ended Total funds 2013 £</i>
Transfer from Local Authority on Conversion	-	-	-	20,904,088
Donations (including trips and visits income)	105,690	-	105,690	5,903
Grants	-	-	-	13,048
	<u>105,690</u>	<u>-</u>	<u>105,690</u>	<u>18,951</u>
Voluntary income	<u>105,690</u>	<u>-</u>	<u>105,690</u>	<u>20,923,039</u>

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	8 months ended Total funds 2013 £
Lettings income	66,959	-	66,959	52,640
Other income	23,460	190	23,650	10,355
	<u>90,419</u>	<u>190</u>	<u>90,609</u>	<u>62,995</u>

4. INVESTMENT INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	8 months ended Total funds 2013 £
Interest income	4,984	-	4,984	141
	<u>4,984</u>	<u>-</u>	<u>4,984</u>	<u>141</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	8 months ended Total funds 2013 £
Education	277,953	8,114,536	8,392,489	5,802,537
	<u>277,953</u>	<u>8,114,536</u>	<u>8,392,489</u>	<u>5,802,537</u>

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	8 months ended Total funds 2013 £
DfE/EFA revenue grants				
General Annual Grant (GAG) and Pupil Premium	-	7,885,619	7,885,619	5,385,027
Other DfE/EFA grants	-	165,775	165,775	141,455
Other government grants	85,923	57,156	143,079	116,916
Other income for educational operations	192,030	5,986	198,016	159,139
	<u>277,953</u>	<u>8,114,536</u>	<u>8,392,489</u>	<u>5,802,537</u>

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

6. CHARITABLE ACTIVITIES

	Total funds 2014 £	<i>8 months ended Total funds 2013 £</i>
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	4,237,814	2,803,468
National insurance	315,598	212,332
Pension cost	601,972	374,474
Educational supplies	128,272	57,739
Examination Fees	133,888	79,429
Staff development	45,675	27,654
Educational consultancy	11,856	33,635
Other direct costs	285,171	174,104
	<hr/> 5,760,246	<hr/> 3,762,835
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	941,820	640,158
National insurance	49,724	33,793
Pension cost	167,111	99,647
Depreciation	390,646	238,463
Net FRS 17 pension scheme finance costs	47,000	27,000
Technology costs	102,671	40,049
Recruitment and support	34,988	26,958
Maintenance of premises	139,550	105,952
Maintenance of equipment	21,622	36,518
Cleaning	120,205	75,140
Rent and rates	65,778	36,417
Energy	137,572	118,212
Insurance	55,182	47,104
Security	10,165	11,389
Transport	40,909	23,051
Catering	147,359	75,455
Bank interest and charges	585	263
Travel and subsistence	10,791	8,532
Other support costs	173,419	115,494
	<hr/> 2,657,097	<hr/> 1,759,595
	<hr/> 8,417,343	<hr/> 5,522,430

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

7. GOVERNANCE COSTS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	8 months ended Total funds 2013 £
Auditors' remuneration	-	8,500	8,500	7,150
Auditors' remuneration - non-audit services	-	4,139	4,139	5,805
Legal and professional	-	350	350	20,612
Staff costs	-	1,863	1,863	2,391
	<u>-</u>	<u>14,852</u>	<u>14,852</u>	<u>35,958</u>

8. RESOURCES EXPENDED

	Staff costs 2014 £	Non-Pay Expenditure Other costs 2014 £	Total 2014 £	Total 2013 £
Direct costs	5,155,384	604,862	5,760,246	3,762,835
Support costs	1,158,655	1,498,442	2,657,097	1,759,595
Charitable activities	<u>6,314,039</u>	<u>2,103,304</u>	<u>8,417,343</u>	<u>5,522,430</u>
Governance	<u>1,863</u>	<u>12,989</u>	<u>14,852</u>	<u>35,958</u>
	<u>6,315,902</u>	<u>2,116,293</u>	<u>8,432,195</u>	<u>5,558,388</u>

9. NET INCOMING RESOURCES

This is stated after charging:

	31 August 2014 £	8 months ended 31 August 2013 £
Depreciation of tangible fixed assets: - owned by the charity	390,646	238,463
Auditor's remuneration	8,500	7,150
Auditor's remuneration - non-audit services	4,139	5,805
	<u>390,646</u>	<u>238,463</u>

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

10. STAFF

Staff costs

Staff costs were as follows:

	31 August 2014	<i>8 months ended 31 August 2013</i>
	£	£
Wages and salaries	5,181,497	3,446,017
Social security costs	365,322	246,125
Other pension costs (Note 21)	769,083	474,121
	<u>6,315,902</u>	<u>4,166,263</u>

Staff numbers

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

	31 August 2014	<i>8 months ended 31 August 2013</i>
	No.	No.
Teaching	86	86
Administrative, technical and support	76	85
Management	7	6
	<u>169</u>	<u>177</u>

Higher paid staff

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

	31 August 2014	<i>8 month ended 31 August 2013</i>
	No.	No.
In the band £60,001 - £70,000	2	2
In the band £80,001 - £90,000	0	1
In the band £90,001 - £100,000	1	0
	<u>3</u>	<u>3</u>

The above employees all participated in the Teachers' Pension Scheme. During the period ended 31 August 2013, pension contributions for these staff amounted to £43,354 (2013: £27,676).

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

11. TRUSTEES' REMUNERATION AND EXPENSES

The headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher 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 band, (12 month equivalent):

	31 August 2014 £	<i>8 months ended 31 August 2013 £</i>
J Ewen (Staff Trustee)	40,000-45,000	<i>35,000-40,000</i>
J Kirby (Headteacher and Accounting Officer)	90,000-95,000	<i>85,000-90,000</i>

During the year ended 31 August 2014, expenses totalling £180 (2013 - £243) were reimbursed to 3 Trustees (2013 - 3).

During the period retirement benefits were accruing to 3 Trustees (2013: 2) in respect of defined benefit pension schemes. The pension contributions for the Trustees amounted to £22,876 (2013: £12,633).

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 £10,000,000 on any one claim and the cost for the year ended 31 August 2014 was £1,972 (2013 - £2,488). The cost of this insurance is included in the total insurance cost.

13. TANGIBLE FIXED ASSETS

	Land & buildings £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2013	21,297,709	12,009	133,123	256,254	21,699,095
Additions	280,470	166,283	66,929	44,886	558,568
At 31 August 2014	<u>21,578,179</u>	<u>178,292</u>	<u>200,052</u>	<u>301,140</u>	<u>22,257,663</u>
Depreciation					
At 1 September 2013	193,611	245	8,966	35,641	238,463
Charge for the year	293,461	1,687	29,996	65,502	390,646
At 31 August 2014	<u>487,072</u>	<u>1,932</u>	<u>38,962</u>	<u>101,143</u>	<u>629,109</u>
Net book value					
At 31 August 2014	<u><u>21,091,107</u></u>	<u><u>176,360</u></u>	<u><u>161,090</u></u>	<u><u>199,997</u></u>	<u><u>21,628,554</u></u>
At 31 August 2013	<u><u>21,104,098</u></u>	<u><u>11,764</u></u>	<u><u>124,157</u></u>	<u><u>220,613</u></u>	<u><u>21,460,632</u></u>

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

13. TANGIBLE FIXED ASSETS (continued)

The Academy took out a 125 year lease over the land and buildings transferred from Oxfordshire County Council at the date of conversion. The land and buildings transferred at conversion have been valued at an estimate of their fair value at conversion. In determining this value, the Trustees have referred to the desktop valuation of the land and buildings commission by the EFA as at 31 March 2013.

This desktop valuation was undertaken by Mouchel and was carried out on a depreciated replacement cost basis. Included in the value of land and buildings is land at a value of £6,631,000 which is not depreciated.

14. DEBTORS

	2014 £	2013 £
Trade debtors	10,864	11,878
Other debtors	192,827	185,847
Prepayments and accrued income	108,258	117,835
	<u>311,949</u>	<u>315,560</u>

**15. CREDITORS:
Amounts falling due within one year**

	2014 £	2013 £
Trade creditors	105,241	322,848
Other taxation and social security	205,259	210,095
Accruals and deferred income (below)	373,852	216,988
	<u>684,352</u>	<u>749,931</u>

Deferred income

Deferred income at 1 September 2013	89,969
Resources deferred during the year	58,545
Amounts released from previous years	<u>(89,969)</u>
Deferred income at 31 August 2014	<u>58,545</u>

At the balance sheet date the Academy was holding funds received in advance for grant funding and other academy activities for the year ended 31 August 2014.

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

16. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General funds	769,640	479,046	(305,947)	568	-	943,307
Restricted funds						
General Annual Grant (GAG)	(12,410)	7,477,375	(7,169,249)	(292,399)	-	3,317
Bursary grant	3,946	27,043	(16,766)	-	-	14,223
Pupil premium	-	394,494	(394,494)	-	-	-
Summer school	5,510	13,750	(8,760)	-	-	10,500
Other Government income	-	56,356	(56,356)	-	-	-
Other	-	6,976	(6,976)	-	-	-
Pension reserve	(1,430,000)	-	(83,000)	-	(546,000)	(2,059,000)
	<u>(1,432,954)</u>	<u>7,975,994</u>	<u>(7,735,601)</u>	<u>(292,399)</u>	<u>(546,000)</u>	<u>(2,030,960)</u>
Restricted fixed asset funds						
GAG capital expenditure	304,685	-	(39,567)	291,831	-	556,949
DfE/EFA Capital grants	128,006	138,732	-	-	-	266,738
Transferred on conversion	21,155,947	-	(351,080)	-	-	20,804,867
	<u>21,588,638</u>	<u>138,732</u>	<u>(390,647)</u>	<u>291,831</u>	<u>-</u>	<u>21,628,554</u>
Total restricted funds	20,155,684	8,114,726	(8,126,248)	(568)	(546,000)	19,597,594
Total of funds	<u>20,925,324</u>	<u>8,593,772</u>	<u>(8,432,195)</u>	<u>-</u>	<u>(546,000)</u>	<u>20,540,901</u>

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

Restricted funds

The General Annual Grant (GAG) represents funding received from the Education Funding Agency during the period in order to fund the continuing activities of the Academy. 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 2014.

Monies restricted to the provision of bursaries are shown as the bursary grant fund.

Pupil Premium funding provides additional support for 'looked after' children and those students from low income families.

The Summer School fund comprises local authority monies dedicated to the provision of the summer school.

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

16. STATEMENT OF FUNDS (continued)

Other government income is restricted to various elements of student support.

The pension reserve represents the Local Government Pension Scheme deficit.

Fixed asset funds

Fixed assets transferred on conversion represent the land and building and equipment donated to the Academy from Oxfordshire County Council on conversion to an Academy.

Fixed assets purchases from GAG represents amounts spent on fixed assets from the GAG funding received from the EFA.

DfE/EFA Capital grants included devolved capital funding and amounts received from the Academies Capital Maintenance Fund.

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 2014.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	8 months ended Total funds 2013 £
Tangible fixed assets	-	-	21,628,554	21,628,554	21,460,632
Current assets	1,627,659	28,040	-	1,655,699	1,644,623
Creditors due within one year	(684,352)	-	-	(684,352)	(749,931)
Pension scheme liability	-	(2,059,000)	-	(2,059,000)	(1,430,000)
	<u>943,307</u>	<u>(2,030,960)</u>	<u>21,628,554</u>	<u>20,540,901</u>	<u>20,925,324</u>

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

18. NET CASH FLOW FROM OPERATING ACTIVITIES

	31 August 2014 £	<i>8 months ended 31 August 2013 £</i>
Net incoming resources before revaluations	161,577	21,230,324
Returns on investments and servicing of finance	(4,984)	(141)
Net assets transferred on conversion	-	(20,904,088)
Depreciation of tangible fixed assets	390,646	238,463
Decrease/(increase) in debtors	3,611	(315,560)
(Decrease)/increase in creditors	(65,579)	749,931
Net FRS17 pension scheme costs	83,000	27,000
Net cash inflow from operations	<u>568,271</u>	<u>1,025,929</u>

19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	31 August 2014 £	<i>8 months ended 31 August 2013 £</i>
Returns on investments and servicing of finance		
Interest received	<u>4,984</u>	<u>141</u>
 Capital expenditure and financial investment		
Purchase of tangible fixed assets	<u>(558,568)</u>	<u>(309,095)</u>

20. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	1,329,063	14,687	-	1,343,750
Net funds	1,329,063	14,687	-	1,343,750

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

21. 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 Oxfordshire 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 £89,349 were payable to the scheme at 31 August 2014 (2013 - £92,053) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

The Teachers' Pensions Regulations require an annual 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

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 for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 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 with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

21. PENSION COMMITMENTS (continued)

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. 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 up to three and a half years 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 have been phased in from April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

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 year ended 31 August 2014 was £355,000, of which employer's contributions totalled £271,000 and employees' contributions totalled £84,000. The agreed contribution rates for future years are 19.3% for employers and 6.5% 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.

	31 August 2014 £	<i>8 months ended 31 August 2013 £</i>
Present value of funded obligations	(3,740,000)	<i>(2,814,000)</i>
Fair value of scheme assets	1,681,000	<i>1,384,000</i>
Net liability	<u>(2,059,000)</u>	<i><u>(1,430,000)</u></i>

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

21. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	31 August 2014 £	<i>8 months ended 31 August 2013 £</i>
Current service cost	(307,000)	(168,000)
Interest on obligation	(140,000)	(69,000)
Expected return on scheme assets	93,000	42,000
Total	(354,000)	(195,000)
Actual return on scheme assets	(164,000)	(108,000)

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

	31 August 2014 £	<i>8 months ended 31 August 2013 £</i>
Opening defined benefit obligation	2,814,000	2,105,000
Current service cost	307,000	168,000
Interest cost	140,000	69,000
Contributions by scheme participants	84,000	53,000
Actuarial losses	439,000	369,000
Benefits paid	(44,000)	50,000
Closing defined benefit obligation	3,740,000	2,814,000

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

	31 August 2014 £	<i>8 months ended 31 August 2013 £</i>
Opening fair value of scheme assets	1,384,000	1,007,000
Expected return on assets	93,000	42,000
Actuarial gains and (losses)	(107,000)	64,000
Contributions by employer	271,000	168,000
Contributions by employees	84,000	53,000
Benefits paid	(44,000)	50,000
	1,681,000	1,384,000

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities was £546,000 (2013 - £305,000).

The academy expects to contribute £260,000 to its Defined Benefit Pension Scheme in 2015.

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

21. PENSION COMMITMENTS (continued)

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

	2014	2013
Equities	71.00 %	69.00 %
Gilts	10.00 %	12.00 %
Other bonds	6.00 %	4.00 %
Property	6.00 %	6.00 %
Cash	5.00 %	4.00 %
Other (hedge funds)	2.00 %	5.00 %

Principal actuarial assumptions at the Balance Sheet date:

	2014	2013
Discount rate for scheme liabilities	3.90 %	4.70 %
Rate of increase in salaries	4.50 %	5.10 %
Rate of increase for pensions in payment / inflation	2.70 %	2.90 %
Inflation assumption (CPI)	2.70 %	2.90 %

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

	2014	2013
Retiring today		
Males	23.2	19.2
Females	25.5	23.2
Retiring in 20 years		
Males	25.4	21.1
Females	27.9	25.1

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

Defined benefit pension schemes

	2014	2013	2012	2011	2010
	£	£	£	£	£
Defined benefit obligation	(3,740,000)	(2,814,000)	-	-	-
Scheme assets	1,681,000	1,384,000	-	-	-
Deficit	(2,059,000)	(1,430,000)	-	-	-
Experience adjustments on scheme assets	(107,000)	64,000	-	-	-

CHENEY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

22. OPERATING LEASE COMMITMENTS

At 31 August 2014 the academy had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Expiry date:		
Between 2 and 5 years	24,189	19,809
After more than 5 years	-	4,380
	<u><u>24,189</u></u>	<u><u>24,189</u></u>

23. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy's operations and the composition of the board of Governors 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.

During the period there were no related party transactions.

24. CONTINGENT LIABILITIES

There are no contingent liabilities that require disclosure in the financial statements.

25. CONTROLLING PARTY

The ultimate controlling party is that of the governors as detailed on page 1 of the financial statements.