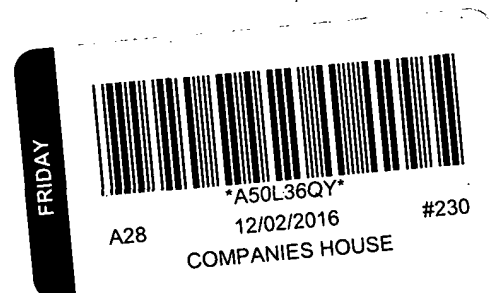


**CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY,
FOLKESTONE**

(A company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2015



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

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Reference and Administrative Details of the Academy, its Members/ Trustees and Advisers
For the year ended 31 August 2015

Members	Mrs Maeve Renard, Chairman ³ Mr Chris Jordan ^{1,3} The Diocese of Canterbury Academies Company Limited
Trustees	Mr Ron Chitty ¹ Mr Brian Hudson Mr Nick Boardman ² Mr David Dickinson (resigned 25 June 2015) ¹ Mr Jim Kreiselmeier ¹ Mrs Clare Carvill (appointed 13 November 2014) Mrs Carole Bryant Mr Andrew Boxer (appointed 25 March 2015)

¹ members of the Resources Team

² Chair of resources committee

³ Member and Trustee

Company registered number	08347877
Principal and registered office	Brockman Road Folkestone Kent CT20 1DJ

Company secretary	Mrs Rosemary Richter
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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
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Independent auditors	Williams Giles Limited Chartered Accountants Registered Auditors 12 Conqueror Court Sittingbourne Kent ME10 5BH
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Bankers	Lloyds Bank PO Box 1000 BX1 1LT
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Solicitors	Lee Bolton Monier-Williams 1 The Sanctuary Westminster London SW1P 3JT
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CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY, FOLKESTONE
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Trustees' Report
For the year ended 31 August 2015

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates Christ Church CEP Academy in Folkestone. The Academy has a pupil capacity of 420 and had a roll of 409 in the school census on 16th January 2015.

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 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 Trustees

- a. The Members may appoint up to 2 Trustees.
- b. The Members may appoint Staff Trustees through such process as they may determine, provided that the total number of Trustees (including the Head Teacher) who are employees of the Academy Trust does not exceed one third of the total number of Trustees.
- c. The Incumbent(s) shall be treated for all purposes as an ex officio Foundation Trustee. Further, the Foundation Member may appoint additional Foundation Trustee(s) provided that the total number of Foundation Trustees (including ex officio Foundation Trustees) would not thereby exceed 25% of the total number of Trustees (excluding any Additional or Further Trustees).
- d. The Head Teacher shall be treated for all purposes as being an ex officio Trustee.
- e. Subject to Article 57, the Parent Trustees shall be elected by parents of registered pupils at the Academy. A Parent Trustee must be a parent of a pupil at the Academy at the time when he is elected.
- f. Additional trustees (if appointed by the Secretary of State).
- g. Any further trustees (if appointed by the Secretary of State).
- h. The Academy Trust may also have any Co opted Trustee appointed under Article 59.

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)
For the year ended 31 August 2015

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 |
| • | Mrs Clarke | 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 Pocock | Transition (Years 2 and 3) Team Leader |
| • | Mr Bird | Juniors (Years 4, 5 and 6) Team Leader |
| • | Mrs Hutchings | SENCO |

Curriculum Responsibilities

- | | | |
|---|--------------|--|
| • | Mrs Clarke | 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, Selsted, Morehall and Pent Valley) with a collective vision to raise standards in all our schools.

g. Risk management

The trustees 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 trustees 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)
For the year ended 31 August 2015

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.

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 year ended 31 August 2015

b. Objectives, strategies and activities

Objective		Strategies and Activities	
1	Improve the quality of teaching and learning to consistently good	1.1	Introduce and implement the system of assessment without levels utilising "21 steps".
		1.2	All teachers to successfully deliver the "Christ Church Experience" curriculum.
		1.3	The delivery of the computing curriculum will ensure all pupils acquire age appropriate IT skills.
2	Raise standards of achievement for all pupils in all subjects	2.1	Improve outcomes for pupils by increasing the number of pupils exceeding national expectations in reading at the end of each key stage.
		2.2	Improve pupils' accuracy in spelling in key stage 2.
		2.3	Improve the performance of vulnerable pupils in their understanding and attainment in maths at the end of key stage 2
3	Facilitate Every Child Matters Outcomes	3.1	Ensure more effective use is made of the school library so that pupils use age appropriate library skills to enhance their learning.
		3.2	Make effective use of the sports premium by ensuring pupils participate with purpose and due intent in activities and fixtures.
4	Improve school performance through Leadership and Management	4.1	SLT to drive school improvements as listed above.
		4.2	Develop the role of the subject leader to provide support and guidance with the implementation of the "Christ Church Experience".

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.

Strategic report

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.

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Trustees' Report (continued)
For the year ended 31 August 2015

b. Key financial performance indicators

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

	2014	2013	2012	2011
Literacy	80	80	78	56
Maths	75	80	80	65
Science	90	82	81	68
Combined E & M	65	75	78	52
2 Levels + English	95	96	84	64
2 Levels + Maths	87	96	91	69

Summary of School Standards at the end of Key Stage 2:

In 2015, by the end of Key Stage 2 pupils were achieving less well in reading and maths with attainment below national expectations, albeit in line with that of similar schools. This was disappointing after the steady and impressive gains made in previous years. The numbers of pupils achieving level 5 in maths also decreased. KS1/KS2 pupil progress was good in reading and writing, and as expected in maths.

HMI Section 8 Inspection Report, September 2014:

"Academy has taken effective action in response to June 2013 section 5 inspection."

School Targets 2016

Reading – 92% achieve L4+ (aspirational: 96% achieve L4+)

Writing – 94% achieve L4+ (aspirational: 98% achieve L4+)

SPAG – 80% achieve L4+, 40% achieve L5+

Maths – 94% achieve L4+ (aspirational: 96% achieve L4+)

Combined M&E – 88% achieve L4+ (aspirational: 90% achieve L4+)

100% of pupils achieve two levels progress in all subjects

50% of pupils achieve three levels progress in all subjects

40% of pupils exceed national expectations in each subject

8% of pupils achieve level 6 in maths, with 4% of pupils achieve level 6 in reading and writing

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

	2014	2013	2012	2011
Reading	89	88	88	78
Writing	89	84	91	76
Maths	95	95	98	95
Science	89	88	90	86

School Targets (KS1)

- Reading 90% achieve level 2+
- Writing 88% achieve level 2+/70% 2b+
- Maths 96% achieve level 2+/27% 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.

Attendance and punctuality, now meeting national expectations at 95.5+ % (2013/14), continues to be high

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Trustees' Report (continued)
For the year ended 31 August 2015

priority and systematically promoted (Ofsted Report June 2013). Every effort is made to raise awareness, egg through assertive mentoring. Refer to Ofsted 2013 which praised our efforts. This is an area that requires constant vigilance and prompt response, especially for persistent absences.(also refer to in – house figures for 2013/14 and 2014/15:

			2011/12	2012/13	2013/14	2014/15
		%	%	%	%	
Unauthorised Attendance	Academy	2.1	1.7	1.9	2.1	
	National	0.7	0.7			
Authorised Attendance	Academy	3.5	3.2	2.9	3.2	
	National	4.3	3.7			
PersistentAbsence	Academy	6.3	6.5	6.1	6.4	
	National	3.8	3.1	3.7	3.7	

c. 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 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, the quality of teaching observed by the inspection team as well as feedback provided to pupils in their books were variable and therefore not good enough.

1. We have vigorously embraced 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 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.

2. We believe the school's revised approach to monitoring and evaluating the quality of teaching and learning (as outlined in the previous two school development plans) have proven effective in addressing the above and will continue to underpin our drive for improvement in 2015/16.

1. Success Criteria:

Quality of teaching and learning is good throughout the school, at 95% good or better throughout the year.

Evaluation:

Where any lessons are deemed not good enough, focussed support will be provided with follow up observations scheduled to evaluate impact.

2. Success Criteria:

The percentage of outstanding lessons increase from consistently good or better teaching.

Evaluation:

Lesson observations are used in conjunction with other tools for assessing the quality of teaching and learning.

3. Success Criteria:

Planning and assessment are at the forefront of our efforts to improve the process of learning, with teaching strategies arising from pupils' prior learning. 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.

Evaluation:

Team leaders, alongside members of the leadership group, will scrutinise planning and pupils' work regularly and evaluate the impact formative marking has upon pupils' learning and progress. Governor's Learning and

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Trustees' Report (continued)
For the year ended 31 August 2015

Development Team are aware of the impact of good quality provision and those areas in which we are striving to improve.

4. Success Criteria:

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:

Teachers use Assertive Mentoring sessions with pupils each term to review individual progress and accurately identify next targets and areas of development.

Ofsted 2015 stated "Leaders have higher expectations of teachers' performance than at the time of the previous inspection and manage the performance of staff well. As a result the quality of teaching has improved. No weak teaching remains in the school."

Priority 2

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

Rationale:

The Ofsted inspection (June 2013) stated "The proportion of pupils making the progress they should varies between year groups"

1. Success Criteria:

By the end of Key Stage 2 achieve school targets within a 5% variance.

Evaluation:

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. Success Criteria:

Progress of 'Home Grown' pupils at the end of year 6 will indicate better than expected APS for all core subjects.

Evaluation:

Leadership group provide strategic overview of pupil progress and thereby ensure that prompt responses are made in the light of any perceived 'dips' and 'spurts' in attainment.

3. Success Criteria:

Pupils in years 1,3,4 and 5 will make better than expected progress in reading, writing and mathematics.

Evaluation:

Pupil Premium is used effectively to provide targeted interventions that facilitate the progress of our most vulnerable groups of pupils.

4. Success Criteria:

Pupils with special educational needs and vulnerable pupils will make progress akin to other groups respective of their prior attainment.

Evaluation:

EAL and inclusion strategies ensure improved provision within mainstream lessons and greater accessibility for all pupils.

Ofsted 2015 stated "Disabled pupils and those with special educational needs make good progress in reading, writing and mathematics. The school has been particularly successful in making sure that pupils who joined Key Stage 1 with gaps in their literacy skills, including pupils for whom English is an additional language catch up with their classmates."

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 extended provision includes breakfast club, after school clubs, youth club for ages 8 -18 year olds, community building available for lettings, party hire and

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Trustees' Report (continued)
For the year ended 31 August 2015

community association's use, and a swimming pool for use by families and other organisations.

Rationale:

The curriculum was reviewed and rewritten during 2014/15 by the Deputy Head Teacher for Learning in consultation with staff, pupils, parents, governors and other members of our school community. It is envisaged that our inspirational curriculum will provide a plethora of opportunities for pupils to enhance their education at the Academy. In the last term of 2014/15 the Deputy Head Teacher for Learning provided training to all teaching staff on how the curriculum will be delivered in 2015/16. This will be at the forefront of the Leadership Group's quality assurance endeavours in 2015/16. The New Curriculum; 'The Christ Church Experience', was presented to Governors by the Deputy Head Teacher at the Full Governing Body meeting in July 2015.

Ofsted 2015 stated 'The whole school community has worked together over the past year to redesign the curriculum so that it is exciting.'

The sports premium has enabled our sporting provision to be expanded significantly over the past two years, and we are now at a juncture which requires significant staff engagement in this far reaching programme to ensure that all pupils develop the skills and abilities that are within their individual potential. Each member of staff has been assigned a sport/activity which they will lead on and thus ensure pupils preparation and participation results in high quality outcomes.

It was agreed that greater use must be made of the school library to foster within pupils a desire to read for pleasure as well as to extend their understanding and grasp of our curriculum and our global learning community. The library has now been relocated to the Community Building, and facilities greatly improved to this end. Staff have been assigned the task of ensuring that our aims are manifested over the course of the year.

Parental Engagement remains a high priority as we strive to develop closer links to families and thereby facilitate their involvement in their child's education at Christ Church CEP Academy. We hope that a mixture of curriculum, sporting and extended school activities will be harnessed to good effect and increase the numbers of parents who participate in events at school during 2015/16.

1. Success criteria:

The school library inspires and motivates children to read more readily and use books as the gate way to educational success.

Evaluation:

The school library regularly used by children to pursue their love of reading, books and opportunities to respond both imaginatively and creatively to literature.

Ofsted 2015 stated "Pupils of all ages are excited about books. Younger readers confidently use a combination of techniques, including phonics, to help them to read, while those in year 6 read fluently and with expression."

2. Success criteria:

Pupils throughout the school develop specialist skills associated with sports and sporting activities engaged in and develop a sounds sportsmanlike out look to competition.

Evaluation:

Pupils engage purposefully in sporting events, challenging themselves and others so that Christ Church is consistently competitive.

Ofsted 2015 stated "Sports Premium is put to good use to raise the profile of sport. Teachers confidently teach a wider range of sports than previously and pupils make better progress as a result."

3. Success criteria:

More precise targeting is made of vulnerable pupils, and groups of pupils so that staffing and resources contribute to the highest possible provision and outcomes for pupils.

Evaluation:

Members of the Pupil and Family Support Team can clearly demonstrate the impact made upon targeted individuals and groups of pupils.

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Trustees' Report (continued)
For the year ended 31 August 2015

Priority 4

Leadership and Management

- Improve school performance via the distributive model of leadership

Our Present Position:

The 2013 Ofsted inspection recommended 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.'**

In particular, it was concluded by the inspection team that the leadership group – Head Teacher, Deputies and Business Manager - assume too much day to day responsibility for school improvements (and the maintenance of these) and that 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 team leaders assume will include greater responsibility for day to day management as well as for the leadership of school improvement initiatives within their respective teams. Members of the leadership group will however continue to 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.

As acknowledged by the 2013 inspection team; **'Senior leaders, including governors, are determined for the school to improve.'**

All teaching staff will actively contribute to raising standards in all subjects through collaborative work in cross phase teams leading change and improvements as outlined in the core curriculum and the "Christ Church Experience".

Ofsted 2015 stated "Christ Church is an inclusive and harmonious community in which all pupils are valued. Leaders and teachers expect everyone to do their best. Staff work positively together to provide a good quality education for pupils."

Financial review

a. Principal risks and uncertainties

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.

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

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Trustees' Report (continued) For the year ended 31 August 2015

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 £3,000 and £8,000 in conjunction with the Business Manager;
- signing cheques and BACs payments in conjunction with the Business Manager or other authorised signatories.

b. 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.

c. 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 future periods

a. Future developments

Refer to above strategies, activities and objectives as listed above, as well as the 2015/16 Academy Development Plan on www.christchurchfolkestone.kent.sch.uk.

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Trustees' Report (continued)
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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.

Auditors

The auditors, Williams Giles Limited, have indicated their willingness to continue in office. A value for money exercise has been carried out within the FESI group and it has been decided that there would be no benefit to the academy to change auditors at this time.

This report, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on 2 December 2015 and signed on the board's 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 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 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 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Maeve Renard, Chairman	4	4
Mr Chris Jordan	2	4
Mr Ron Chitty	3	4
Mr Brian Hudson	4	4
Mr Nick Boardman	3	4
Mr David Dickinson	0	4
Mr Jim Kreiselmeier	4	4
Mrs Clare Carvill	3	3
Mrs Carole Bryant	4	4

During the year Mr D Dickinson became terminally ill and subsequently passed away.

Governance reviews:

Governors self-review commenced in spring 2015, and is due for completion during the 2015/16 school year.

Outcomes from above self-review will be published in the next Trustees' Report

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 year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Nick Boardman	4	4
Mr Chris Jordan	0	4
Mr Ian Goldsmith	4	4
Mr Jim Kreiselmeier	4	4
Mr Ron Chitty	4	4

Review of Value for Money

As accounting officer, the Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY, FOLKESTONE

(A company limited by guarantee)

Governance Statement (continued)

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- There is a rigorous system established for quality assurance in which each week all meetings between key staff, governors and stakeholders are promulgated and adhered to. This includes meeting with the Business Manager to monitor the budget, its expenditures as well as to note any additional income that may arise over the course of the year. The aim of these meetings is twofold; to ensure strict financial controls are in place as well as to determine the impact from targeted resources. Staffing is an agenda item for all our meetings, with impact upon pupil achievement essential criteria. The budget forecast is reviewed on a regular basis to ensure that the maximum value for money is achieved for the academy and its stakeholders.
- The Governor's Resource Team meet regularly (minimum three times per year) to fulfil their role as critical friend, closely scrutinising budget decisions and any delegated actions I may have taken. Two governors, Mr Chitty and Mr Boardman take a particular interest in financial matters, lending their impressive expertise when examining accounts and fiscal issues. Reference to the minutes from our seasonal meetings confirms the robust monitoring that is standard practice. The financial policy and procedures are closely adhered to at all times, to ensure that money is well used to meet the diverse needs of the school and its community. Outside funding is sought for major projects. Members of the Governing body are closely involved with the school's financial management performing their role as critical friends to ensure best use of funds and allocation of resources.
- Members from the Resource Team also conduct Health and Safety tours of the academy buildings and grounds every two terms to ensure that maintenance and building funds are best utilised to keep the site in the highest state of repair and upkeep. A substantial amount has been invested in bringing the academy buildings up to the required fire safety standards. In these ways Governors facilitate the value for money remit.

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 year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy 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 year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The academy'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 Resources Committee of reports which indicate financial performance against the

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

Governance Statement (continued)

- 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 .

The reviewers's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of bank record conciliations

On a three times a year basis, the reviewers 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 reviewer has delivered their schedule of work as planned. There were no material control issues arising.

Review of Effectiveness

As accounting officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Reviewer;
- 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 Resource committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 2 December 2015 and signed on its behalf, by:


Mrs Maeve Renard
Chair of Trustees


Mr Jim Kreiselmeier
Accounting Officer

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

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 (2014).

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 (2014).

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.



Mr Jim Kreiselmeier
Accounting Officer

Date: 2 December 2015

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY, FOLKESTONE

(A company limited by guarantee)

Trustees' Responsibilities Statement For the year ended 31 August 2015

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 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 2 December 2015 and signed on its behalf by:


Mrs Maeve Renard
Chair of Trustees

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY, FOLKESTONE

(A company limited by guarantee)

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

We have audited the financial statements of Christ Church Church of England Primary Academy, Folkestone for the year ended 31 August 2015 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 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the academy's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. 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 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

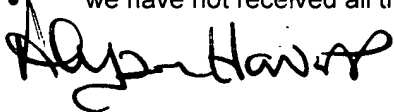
CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY, FOLKESTONE
(A company limited by guarantee)

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the academy has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Alyson Howard FCCA CF (Senior statutory auditor)
Williams Giles Limited

Chartered Accountants
Registered Auditors

12 Conqueror Court
Sittingbourne
Kent

ME10 5BH

Date: **14 December 2015**

Williams Giles Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY, FOLKESTONE
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Independent Reporting Accountants' Assurance Report on Regularity to Christ Church Church of England Primary Academy, Folkestone 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 2014 to 2015, 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, Folkestone during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Christ Church Church of England Primary Academy, Folkestone and 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, Folkestone 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 Christ Church Church of England Primary Academy, Folkestone and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Christ Church Church of England Primary Academy, Folkestone's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Christ Church Church of England Primary Academy, Folkestone's funding agreement with the Secretary of State for Education dated 27 February 2013, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by 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.

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material misstatement and irregularity
- Testing and review of areas identified through risk assessment including enquiry, inspection and review, observation and re-performance
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime
- Consideration of evidence obtained through the work performed as part of our audit in order to support the regularity conclusion

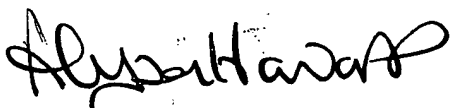
CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY, FOLKESTONE

(A company limited by guarantee)

Independent Reporting Accountants' Assurance Report on Regularity to Christ Church Church of England Primary Academy, Folkestone 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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Alyson Howard FCCA CF

Williams Giles Limited

Chartered Accountants
Registered Auditors

12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date:

14 December 2015

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY, FOLKESTONE
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Statement of Financial Activities
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
For the year ended 31 August 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Incoming resources						
Incoming resources from generated funds:						
Voluntary income	2	5,309	-	-	5,309	8,417
Activities for generating funds	3	20,655	69,550	-	90,205	81,646
Incoming resources from charitable activities	4	-	2,159,946	93,558	2,253,504	2,376,846
Total incoming resources		25,964	2,229,496	93,558	2,349,018	2,466,909
Resources expended						
Costs of generating funds:						
Costs of generating voluntary income	5	-	22,058	-	22,058	20,472
Charitable activities		-	2,274,249	104,177	2,378,426	2,230,714
Governance costs	6	-	11,808	-	11,808	34,919
Total resources expended	9	-	2,308,115	104,177	2,412,292	2,286,105
Net incoming / (outgoing) resources before transfers		25,964	(78,619)	(10,619)	(63,274)	180,804
Transfers between Funds	20	-	16,216	(16,216)	-	-
Net income / (expenditure) for the year		25,964	(62,403)	(26,835)	(63,274)	180,804
Actuarial gains and losses on defined benefit pension schemes		-	(29,000)	-	(29,000)	176,000
Net movement in funds for the year		25,964	(91,403)	(26,835)	(92,274)	356,804
Total funds at 1 September 2014		193,339	(593,421)	2,620,341	2,220,259	1,863,455
Total funds at 31 August 2015		219,303	(684,824)	2,593,506	2,127,985	2,220,259

All activities relate to continuing operations.

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

The notes on pages 25 to 42 form part of these financial statements.

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY, FOLKESTONE

(A company limited by guarantee)

Registered number: 08347877

**Balance Sheet
As at 31 August 2015**

	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	16		2,593,506		2,612,768
Current assets					
Stocks	17	3,815		2,614	
Debtors	18	109,299		167,525	
Cash at bank		254,602		181,441	
			<u>367,716</u>	<u>351,580</u>	
Creditors: amounts falling due within one year	19	(111,237)		(96,089)	
Net current assets			<u>256,479</u>		<u>255,491</u>
Total assets less current liabilities			<u>2,849,985</u>		<u>2,868,259</u>
Defined benefit pension scheme liability	26		<u>(722,000)</u>		<u>(648,000)</u>
Net assets including pension scheme liability			<u><u>2,127,985</u></u>		<u><u>2,220,259</u></u>
Funds of the academy					
Restricted funds:					
Restricted funds	20	37,176		54,579	
Restricted fixed asset funds	20	2,593,506		2,620,341	
Restricted funds excluding pension liability		2,630,682		2,674,920	
Pension reserve		(722,000)		(648,000)	
Total restricted funds			<u>1,908,682</u>		<u>2,026,920</u>
Unrestricted funds	20		<u>219,303</u>		<u>193,339</u>
Total funds			<u><u>2,127,985</u></u>		<u><u>2,220,259</u></u>

The Trustees consider that the academy is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the academy to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees, and authorised for issue, on 2 December 2015 and are signed on their behalf, by:


Mrs Maeve Renard
Chair of Trustees


Mr J L Kreiselmeier
Accounting Officer

The notes on pages 25 to 42 form part of these financial statements.

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

Cash Flow Statement
For the year ended 31 August 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	22	64,518	19,535
Capital expenditure and financial investment	23	8,643	(20,239)
Increase/(Decrease) in cash in the year		73,161	(704)

Reconciliation of Net Cash Flow to Movement in Net Funds
For the year ended 31 August 2015

	2015 £	2014 £
Increase/(Decrease) in cash in the year	73,161	(704)
Movement in net funds in the year	73,161	(704)
Net funds at 1 September 2014	181,441	182,145
Net funds at 31 August 2015	254,602	181,441

The notes on pages 25 to 42 form part of these financial statements.

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

Notes to the Financial Statements
For the year ended 31 August 2015

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 2014 to 2015 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 £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 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.

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.

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

Notes to the Financial Statements
For the year ended 31 August 2015

1. Accounting Policies (continued)

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

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.

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.

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY, FOLKESTONE

(A company limited by guarantee)

Notes to the Financial Statements For the year ended 31 August 2015

1. Accounting Policies (continued)

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 buildings are situated on land, not owned by the Academy Trust, and are occupied on a rolling supplemental agreement with the Diocese of Canterbury. Whilst the Trust does not own the buildings, the Trustees do not regard the termination of the agreement to occupy as likely and therefore have reflected the fact that the Trust derives economic value from the buildings, which it is obliged to maintain and improve, by including them in the accounts. This is at the valuation based on the Mouchel desktop valuation completed for the EFA, as if occupied under a long leasehold. The basis of the value is Fair Value, as defined by the International Financial Reporting Standards (IFRS). No value for land has been included. This treatment reflects the substance of the transaction, not the strict legal form of the transaction and places no restriction on either the Academy or the Diocese.

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

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 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

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

Notes to the Financial Statements
For the year ended 31 August 2015

1. Accounting Policies (continued)

1.10 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.

1.11 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 26, 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.

2. Voluntary income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	5,309	-	5,309	8,417

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3. Activities for generating funds

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Lettings income	20,655	-	20,655	8,966
Catering income	-	22,665	22,665	28,058
School trip income	-	14,401	14,401	13,647
Other income	-	32,484	32,484	30,975
	<u>20,655</u>	<u>69,550</u>	<u>90,205</u>	<u>81,646</u>

4. Funding for Academy's educational operations

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	1,778,865	1,778,865	1,812,406
Other DfE/EFA grants	-	62,251	62,251	81,568
Pupil premium	-	274,143	274,143	217,675
	<u>-</u>	<u>2,115,259</u>	<u>2,115,259</u>	<u>2,111,649</u>
Other government grants				
Other government grants	-	44,687	44,687	14,126
	<u>-</u>	<u>44,687</u>	<u>44,687</u>	<u>14,126</u>
Capital funding				
Devolved capital formula	-	8,568	8,568	8,601
Other central capital grant	-	84,990	84,990	242,470
	<u>-</u>	<u>93,558</u>	<u>93,558</u>	<u>251,071</u>
	<u>-</u>	<u>2,253,504</u>	<u>2,253,504</u>	<u>2,376,846</u>

5. Costs of generating voluntary income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Other costs	-	5,648	5,648	15,283
School trips' expenses	-	16,410	16,410	5,189
	<u>-</u>	<u>22,058</u>	<u>22,058</u>	<u>20,472</u>

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6. Governance costs

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditor remuneration	-	8,900	8,900	10,286
Legal & professional	-	2,908	2,908	24,633
	-	11,808	11,808	34,919

7. Direct costs

	Educational operations £	Total 2015 £	Total 2014 £
Educational supplies	101,282	101,282	105,062
Staff development	42,653	42,653	33,855
Agency supply	23,602	23,602	15,748
Wages and salaries	1,330,161	1,330,161	1,266,736
National insurance	74,125	74,125	76,270
Pension cost	218,192	218,192	207,836
Depreciation	104,177	104,177	87,668
	1,894,192	1,894,192	1,793,175

8. Support costs

	Educational operations £	Total 2015 £	Total 2014 £
LGPS costs	10,000	10,000	32,000
Maintenance of premises and equipment	73,502	73,502	38,749
Cleaning	7,309	7,309	6,712
Rent & rates	7,094	7,094	16,651
Light & heat	26,554	26,554	29,579
Insurance	10,150	10,150	20,380
Security & transport	1,291	1,291	1,946
Catering	76,330	76,330	44,422
Computer costs	16,901	16,901	29,300
Other support costs	27,035	27,035	5,115
Loss on disposal of assets	-	-	1,980
Wages and salaries	178,264	178,264	171,527
National insurance	14,508	14,508	10,031
Pension cost	35,296	35,296	29,147
	484,234	484,234	437,539

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9. Resources expended

	Staff costs	Non Pay Expenditure		Total	Total
	2015	Depreciation	Other costs	2015	2014
	£	2015	2015	£	£
		£	£		
Costs of generating voluntary income	-	-	22,058	22,058	20,472
Costs of generating funds	-	-	22,058	22,058	20,472
Direct	1,646,080	-	248,112	1,894,192	1,793,175
Support costs	228,068	104,177	151,989	484,234	437,539
Charitable activities	1,874,148	104,177	400,101	2,378,426	2,230,714
Governance	-	-	11,808	11,808	34,919
	1,874,148	104,177	433,967	2,412,292	2,286,105

10. Net incoming / (outgoing) resources

This is stated after charging:

	2015	2014
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	104,177	87,668
Auditor remuneration	8,900	10,286

11. Auditors' remuneration

	2015	2014
	£	£
Fees payable to the academy's auditor and its associates for the audit of the academy's annual accounts	6,200	6,200
Fees payable to the academy's auditor and its associates in respect of:		
All other non-audit services not included above	2,700	4,086

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12. Staff

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	1,508,425	1,438,263
Social security costs	88,633	86,301
Other pension costs (Note 26)	253,488	236,983
	<u>1,850,546</u>	<u>1,761,547</u>
Supply teacher costs	23,602	15,748
	<u><u>1,874,148</u></u>	<u><u>1,777,295</u></u>

b. Staff numbers

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

	2015 No.	2014 No.
Teaching staff	30	26
Support staff	27	30
Management	4	4
	<u>61</u>	<u>60</u>

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £70,001 - £80,000	<u>1</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contribution for this member of staff amounted to £10,464 (2014 - £10,361).

13. Trustees' remuneration and expenses

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One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

	2015 £	2014 £
J Kreiselmeier - Remuneration	70,000-75,000	70,000-75,000
- Employer's pension contributions	10,000-15,000	10,000-15,000
I Goldsmith - Remuneration	40,000-45,000	40,000-45,000
- Employer's pension contributions	0-5,000	0-5,000
C Bryant - Remuneration	10,000-15,000	10,000-15,000
- Employer's pension contributions	0-5,000	0-5,000
C Carvill - Remuneration	25,000-30,000	
- Employer's pension contributions	0-5,000	
M Renard - Remuneration	0-5,000	

During the year, no Trustees received any reimbursement of expenses (2014 - £NIL).

14. Trustees' and officers' insurance

The academy trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

15. Other finance income

	2015 £	2014 £
Expected return on pension scheme assets	48,000	26,000
Interest on pension scheme liabilities	(58,000)	(58,000)
	<u>(10,000)</u>	<u>(32,000)</u>

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16. Tangible fixed assets

	Long-term leasehold property £	Assets under construction £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2014	2,366,000	234,897	63,530	74,138	2,738,565
Additions	52,293	-	-	32,622	84,915
Transfer between classes	234,897	(234,897)	-	-	-
At 31 August 2015	2,653,190	-	63,530	106,760	2,823,480
Depreciation					
At 1 September 2014	70,980	-	22,874	31,943	125,797
Charge for the year	53,064	-	15,882	35,231	104,177
At 31 August 2015	124,044	-	38,756	67,174	229,974
Net book value					
At 31 August 2015	2,529,146	-	24,774	39,586	2,593,506
At 31 August 2014	2,295,020	234,897	40,656	42,195	2,612,768

17. Stocks

	2015 £	2014 £
Uniform stock	3,815	2,614

18. Debtors

	2015 £	2014 £
Trade debtors	-	555
VAT	5,586	65,431
Other debtors	56,184	54,409
Prepayments and accrued income	47,529	47,130
	109,299	167,525

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19. Creditors:
Amounts falling due within one year

	2015 £	2014 £
Trade creditors	27,269	1,963
Other taxation and social security	29,335	28,218
Other creditors	26,849	33,317
Accruals and deferred income	27,784	32,591
	<u>111,237</u>	<u>96,089</u>

Deferred income

Deferred income at 1 September 2014	24,839
Resources deferred during the year	21,796
Amounts released from previous years	<u>(24,839)</u>
Deferred income at 31 August 2015	<u>21,796</u>

At the balance sheet date the academy trust was holding funds received for the following financial year in respect of universal free school meals funding.

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20. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
Unrestricted funds	193,339	25,964	-	-	-	219,303
Restricted funds						
General Annual Grant (GAG)	54,579	1,778,865	(1,812,484)	16,216	-	37,176
Pupil premium	-	62,251	(62,251)	-	-	-
Other EFA/DfE Grants	-	274,143	(274,143)	-	-	-
Other Government Grants	-	44,687	(44,687)	-	-	-
Generated funds	-	69,550	(69,550)	-	-	-
Pension reserve	(648,000)	-	(45,000)	-	(29,000)	(722,000)
	(593,421)	2,229,496	(2,308,115)	16,216	(29,000)	(684,824)
Restricted fixed asset funds						
Assets held for depreciation	2,612,768	-	(104,177)	84,915	-	2,593,506
Devolved Capital Grant	-	8,568	-	(8,568)	-	-
Other capital grants	7,573	84,990	-	(92,563)	-	-
	2,620,341	93,558	(104,177)	(16,216)	-	2,593,506
Total restricted funds	2,026,920	2,323,054	(2,412,292)	-	(29,000)	1,908,682
Total of funds	2,220,259	2,349,018	(2,412,292)	-	(29,000)	2,127,985

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 2015.

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Summary of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds	193,339	25,964	-	-	-	219,303
Restricted funds	(593,421)	2,229,496	(2,308,115)	16,216	(29,000)	(684,824)
Restricted fixed asset funds	2,620,341	93,558	(104,177)	(16,216)	-	2,593,506
	<u>2,220,259</u>	<u>2,349,018</u>	<u>(2,412,292)</u>	<u>-</u>	<u>(29,000)</u>	<u>2,127,985</u>

21. Analysis of net assets between funds

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	2,593,506	2,593,506	2,612,768
Current assets	219,303	148,413	-	367,716	351,580
Creditors due within one year	-	(111,237)	-	(111,237)	(96,089)
Provisions for liabilities and charges	-	(722,000)	-	(722,000)	(648,000)
	<u>219,303</u>	<u>(684,824)</u>	<u>2,593,506</u>	<u>2,127,985</u>	<u>2,220,259</u>

22. Net cash flow from operations

	2015 £	2014 £
Net incoming resources before revaluations	(63,274)	180,804
Depreciation of tangible fixed assets	104,177	87,668
Deficit on disposal of tangible fixed assets	-	1,980
Capital grants from DfE	(93,558)	(251,071)
Increase in stocks	(1,201)	(2,614)
Decrease/(increase) in debtors	56,584	(62,110)
Increase in creditors	16,790	15,878
FRS 17 adjustments	45,000	49,000
Net cash inflow from operations	<u>64,518</u>	<u>19,535</u>

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23. Analysis of cash flows for headings netted in cash flow statement

	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(84,915)	(271,310)
Capital grants from DfE	93,558	251,071
Net cash inflow/(outflow) capital expenditure	8,643	(20,239)

24. Analysis of changes in net funds

	1 September 2014 £	Cash flow £	31 August 2015 £
Cash at bank and in hand:	181,441	73,161	254,602
Net funds	181,441	73,161	254,602

25. 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.

26. 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 2012 and of the LGPS 31 August 2015.

Contributions amounting to £26,849 were payable to the scheme at 31 August 2015 (2014 - £26,191) 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.

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26. Pension commitments (continued)

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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

The pension costs paid to TPS in the period amounted to £117,488 (2014 - £90,983).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy 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 2015 was £118,000, of which employer's contributions totalled £91,000 and employees' contributions totalled £27,000. The agreed contribution rates for future years are 19.8% for employers and variable % 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.

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26. 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 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	6.00	599,000	6.70	510,000
Bonds	6.00	97,000	3.60	88,000
Property	6.00	119,000	5.90	76,000
Cash	6.00	23,000	2.90	32,000
Target return portfolio	6.00	38,000	5.90	32,000
Gilts	6.00	9,000	3.00	9,000
Total market value of assets		885,000		747,000
Present value of scheme liabilities		(1,607,000)		(1,395,000)
Deficit in the scheme		(722,000)		(648,000)

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(1,607,000)	(1,395,000)
Fair value of scheme assets	885,000	747,000
Net liability	(722,000)	(648,000)

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

	2015 £	2014 £
Current service cost	(126,000)	(114,000)
Interest on obligation	(58,000)	(58,000)
Expected return on scheme assets	48,000	26,000
Total	(136,000)	(146,000)
Actual return on scheme assets	20,000	46,000

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26. Pension commitments (continued)

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

	2015 £	2014 £
Opening defined benefit obligation	1,395,000	1,152,000
Current service cost	126,000	114,000
Interest cost	58,000	58,000
Contributions by scheme participants	27,000	26,000
Actuarial Losses	1,000	45,000
Defined benefit obligation on conversion	-	-
	<hr/>	<hr/>
Closing defined benefit obligation	1,607,000	1,395,000
	<hr/>	<hr/>

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

	2015 £	2014 £
Opening fair value of scheme assets	747,000	377,000
Expected return on assets	48,000	26,000
Actuarial gains and (losses)	(28,000)	221,000
Contributions by employer	91,000	97,000
Contributions by employees	27,000	26,000
	<hr/>	<hr/>
	885,000	747,000
	<hr/>	<hr/>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £61,000 (2014 - £90,000).

The academy expects to contribute £92,000 to its Defined benefit pension scheme in 2016.

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

	2015	2014
Equities	68.00 %	69.00 %
Gilts	1.00 %	1.00 %
Other Bonds	11.00 %	12.00 %
Property	13.00 %	10.00 %
Cash	3.00 %	4.00 %
Target Return Portfolio	4.00 %	4.00 %

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

	2015	2014
Discount rate for scheme liabilities	4.00 %	4.00 %
Expected return on scheme assets at 31 August	6.00 %	6.00 %
Rate of increase in salaries	4.50 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %
Inflation assumption (CPI)	2.70 %	2.70 %
RPI Increases	3.60 %	3.50 %

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26. Pension commitments (continued)

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

	2015	2014
Retiring today		
Males	22.8	22.7
Females	25.2	25.1
Retiring in 20 years		
Males	25.1	24.9
Females	27.6	27.4

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

Defined benefit pension schemes

	2015 £	2014 £	2013 £
Defined benefit obligation	(1,607,000)	(1,395,000)	(1,152,000)
Scheme assets	885,000	747,000	377,000
Deficit	(722,000)	(648,000)	(775,000)
Experience adjustments on scheme liabilities	(1,000)	(45,000)	(100,000)
Experience adjustments on scheme assets	(28,000)	221,000	14,000

27. Operating lease commitments

At 31 August 2015 the academy had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
Expiry date:		
Within 1 year	945	945

28. 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 trustees 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 year, £1,000 (2014 - £1,150) has been paid to the Canterbury Diocesan Board of Education, a member of the trust, in respect of administration supplies. The transaction was carried out at arms length.

In entering into the transactions the trust has complied with the requirements of the EFA's Academies Financial Handbook.