

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Trustees' Report and Financial Statements

For the period ended 31 August 2013



CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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Reference and Administrative Details of the Academy, its Trustees and Advisers
For the period ended 31 August 2013

Trustees

Mrs Maeve Renard, Chairman (appointed 4 January 2013)
Mr Ron Chitty (appointed 1 March 2013)¹
Mr Chris Jordan (appointed 4 January 2013)¹
Reverend Mark Hayton (appointed 4 January 2013)¹
Mr Brian Hudson (appointed 1 March 2013)
Mr Nick Boardman (appointed 7 March 2013)²
Mr David Dickinson (appointed 1 March 2013)¹
Mr Jim Kreiselmeier (appointed 1 March 2013)¹
Mr Ian Goldsmith (appointed 1 March 2013)¹
Mrs Carole Bryant (appointed 1 March 2013)

¹ members of the Resources Team

² Chair of resources committee

Company registered number 08347877

Principal and registered office Brockman Road
Folkestone
Kent
CT20 1DJ

Company secretary Mrs Rosemary Richter

Senior management team

Mr Jim Kreiselmeier, Head Teacher
Ms Sally Twizell, Senior Deputy Head Teacher
Mr Ray McDonagh, Deputy Head Teacher
Mrs Rosemary Richter, Business Manager

Independent auditors Williams Giles Limited
Chartered Accountants
Registered Auditors
12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Bankers Lloyds Bank
PO Box 1000
BX1 1LT

Solicitors Lee Bolton Monier-Williams
1 The Sanctuary
Westminster
London
SW1P 3JT

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Trustees' Report
For the period ended 31 August 2013

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

Structure, governance and management

a. 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 trustees of Christ Church CEP Academy, Folkestone are also the directors of the charitable company for the purposes of company law. The charitable company is known as Christ Church CEP Academy, Folkestone.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

b. Members' liability

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

c. Method of recruitment and appointment or election of Trustees

Appointment of Governors

- a The Members may appoint up to 2 Governors
- b The Members may appoint Staff Governors through such process as they may determine, provided that the total number of Governors (including the Head Teacher) who are employees of the Academy Trust does not exceed one third of the total number of Governors
- c The Incumbent(s) shall be treated for all purposes as an ex officio Foundation Governor. Further, the Foundation Member may appoint additional Foundation Governor(s) provided that the total number of Foundation Governors (including ex officio Foundation Governors) would not thereby exceed 25% of the total number of governors (excluding any Additional or Further Governors)
- d The Head Teacher shall be treated for all purposes as being an ex officio governor
- e Subject to Article 57, the Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he is elected
- f Additional trustees (if appointed by the Secretary of State)
- g Any further trustees (if appointed by the Secretary of State)

d. 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 that they will need to undertake their role as governors. As there are normally only two or three new Trustees in any four year cycle, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

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Trustees' Report (continued)
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e. Organisational structure

Leadership & Management Structure

Leadership Group

The leadership group, alongside the governing body, sets the strategic direction for the school and is comprised of

- | | | |
|---|-----------------|----------------------------|
| • | Mr Kreiselmeier | Head Teacher |
| • | Miss Twizell | Senior Deputy Head Teacher |
| • | Mr McDonagh | Deputy Head Teacher |
| • | Mrs Richter | Business Manager |

Senior Management Team

Senior Managers facilitate the day to day running of the school and are comprised of the leadership group and

- | | | |
|---|---------------|--|
| • | Miss Perkins | Early Years (Reception and Year 1) Team Leader |
| • | Mrs Clarke | Transition (Years 2 and 3) Team Leader |
| • | Mr Bird | Juniors (Years 4, 5 and 6) Team Leader |
| • | Mrs Hutchings | SENCO |

Curriculum Responsibilities

- | | | |
|---|--------------|--|
| • | Mr McDonagh | Maths, Act of Collective Worship, Religious Education, EAL and Pupil Voice |
| • | Mr Jell | Science and Physical Education |
| • | Mrs Odell | Library and PSHE |
| • | Mr Goldsmith | Design and Technology and ICT |
| • | Mrs Hogben | Basic Skills |
| • | Mrs Gamgee | Art and Design |
| • | Mrs Lamont | MFL |
| • | Miss Perkins | Geography |

The Trustees have devolved responsibility for the day to day management of the Academy to the Head Teacher and Leadership Group. The Head Teacher is the Accounting Officer and Mr R Dale is the clerk to the Governors.

f. Connected organisations, including related party relationships

As a proactive member of Folkestone Ethos Church Schools we acknowledge our aim to collaborate and explore further ways in which our school will work alongside our partners (St Mary's, St Peter's, St Eanswythe's and Selsted) with a collective vision to raise standards in all our schools.

g Risk management

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities, and other operational areas of the Academy and its finances.

The governors have implemented a number of systems to assess the risks that the Academy faces especially in the operational areas (E.g. in relation to teaching, health and safety and trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of academy grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

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Trustees' Report (continued)
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h. Trustees' indemnities

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 £1,000,000 in any one claim.

i. Head Teacher activities

At Christ Church CEP Academy we provide a broad and balanced education for all learners within a caring, Christian ethos. We aim to create a happy and stimulating environment in which everyone throughout our community will feel secure and confident in their abilities and enable them to fulfil their maximum potential as members of society.

Objectives and Activities

a. Objects and aims

Aims

Within the general aim of providing a quality primary education that is relevant and emphasises lifelong learning, the individual aims of the school are as follows:

- Help children to learn to live together in a community and to show sensitivity to the difference between one another
- Develop all children to their full potential and to integrate all children regardless of need, fully into mainstream school classes
- Encourage all children to become responsible, independent people who are able to think deeply about the world around them
- Develop in children a high degree of excellence in English, mathematics, science and the aesthetic and physical areas of learning
- Foster attitudes in children, which instil self-confidence and develop a positive sense of moral responsibility, spirituality and self-discipline
- Provide children with an education appropriate to the world outside the classroom
- Develop within children lively and inquisitive minds to promote enquiry and rational debate
- Expect children to understand the world in which they live and the interdependence of individuals, groups and nations
- Value each member of the school community- pupil, parents, staff and governors – and the contribution they make towards the success of the School

Provision for our children

Christ Church CEP Academy aims to provide for its pupils

A curriculum that

- is broad balanced and technologically based
- appeals to the strengths and interests of our children
- has links with the community and industry that support and provide relevance

Appropriate high class accommodation and facilities that

- ensures the means of achieving our curricular objectives
- stimulates high achievement
- acts as a visible statement of the importance of education to the whole community

Well-qualified and motivated staff who

- have high expectations of our pupils
- are able and commit to realising our curricular objectives

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Trustees' Report (continued)
For the period ended 31 August 2013

b Objectives, strategies and activities

Summary of Key Issues for Improvement

	Key Issues	Key Actions
1	Improve the quality of teaching and learning to consistently good	<p>1.1 Ensure good or better teaching is evident throughout the school</p> <p>1.2 Through assertive mentoring ensure pupils are provided with high quality feedback and guidance to personalise and accelerate learning</p> <p>1.3 Provide high quality interventions and support for all pupils identified as requiring such provision</p>
2	Raise standards of achievement for all pupils in all subjects	<p>2.1 Increase % of pupils attaining level 2b+ at KS1 in writing and 3+ in maths, while sustaining standards in reading, writing and maths in key stage 2</p> <p>2.2 Ensure high quality provision for guided reading in Key Stage 2</p> <p>2.3 Continue to increase pupils' achievement and enthusiasm for reading and writing through a literacy rich curriculum</p> <p>2.4 to provide appropriate stimulation to ensure that the gifted and talented pupils achieve high levels of attainment</p>
3	Facilitate Every Child Matters Outcomes	<p>3.1 Sustain recent improvements in pupil attendance and maintain it at or above national expectations (95%)</p> <p>3.2 Review and revise the school curriculum so that it inspires pupils to achieve</p>
4	Improve school performance through Leadership and Management	<p>4.1 Revise the staffing structure so that school leadership is more widely distributed</p> <p>4.2 Develop the strategic role of the Leadership Group</p>

c. Public benefit

Please refer to aims, objectives, key activities and achievement and performance as examples where the advancement of education is taking place and linked to public benefit

Achievements and performance

a. Going concern

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

b. Review of activities

Priority 1

To continue to improve the quality of teaching and learning to consistently good or better across the academy

Rationale:

- Our most recent Ofsted inspection (June 2013) judged the quality of teaching and learning to be variable across the school. Although we maintain a zero policy for inadequate teaching, there were two inadequate lessons observed by the inspection team, and nine others that required improvement. This is simply not good enough.
- We will vigorously embrace the recommendations arising from the 2013 Academy inspection.
 - The quality of teaching is inconsistent, stronger in some year groups than others.
 - Some teachers do not check on pupils' progress regularly enough during lessons so the pace of

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- learning dips
 - Marking does not yet ensure that all pupils are fully involved in improving their work
 - Work is sometimes too hard or too easy for pupils of different abilities, so that their progress in learning slows
- 3 We believe the revised school's approach to monitoring and evaluating the quality of teaching and learning (as noted in the actions below) will prove effective in addressing the above and underpin our drive for improvement

Success Criteria:

- 1 Quality of teaching is consistent throughout the school, at 95% good or better throughout the year
- 2 The percentage of outstanding lessons increase as an outcome from consistently good or better teaching
- 3 Planning and assessment are at the forefront of our efforts to improve the process of learning, with teaching strategies arising from pupils' prior learning
- 4 Governors and staff are well informed about the quality of teaching and learning within the school and the progress made in this key performance indicator
- 5 Coaching and mentoring, via Assertive Mentoring, is the key strategy employed by staff to improve the quality of teaching and learning throughout the school

Evaluation

- 1 Where any lessons are deemed not good enough, focused support will be provided with follow up observations scheduled to evaluate impact
- 2 Lesson observations will highlight strengths and agree targets for improvement with the teacher and judge progress against these targets in the next lesson observation
- 3 Team leaders will scrutinise planning and pupil's work regularly and evaluate the impact formative marking has upon pupils' learning and progress
- 4 Governor's Learning and Development Team are aware of the impact of good quality provision, and those areas in which we are striving to improve
- 5 Teachers use assertive mentoring sessions with pupils each term to review individual progress and accurately identify next targets and areas for development

Priority 2

Raise standards of attainment and achievement for all pupils in the core subjects

Rationale.

Ofsted (January 2013) recommendation Pupil data is transparent
Although this judgement is disputed by the leadership group, it is apparent that additional intervention programmes are required to ensure that all vulnerable groups make the progress expected, and that this pupil data is transparent

KS2 Attainment at L4+ over the past three years (in percentages)

	2013	2012	2011
Literacy	80	78	56
Maths	80	80	65
Science	82	81	68
Combined E & M	75	78	52
2 Levels + English	96	84	64
2 Levels + Maths	96	91	69

Summary of School Standards

In 2013, by the end of Key Stage 2 pupils were achieving well in all core subjects with standards *in line* with national expectations, and above that of similar schools The numbers of pupils achieving level 5 also increased dramatically in 2013 Pupil mobility throughout Key Stage 2 remains high (greater than 30% by the end of Year 6) while "home grown" pupils make better progress than whole cohort outcomes Clearly there remains an urgent

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need to continue our ambition to increase pupil attainment and achievement in all core subjects, sustaining our improvements in reading, writing and maths

Raise standards of attainment and achievement for all pupils in the core subjects

School Targets (Key Stage 2)

- Reading 82% achieve L4+ (aspirational 86% achieve L4+)
- Writing 76% achieve L4+ (aspirational, 80% achieve L4+)
- Maths 88% achieve level 4+ (aspirational 92% achieve L4+)
- Combined M&E 76% achieve L4+ (aspirational 80% achieve L4+)

By the end of Key Stage 1 improvements in L2+ continue unabated as outlined below

	2013	2012	2011
Reading	88	88	78
Writing	84	91	76
Maths	95	98	95
Science	88	90	86

School Targets (KS1)

- Reading 90% achieve level 2+
- Writing 88% achieve level 2+/60% 2b+
- Maths 96% achieve level 2+/20% L3

The successful drive for improvement in KS1 has resulted in better outcomes for all pupils. The perennial issue now is to sustain outcomes either in line with or above national expectations, and to focus on more pupils achieving age appropriate levels in writing, whilst extending the more able in mathematics

Standards in the Foundation Stage have increased steadily in all areas especially reading and writing – with the implementation of RWI having a huge impact – and we compare well to similar schools whilst broadly in line with national expectations. The impact of our provision is now resulting in the narrowing of a very wide gap at the early stages

Success Criteria

- 1 By the end of Key Stage 2 achieve school targets within a 5% variance
- 2 Progress of "Home Grown" pupils at the end of Year 6 will indicate better than expected APS for all core subjects
- 3 At the end of Key Stage 1, standards in writing at 2b+ will narrow the gap between school and national standards, within a 3% variance
- 4 Pupils in Years 3, 4 and 5 will make at least 3.5 APS progress in reading, writing and mathematics
- 5 Pupils with special educational needs and vulnerable pupils will make progress akin to other groups respective of their prior attainment

Evaluation.

- 1 Termly pupil progress meetings effectively analyse and assess pupils' progress, ensuring provision mapping is used systematically as a tool to discern the impact of interventions
- 2 Leadership Group provides strategic overview of pupil progress and thereby ensures that prompt responses are made in the light of any perceived "dips" and "spurts" in attainment
- 3 Literacy "rich" provision, implementation of RWI and Pie Corbett all contribute to improved outcomes in writing
- 4 Pupil premium is used effectively to provide targeted interventions that facilitate the progress of our most vulnerable groups of pupils
- 5 EAL and inclusion strategies ensure improved provision within mainstream lessons and greater accessibility for all pupils

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Trustees' Report (continued)
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Priority 3

Facilitate Every Child Matters Outcomes by

- Delivering a high quality curriculum during and out of school hours that is broad based, relevant and enthuses all learners through direct learning experiences

Our Present Position

All of our last three inspections rightly praise the improvements to the curriculum in recent years and agree with our judgement that standards are good, and in some instances outstanding. As highlighted in SDPs over the past decade, a range of initiatives have been disseminated to improve upon and sustain how we cater for the well being of individuals and for groups.

These include

- Staying Healthy – Healthy Schools (2006), Activemark status (2004 – present), Wake Up and Shake Up (2007), Sporting Achievements (Herald Cup winners 2010, Shepway Rounders Champions 2011) and MEND (2010)
- Staying Safe – Peer Mentoring (2002), Kerb craft (2005), Family and Pupil Support Team (2007 – present), Parents' Forum (2010), Junior Safety Road Officers (2011), Peer Mediation (2012)
- Enjoying and Achieving – Basic Skills, a k a Primary Mark (2005 and 2008) and Quality Mark (2013), Study Support (2006 and 2011 Advanced)
- Making a Positive Contribution - Extended Schools (2007 Advanced) and Investors in People (2012 accreditation Gold Standard), Arts Mark (2010)
- Contribute to Economic Well being – Basic Skills, Young Enterprise (2001 – 2007) and Young Apprentice (2010), Eco Schools (Green and Red Flags 2009 and 2012) and Pupil Voice/Student Council

The establishment of the Community Building in 2010 is testament to the school's drive to continually improve standards for all aspects of our school.

Success Criteria:

Evaluation

1	Improvements in attendance made over the past two years are sustained, and improved upon	1	Attendance will be at or above national expectations, within a 0.5% variance
2	An exciting and far reaching curriculum and extended schools services are accessible for all pupils and members of our school community	2	The curriculum reform group produces a curriculum that inspires and motivates all learners while making best use of resources and staff expertise
3	School will continue to develop close links with national and internal associated schools	3	ICT and other technologies will be utilised to good effect to facilitate national and international links
4	Continue to foster close links between schools within the Folkestone Ethos Schools to improve standards within each school	4	Liaison between and amongst teachers and teaching staff within the FES promotes a sense of collaboration and continues to be a driving force for school improvement (refer to FESCI Plan for 2013/14)

Priority 4

Leadership and Management

- Improve school performance via the distributive model of leadership

Our Present Position:

The 2013 Ofsted inspection recommends a more transparent version of our leadership model, as the team concluded that actions taken by school leaders did not always cascade down to all members of the teaching team.

Responsibilities for leading improvements in the school have not been shared widely enough between teachers

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In particular, it was concluded by the inspection team that the leadership team assumes too much day to day responsibility for school improvements (and the maintenance of these) and this responsibility needs to be more widespread

It was initially envisaged that the restructuring process begun in 2005/6 would address this issue, but due to historic factors, the structure failed to unfold as originally devised. Hence, this judgement is an opportunity to reshape the roles and responsibilities of the Leadership Group and other members of the SMT, specifically Team Leaders. In short, the leadership group will be more strategic in its role and functions whilst team leaders will carry greater responsibility for day to day management as well as leadership for school improvement initiatives within their respective teams. Members of the leadership group will however play a supportive, albeit consultancy role for team leaders thereby ensuring that senior and middle management receive guidance and coaching they require to fulfil their responsibilities.

The advent of the 2013 School Pay Policy will also contribute to ensuring that there is greater ownership of school improvement actions/programmes throughout the school.

As acknowledged by the inspection team
Senior leaders, including governors, are determined for the school to improve.

Financial review

a Financial and risk management objectives and policies

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 they have ensured that they have adequate insurance cover.

The Trustees regularly examine the robustness of the financial systems of the Academy via Responsible Officer checks and reports to the Resource Committee. The Resources Committee regularly reviews performance against budgets and overall expenditure. The Finance Officer regularly monitors cash flow and ensures sufficient funds are held to cover all known and anticipated commitments.

The Trustees recognise that the defined benefit scheme deficit (Local Government Pension Scheme) represents a significant potential liability. However, this deficit will not crystallise within the foreseeable future and the academy follows the advice of the pension scheme actuary and makes contributions in accordance with the rates advised. Since the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

b Head Teacher risks and uncertainties

The following is derived from the academy's financial procedures policy.

The Head Teacher

Within the framework of the academy development plan as approved by the governing body the Head Teacher has overall executive responsibility for the academy's activities including financial activities. Much of the financial responsibility has been delegated to the Business Manager but the Head Teacher still retains responsibility for

- approving new staff appointments within the authorised establishment, except for any senior staff posts which the governing body have agreed should be approved by them,
- Budget virement of £8,000 or less,
- authorising orders and contracts between £3000 and £8,000 in conjunction with the Business Manager,
- signing cheques and BACs payments in conjunction with the Business Manager or other authorised signatories

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Trustees' Report (continued)
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c. Reserves policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The Trustees have determined that the appropriate level of free reserves for recurrent costs should be equivalent to 4 weeks expenditure, approximately £170,000. The reason for this is provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. In addition to these free reserves earmarked for recurrent costs, the Trustees have invested the remainder of the unrestricted funds which they have carried forward from the old school. These will be used within the next three years for large scale school improvement projects, if adequate government funding for these is not forthcoming.

d. Material investments policy

Investments must be made only in accordance with written procedures approved by the governing body. All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of purchase, the cost and a description of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.

Plans for the future

a. Future developments

Refer to above (Objectives, strategies and activities) for information already presented which clearly outlines key objective and activities for 2013/14.

Employee Consultation


Our most recent consultation exercise was in regards to our revised Academy Pay Policy. It was discussed with staff in June 2013. Consultation began mid July 2013, and will last until mid September 2013 before adoption, with changes arising from the consultation.

Disclosure of information to auditors

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.

This report was approved by order of the board of trustees on 19 December 2013 and signed on its behalf by


Mrs Maeve Renard
Chair of Trustees


Mr Jim Kreiselmeier
Trustee

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Governance Statement

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Christ Church CEP Academy, Folkestone 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 Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Christ Church CEP Academy, Folkestone 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 3 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
Mrs Maeve Renard, Chairman	3	3
Mr Chris Jordan	3	3
Mr David Dickinson	2	3
Mr Ron Chitty	3	3
Mr Nick Boardman	3	3
Mr Brian Hudson	3	3
Reverend Mark Hayton	2	3
Mr Jim Kreiselmeier	3	3
Mr Ian Goldsmith	3	3
Mrs Carole Bryant	3	3

The Resources Team is a sub-committee of the main board of trustees. Its purpose is to assist the decision making of the governing body or Strategy Team as appropriate by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources including proper planning, monitoring and probity.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
Reverend Mark Hayton	0	1
Mr Chris Jordan	1	1
Mr Ian Goldsmith	1	1
Mr Jim Kreiselmeier	1	1
Mr Ron Chitty	1	1

The audit committee is also a sub-committee of the main board of trustees. Its purpose is to ensure that there is in place a process for the independent checking of financial controls, transactions and risks.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
Reverend Mark Hayton	1	1
Mr Chris Jordan	1	1
Mr David Dickinson	1	1
Mr Jim Kreiselmeier	1	1
Mr Ron Chitty	1	1
Mrs Maeve Renard, Chairman	1	1

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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 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 Christ Church CEP Academy, Folkestone for the period 1 March 2013 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 1 March 2013 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 Governors Resources Team of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes,
- setting targets to measure financial and other performance,
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties,
- identification and management of risks

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Semra Hudson, a Trustee, as Responsible Officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a three times a year basis, the RO 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.

The RO has delivered their schedule of work as planned – once to date. There were no material control issues arising.

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Governance Statement (continued)

Review of Effectiveness

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

- the work of the Responsible Officer,
- 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 and 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 19 December 2013 and signed on their behalf, by



Mrs Maeve Renard
Chair of Trustees



Mr Jim Kreiselmeier
Accounting Officer

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Statement on Regularity, Propriety and Compliance

As Accounting Officer of Christ Church CEP Academy, Folkestone 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



Mr Jim Kreiselmeier
Accounting Officer

Date 19 December 2013

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Trustees' Responsibilities Statement
For the period ended 31 August 2013

The trustees (who act as governors of Christ Church CEP Academy, Folkestone 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,
- 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 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 19 December 2013 and signed on its behalf by



Mrs Maeve Renard
Chair of Trustees

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Independent Auditors' Report to the Members of Christ Church Church of England Primary Academy

We have audited the financial statements of Christ Church Church of England Primary Academy 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.

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Independent Auditors' Report to the Members of Christ Church Church of England Primary Academy

Matters on which we are required to report by exception

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

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



Alastair Crawford FCA (Senior statutory auditor)

for and on behalf of

Williams Giles Limited

Chartered Accountants
Registered Auditors

12 Conqueror Court
Sittingbourne
Kent

ME10 5BH

Date 20.2.12

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Independent Reporting Auditors' Assurance Report on Regularity to Christ Church Church of England Primary Academy and the Education Funding Agency

In accordance with the terms of our engagement letter dated 28 November 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 Christ Church Church of England Primary Academy during the period 1 March 2013 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 Christ Church Church of England Primary Academy and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Christ Church Church of England Primary Academy and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Christ Church Church of England Primary Academy and the EFA, for our work, for this report, or for the conclusion we have formed

Respective responsibilities of Christ Church Church of England Primary Academy's accounting officer and the reporting auditors

The accounting officer is responsible, under the requirements of Christ Church Church of England Primary Academy's funding agreement with the Secretary of State for Education dated 27 February 2013, 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 1 March 2013 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.

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

**Independent Reporting Auditors' Assurance Report on Regularity to Christ Church Church of England
Primary Academy 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 period 1 March 2013 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



Williams Giles Limited

Chartered Accountants
Registered Auditors

12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date 20/12/13

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Statement of Financial Activities
For the period ended 31 August 2013

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £
Incoming resources					
Incoming resources from generated funds					
Transfers on conversion	2	169,170	-	2,461,173	2,630,343
Other voluntary income	2	178	-	-	178
Activities for generating funds	3	6,608	48,952	-	55,560
Incoming resources from charitable activities	4	-	1,057,016	8,601	1,065,617
Total incoming resources		175,956	1,105,968	2,469,774	3,751,698
Resources expended					
Costs of generating funds					
Costs of generating voluntary income	5	-	4,641	-	4,641
Charitable activities		-	1,059,714	38,483	1,098,197
Governance costs	6	-	26,405	-	26,405
Total resources expended	9	-	1,090,760	38,483	1,129,243
Net incoming resources before transfers		175,956	15,208	2,431,291	2,622,455
Transfers between Funds	19	-	185	(185)	-
Net incoming resources before revaluations		175,956	15,393	2,431,106	2,622,455
Defined benefit pension scheme transfer on conversion		-	(673,000)	-	(673,000)
Actuarial gains and losses on defined benefit pension schemes		-	(86,000)	-	(86,000)
Net movement in funds for the year		175,956	(743,607)	2,431,106	1,863,455
Total funds at 1 March 2013		-	-	-	-
Total funds at 31 August 2013		175,956	(743,607)	2,431,106	1,863,455

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

The notes on pages 23 to 41 form part of these financial statements

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY

(A company limited by guarantee)

Registered number 08347877


**Balance Sheet
As at 31 August 2013**

	Note	2013 £	£
Fixed assets			
Tangible assets	16		2,431,106
Current assets			
Debtors	17	105,415	
Cash at bank		182,145	
		<u>287,560</u>	
Creditors: amounts falling due within one year	18	<u>(80,211)</u>	
Net current assets			<u>207,349</u>
Total assets less current liabilities			<u>2,638,455</u>
Defined benefit pension scheme liability	25		<u>(775,000)</u>
Net assets including pension scheme liabilities			<u><u>1,863,455</u></u>
Funds of the academy			
Restricted funds			
Restricted funds	19	31,393	
Restricted fixed asset funds	19	2,431,106	
		<u>2,462,499</u>	
Restricted funds excluding pension liability			
Pension reserve		<u>(775,000)</u>	
Total restricted funds			<u>1,687,499</u>
Unrestricted funds	19		<u>175,956</u>
Total funds			<u><u>1,863,455</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 19 December 2013 and are signed on their behalf, by



Mrs Maeve Renard
Chair of Trustees



Mr J L Kreiselmeier
Trustee

The notes on pages 23 to 41 form part of these financial statements

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Cash Flow Statement
For the period ended 31 August 2013

	Note	2013 £
Net cash flow from operating activities	21	190,561
Capital expenditure and financial investment		(8,416)
Increase in cash in the period		<u><u>182,145</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 ended 31 August 2013

	2013 £
Increase in cash in the period	182,145
Movement in net funds in the period	<u><u>182,145</u></u>
Net funds at 31 August 2013	<u><u>182,145</u></u>

The notes on pages 23 to 41 form part of these financial statements

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 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 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 £10 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.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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.

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2013

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.

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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 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.

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

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

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

All resources expended are inclusive of irrecoverable VAT.

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2013

1. Accounting Policies (continued)

1.6 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.

1.7 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.

The school buildings are held on a rolling two year supplemental agreement with the Diocese and the Trustees have taken the view that, as the Diocese is unlikely to terminate this agreement the effect is of a long leasehold.

The valuation for leasehold property is taken from the Mouchel desktop valuation completed for the EFA. The basis of the value is Fair Value, as defined by the International Financial Reporting Standards (IFRS). No value for land had been included.

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:

Long-term leasehold property	-	2% Straight line
Fixtures and fittings	-	25% Straight line
Computer equipment	-	33 33% Straight line

1.8 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.

1.9 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.

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 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 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 25, 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 Folkestone Chirst Church C of E 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 Christ Church Church of England Primary Academy 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

1.12 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

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2013

2. Voluntary income

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Transfers on conversion	169,170	2,461,173	2,630,343
	<hr/>	<hr/>	<hr/>
Donations	178	-	178
	<hr/>	<hr/>	<hr/>
Voluntary income	<u>169,348</u>	<u>2,461,173</u>	<u>2,630,521</u>

3 Activities for generating funds

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Lettings income	6,608	-	6,608
Catering income	-	10,955	10,955
School trip income	-	5,752	5,752
Other income	-	12,262	12,262
Consultancy income	-	19,983	19,983
	<hr/>	<hr/>	<hr/>
	<u>6,608</u>	<u>48,952</u>	<u>55,560</u>

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2013

4. Funding for Academy's educational operations

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
DfE/EFA grants			
General Annual Grant (GAG)	-	901,066	901,066
Start up grant	-	25,000	25,000
Pupil premium	-	81,410	81,410
Other DfE/EFA grants	-	13,239	13,239
	<hr/> -	<hr/> 1,020,715	<hr/> 1,020,715
Other government grants			
SEN funding	-	33,507	33,507
Other government grants	-	2,794	2,794
	<hr/> -	<hr/> 36,301	<hr/> 36,301
Capital funding			
Devolved Capital Grant	-	8,601	8,601
	<hr/> -	<hr/> 8,601	<hr/> 8,601
	<hr/> -	<hr/> 1,065,617	<hr/> 1,065,617

5 Costs of generating voluntary income

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Other costs	-	4,641	4,641
	<hr/> -	<hr/> 4,641	<hr/> 4,641

6 Governance costs

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Auditor remuneration	-	8,250	8,250
Legal & professional	-	18,155	18,155
	<hr/> -	<hr/> 26,405	<hr/> 26,405

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2013

7 Direct costs

	Educational operations £	Total 2013 £
Educational supplies	50,605	50,605
Staff development	26,100	26,100
Other direct costs	6,732	6,732
Wages and salaries	606,068	606,068
National insurance	36,415	36,415
Pension cost	95,970	95,970
Depreciation	38,483	38,483
	<u>860,373</u>	<u>860,373</u>

8. Support costs

	Educational operations £	Total 2013 £
LGPS costs	14,000	14,000
Maintenance of premises and equipment	29,577	29,577
Cleaning	2,775	2,775
Rent & rates	4,382	4,382
Light & heat	17,639	17,639
Security & transport	458	458
Catering	22,202	22,202
Computer costs	16,615	16,615
Other support costs	23,692	23,692
Wages and salaries	84,410	84,410
National insurance	5,294	5,294
Pension cost	16,780	16,780
	<u>237,824</u>	<u>237,824</u>

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2013

9 Analysis of resources expended by expenditure type

	Staff costs 2013 £	Depreciation 2013 £	Other costs 2013 £	Total 2013 £
Costs of generating voluntary income	-	-	4,641	4,641
Costs of generating funds	-	-	4,641	4,641
Direct	738,453	38,483	83,437	860,373
Support costs	106,484	-	131,340	237,824
Charitable activities	844,937	38,483	214,777	1,098,197
Governance	-	-	26,405	26,405
	844,937	38,483	245,823	1,129,243

10. Net incoming resources

This is stated after charging

	2013 £
Depreciation of tangible fixed assets - owned by the charity	38,483
Auditor remuneration	8,250

11. Auditors' remuneration

	2013 £
Fees payable to the academy's auditor and its associates for the audit of the academy's annual accounts	6,200
Fees payable to the academy's auditor and its associates in respect of All other non-audit services not included above	1,350
	2013 £
Fees payable to the academy's auditor and its associates in connection with the academy's pension scheme(s) in respect of The auditing of accounts of the scheme(s)	700

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2013

12. Staff costs

Staff costs were as follows

	2013 £
Wages and salaries	690,478
Social security costs	41,709
Other pension costs (Note 25)	112,750
	<hr/>
	844,937
Supply teacher costs	6,732
	<hr/>
	851,669
	<hr/>

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.
Teaching staff	9
Support staff	18
Management	2
	<hr/>
	29
	<hr/>

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

13 Trustees' remuneration and expenses

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 including employers pension contributions for the period fell within the following bands

	2013 £
J Kreiselmeier	40,000-45,000
I Goldsmith	20,000-25,000
C Bryant	5,000-10,000

During the period, no Trustees received any reimbursement of expenses

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2013

14. 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 £1,000,000 on any one claim and the cost for the period ended 31 August 2013 was £583.

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

15. Other finance income

	2013 £
Expected return on pension scheme assets	9,000
Interest on pension scheme liabilities	(23,000)
	<u>(14,000)</u>

16. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
Assets transferred on conversion	2,366,000	56,730	38,443	2,461,173
Additions	-	-	8,416	8,416
At 31 August 2013	<u>2,366,000</u>	<u>56,730</u>	<u>46,859</u>	<u>2,469,589</u>
Depreciation				
Charge for the period	23,660	7,091	7,732	38,483
At 31 August 2013	<u>23,660</u>	<u>7,091</u>	<u>7,732</u>	<u>38,483</u>
Net book value				
At 31 August 2013	<u>2,342,340</u>	<u>49,639</u>	<u>39,127</u>	<u>2,431,106</u>

17. Debtors

	2013 £
Trade debtors	1,020
Other debtors	62,167
Prepayments and accrued income	42,228
	<u>105,415</u>

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18. Creditors.
Amounts falling due within one year

	2013 £
Trade creditors	7,446
Other taxation and social security	49,268
Other creditors	5,804
Accruals and deferred income	17,693
	<u>80,211</u>
	£
Deferred income	
Resources deferred during the year	<u>9,929</u>

19. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
Unrestricted funds	-	175,956	-	-	-	175,956
Restricted funds						
General Annual Grant (GAG)	-	901,066	(869,858)	185	-	31,393
Pupil premium	-	81,410	(81,410)	-	-	-
Start up grant	-	25,000	(25,000)	-	-	-
Other EFA/DfE Grants	-	13,239	(13,239)	-	-	-
SEN funding	-	33,507	(33,507)	-	-	-
Other Government Grants	-	2,795	(2,795)	-	-	-
Generated fund	-	48,951	(48,951)	-	-	-
Pension reserve	-	-	(16,000)	-	(759,000)	(775,000)
	<u>-</u>	<u>1,105,968</u>	<u>(1,090,760)</u>	<u>185</u>	<u>(759,000)</u>	<u>(743,607)</u>

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19 Statement of funds (continued)

Restricted fixed asset funds

Assets held for depreciation	-	2,461,173	(38,483)	8,416	-	2,431,106
Devolved Capital Grant	-	8,601	-	(8,601)	-	-
	-	2,469,774	(38,483)	(185)	-	2,431,106
Total restricted funds	-	3,575,742	(1,129,243)	-	(759,000)	1,687,499
Total of funds	-	3,751,698	(1,129,243)	-	(759,000)	1,863,455

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

Unrestricted funds are applied to the general work of the academy to support activities inside and outside the curriculum

Restricted funds are applied specifically in accordance with the rules of each grant and support the education provision delivered by the academy

Restricted fixed asset funds are applied to the maintenance and improvement of all the academy's fixed assets

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

Summary of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds	-	175,956	-	-	-	175,956
Restricted funds	-	1,105,968	(1,090,760)	185	(759,000)	(743,607)
Restricted fixed asset funds	-	2,469,774	(38,483)	(185)	-	2,431,106
	-	3,751,698	(1,129,243)	-	(759,000)	1,863,455

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20 Analysis of net assets between funds

	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £
Tangible fixed assets	-	-	2,431,106	2,431,106
Current assets	175,956	111,604	-	287,560
Creditors due within one year	-	(80,211)	-	(80,211)
Provisions for liabilities and charges	-	(775,000)	-	(775,000)
	<u>175,956</u>	<u>(743,607)</u>	<u>2,431,106</u>	<u>1,863,455</u>

21. Net cash flow from operations

	2013 £
Net incoming resources before revaluations	2,622,455
Assets transferred on conversion	(2,461,173)
Depreciation of tangible fixed assets	38,483
Increase in debtors	(105,415)
Increase in creditors	80,211
FRS 17 adjustments	16,000
Net cash inflow from operations	<u>190,561</u>

	2013 £
Capital expenditure and financial investment	
Purchase of tangible fixed assets	<u>(8,416)</u>

22 Analysis of changes in net funds

	1 March 2013 £	Cash flow £	31 August 2013 £
Cash at bank and in hand	-	182,145	182,145
Net funds	<u>-</u>	<u>182,145</u>	<u>182,145</u>

23. Conversion to an academy trust

On 01/03/2013 Folkestone Christ Church C of E Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Christ Church Church of England Primary Academy from Kent 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.

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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 £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	2,366,000	2,366,000
- Other tangible fixed assets	-	-	95,173	95,173
Other assets	15,000	-	-	15,000
Budget surplus/(deficit) on LA funds	151,124	-	-	151,124
Budget surplus/(deficit) on other school funds	18,046	-	-	18,046
LGPS pension surplus/(deficit)	-	(673,000)	-	(673,000)
Net assets/(liabilities)	<u>184,170</u>	<u>(673,000)</u>	<u>2,461,173</u>	<u>1,972,343</u>

The above net assets/liabilities include £184,170 that were transferred as cash

24 Contingent liabilities

During the period of the funding agreement, should any asset for which a capital grant was received be sold or otherwise disposed of, in the event of the Academy not reinvesting the proceeds, it will be required to pay the grant related proportion of the proceeds to the EFA

Should the funding agreement be terminated for any reason, the Academy shall repay to the EFA the current value of the academy's land and buildings and other assets, to the extent that such assets were funded by sums received from the EFA

25. 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 Kent 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

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

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

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25 Pension commitments (continued)

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.

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

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25 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. 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.

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 £63,000, of which employer's contributions totalled £50,000 and employees' contributions totalled £13,000. The agreed contribution rates for future years are 15% for employers and a variable percentage for employees depending on their salary level.

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 23 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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Notes to the Financial Statements
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25 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	272,000
Bonds	4.40	45,000
Property	4.60	30,000
Cash	0.50	15,000
Target return portfolio	5.00	15,000
Total market value of assets		<u>377,000</u>
Present value of scheme liabilities		<u>(1,152,000)</u>
(Deficit)/surplus in the scheme		<u><u>(775,000)</u></u>

The amounts recognised in the Balance sheet are as follows

	2013 £
Present value of funded obligations	(1,152,000)
Fair value of scheme assets	<u>377,000</u>
Net liability	<u><u>(775,000)</u></u>

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

	2013 £
Current service cost	(52,000)
Interest on obligation	(23,000)
Expected return on scheme assets	<u>9,000</u>
Total	<u><u>(66,000)</u></u>
Actual return on scheme assets	<u><u>24,000</u></u>

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25. Pension commitments (continued)

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

	2013 £
Current service cost	52,000
Interest cost	23,000
Contributions by scheme participants	13,000
Actuarial Losses	100,000
Defined benefit obligation on conversion	964,000
	<hr/>
Closing defined benefit obligation	1,152,000
	<hr/>

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

	2013 £
Expected return on assets	9,000
Actuarial gains and (losses)	14,000
Contributions by employer	50,000
Contributions by employees	13,000
Fair value of scheme assets on conversion	291,000
	<hr/>
	377,000
	<hr/>

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

	2013
Discount rate for scheme liabilities	4.70 %
Rate of increase in salaries	5.10 %
Rate of increase for pensions in payment / inflation	2.90 %
Inflation assumption (CPI)	2.90 %
RPI Increases	3.70 %

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

	2013
Retiring today	
Males	20.1
Females	24.1
Retiring in 20 years	
Males	22.1
Females	26.0

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25 Pension commitments (continued)

Amounts for the current period are as follows

Defined benefit pension schemes

	2013 £
Defined benefit obligation	(1,152,000)
Scheme assets	377,000
	<hr/>
Deficit	(775,000)
	<hr/>
Experience adjustments on scheme liabilities	(100,000)
Experience adjustments on scheme assets	14,000
	<hr/> <hr/>

26. Operating lease commitments

At 31 August 2013 the academy had annual commitments under non-cancellable operating leases as follows

	2013 £
Expiry date:	
Within 1 year	900
	<hr/> <hr/>

27. Related party transactions

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a 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.