

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

(A company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2016



CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY, FOLKESTONE
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Reference and Administrative Details of the Academy, its Trustees and Advisers
For the year ended 31 August 2016

Members	Mrs Maeve Renard Mr Chris Jordan The Diocese of Canterbury Academies Company Ltd
Trustees	Mrs Maeve Renard (resigned 31 August 2016) Mr Chris Jordan, Chair ¹ Mr Ron Chitty ¹ Mr Brian Hudson Mr Nick Boardman ² Mr Jim Kreiselmeier ¹ Mrs Clare Carvill Mrs Carole Bryant (resigned 31 August 2016) Mr Andrew Boxer ¹ Rev Robert Price Weldon (appointed 10 February 2016) Catherine Avery (appointed 12 October 2016) Sidney Hill (appointed 1 September 2016) Thirmula Swaminathan (appointed 17 October 2016) Janet Wang (appointed 12 October 2016) ¹ Members of the resources committee ² Chair of resources committee
Company registered number	08347877
Company name	Christ Church Church of England Primary Academy, Folkestone
Principal and registered office	Brockman Road Folkestone Kent CT20 1DJ
Company secretary	Mrs Rosemary Richter
Senior Leadership Team	Mr Jim Kreiselmeier, Head Teacher Ms Nicola Clarke, Deputy Head Teacher Ms Emma Cook, Deputy Head Teacher Mrs Rosemary Richter, Business Manager
Independent auditors	Williams Giles Limited Chartered Accountants Registered Auditors 12 Conqueror Court Sittingbourne Kent ME10 5BH
Bankers	Lloyds Bank PO Box 1000 BX1 1LT
Solicitors	Rootes and Alliott 27 Cheriton Gardens Folkestone CT20 2AR

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Trustees' Report
For the year ended 31 August 2016

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2015 to 31 August 2016. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

Since the academy qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, governance and management

a. Constitution

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The Trustees of Christ Church Church of England Primary Academy, Folkestone are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Christ Church Church of England 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.

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Trustees' Report (continued)
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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.

e. Pay policy for key management personnel

All teaching staff, Head Teacher and Deputies are bound by the pay and conditions of the national pay scales. An appraisal process is carried out during the year to determine progression along the pay scale. The Head Teacher's performance management is carried out by Trustees and an external representative.

f. 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
- Mrs Cook Deputy Head Teacher
- Mrs Clark 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
- Mr Goldsmith Transition (Years 2 and 3) Team Leader
- Mr Bird Juniors (Years 4, 5 and 6) Team Leader
- Mrs Hutchings SENCO

Curriculum Responsibilities

- Mrs Clarke Act of Collective Worship, Religious Education
- Mr Jell Physical Education
- Mrs Odell Library
- Mr Goldsmith Maths, Design and Technology and ICT
- Mrs Hogben Basic Skills and Maths Makes Sense
- Mrs Conybeare Art and Design
- Mr Bird English
- Miss Perkins Religious Education
- Mrs Halliday Geography
- Mrs Cook MFL

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.

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Trustees' Report (continued)
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g. 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) with a collective vision to raise standards in all our schools.

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 an unlimited level of cover over 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)
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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.

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Trustees' Report (continued)
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Achievements and performance

KS2 Attainment at "Expected" expectations over the past four years (in percentages):

	2013	2014	2015	2016
Reading	84	94	75	79
Writing	77	88	86	88
Maths	80	90	75	88
Science	82	86	88	90
Combined R, W & M	68	86	65	75

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

In 2016, by the end of Key Stage 2 pupils were achieving significantly better in reading, writing and in maths with attainment above national expectations on average by 14%, and, far higher than that of similar schools. Pupil mobility throughout Key Stage 2 remains high (greater than 30% by the end of Year 6) and this can have (as in 2015) a detrimental impact upon pupil achievement. However, much has been done to rectify this potential variation so that standards remain consistently high. Clearly there remains an urgent need to continue our ambition to increase pupil attainment and achievement in all core subjects so that all pupils make expected or better progress across the school.

School Targets (Key Stage 2)

By the end of Key Stage 1 improvements in L2+ (pre 2016 baseline) continued unabated, with pupil outcomes of "expected" (previous 2b+) have risen significantly in 2016:

	2013	2014	2015	2016
Reading	88	82	89	80
Writing	84	80	89	80
Maths	95	93	95	83
Science	88	86	90	85

Although national averages have still to be released, it is perceived that KS1 outcomes are in line with or higher than national figures. We will continue to build upon these successes and ensure that our children are provided with high quality teaching and learning opportunities, enabling each to purposefully engage and achieve in their learning.

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 continue our focus on even more pupils achieving age appropriate levels in writing, whilst extending the more able in both reading and mathematics.

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Trustees' Report (continued)
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School Targets (KS1)

- Reading 80% achieve expected
- Writing 78% achieve expected
- Maths 85% achieve expected
- 100% of Year 2 pupils to pass phonics test retakes

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. Indeed, nearly 45% of pupils are now accessing the national curriculum at the end of their first year in reception. The FS Target for 2016/17 is to sustain and continue these improvements.

The Year 1 Phonic test continue to increase the number of pupils who are equipped to pass the test as indicated below:

Year	% Passed
2012	20
2013	59
2014	72
2015	85
2016	85

The target for 2016/17 is to increase the pass rate to 88% +.

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Trustees' Report (continued)
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a. Key financial performance indicators

School targets for 2015/16 have all been achieved as outlined below:

Foundation Stage

	Entry 2014-2015	Entry 2015-2016
Well below	15 pupils 26%	31 pupils 52%
Below	24 pupils 41%	21 pupils 35%
Typical	15 pupils 26%	8 pupils 13%
Above	4 pupils 7%	0 pupils 0%

	End of 2014-2015	Progress across year 2014-2015	End of 2015-2016	Progress across year 2015-2016
Working towards	4 pupils 7%	-19%	13 pupils 22%	-30%
Emerging	14 pupils 19%	-18%	12 pupils 20%	-15%
Expected	22 pupils 37%	11%	19 pupils 32%	19%
Exceeding	20 pupils 33%	26%	16 pupils 27%	27%

Please note that overall attainment on entry is much lower than 2014-2015; 39 pupils were below expected on entry in 2014-2015 and 52 pupils were this year. Progress over the year looks similar if not better than 2014/15.

Key Stage One

Reading		Writing	Maths	GPS
Greater Depth	27%	15%	28%	3%
Expected	80%	80%	85%	72%

At this stage, it is not possible to compare school to national averages as they have not been made available, although these should be made known shortly. However it is perceived that our results will be in line with or slightly above national averages.

Key Stage Two

Subject	Reading		Writing		Maths		GPS		RWM combined	
Comparison	Sch	Nat	Sch	Nat	Sch	Nat	Sch	Nat	Sch	Nat
Greater Depth	25	N/A	21	N/A	19	N/A	19	N/A		
Expected	79	66	88	74	88	70	79	72	75	53

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Trustees' Report (continued)
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Our results reveal that we have significantly outperformed the national average.

The following commentary from the 2015 Ofsted Report exemplifies the high outcomes we facilitate throughout the school:

- Pupils' progress has accelerated over the past three years, and attainment has steadily improved at the end of Key Stages 1 and 2. Pupils make good progress in reading, writing and mathematics.
- Pupils currently in Year 6 are on track to achieve well at the end of the key stage. They made very rapid progress in reading, writing and mathematics while in Year 5, and have got off to a good start in their learning this year. The work in their books is of a high quality and builds well on the gains they made last year.
- Most pupils make good progress in mathematics across the school. Pupils develop a firm mathematical understanding so that they can complete calculations competently. For example, younger pupils know that addition is the inverse operation to subtraction and use their knowledge to choose the most efficient method to solve number problems. Meanwhile, pupils in Key Stage 2 develop a confident understanding of the link between fractions and decimals, and are able to explain their thinking clearly when tackling problems.
- Disadvantaged pupils make similar progress to their classmates in school and to their peers nationally. In 2014, the gap between the attainment of disadvantaged pupils and others narrowed in reading, writing and mathematics. Those in Year 6 last year made good progress from their individual starting points.
- Improvements in pupils' attainment in writing in 2014 at the end of Key Stage 2 were sustained in 2015. Pupils in Year 6 produce powerful and emotive writing. They use a variety of sentence openers and sophisticated punctuation and are keen to get their ideas down on paper during writing lessons.
- 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 join Key Stage 1 with gaps in their literacy skills, including pupils for whom English is an additional language, catch up with their classmates. In 2015, for example, a large group of pupils reached expected levels of attainment in the national tests at the end of Year 2 in reading and writing, despite being behind their classmates when they joined the school in Year 1.

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Trustees' Report (continued)
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b. Review of activities

SDP Priorities 1 and 2

The Quality of teaching, learning and assessment

School Grade: Good

Findings from our recent Ofsted Report (October 2015):

All parents who completed the online questionnaire feel pupils are taught well and make good progress.

Many other comments included in the inspection report also substantiate the high standards we demonstrate in this key aspect of our provision:

- Teaching is consistently good across all classes and groups.
- Teachers plan lively, interesting lessons which engage and enthuse pupils.
- The teaching of phonics skills (the sounds that letters make) is well established and effective in the early years and Key Stage 1. This ensures pupils are equipped with the basic literacy skills they need to achieve well in English during Key Stage 2.
- Teachers routinely reflect on their own practice, thinking about aspects that they could improve to help pupils to make even better progress. They work very effectively with teaching assistants so that all are clear about how they can support pupils' learning.
- Teachers have embraced recent changes to the way subjects are taught, including in the new mathematics curriculum.
- Teaching assistants provide skilled support for pupils who find learning more difficult. Adults use practical resources effectively to illustrate learning and help pupils to develop understanding in literacy and mathematics.

Summary statement:

Pupil outcomes have improved as a result of consistently high quality teaching throughout the academy.

To ensure high quality teaching and learning provision at the end of each key stage we are revitalising our monitoring and evaluation schedule, with the inclusion of middle leadership activities. Learning observations and walkabouts now regularly include intervention groups (note schedule for RWI and MMS). Pupil progress meetings will continue to include all key staff.

Review of activities – Priority 3

Personal development, behaviour and welfare

School Grade: Good

Findings from our recent Ofsted 2015:

- The school's work to promote pupils' personal development and welfare is good.
- Pupils feel safe in school. They trust teachers to keep them safe and say adults act quickly if they have any concerns. They also understand the part they can play in making sure they are secure. For example, they know how to use the internet safely and what to do if anything worries them.
- Pupils are proud of the way the school welcomes and includes pupils from a wide range of backgrounds, cultures and beliefs.

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Trustees' Report (continued)
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Review of activities – Priority 4

Effectiveness of Leadership and Management

School Grade: Good

Findings from our recent Ofsted 2015:

- 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.
- Leaders have secured important improvements in the quality of teaching since the previous inspection.
- The governing body plays a valuable role in the school's leadership. They have a thorough and accurate understanding of the school's work and share leaders' ambitions for its future.
- The headteacher and governors have made some astute appointments in the past year. The two recently appointed deputy headteachers, for example, make a strong contribution to the school's leadership. They share the headteacher's ambition for the school and have further strengthened its capacity to improve.
- Leaders frequently check the quality of teaching by visiting lessons, looking at pupils' books and meeting with teachers to discuss pupils' progress.
- They provide training that helps teachers to develop their practice.

Financial review

a. Going concern

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

b. 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 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.

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Trustees' Report (continued)
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c. Reserves policy

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

d. Material investments policy

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

Additional procedures may be required to ensure any income receivable from the investment is received.

Plans for future periods

a. Future developments

Refer to above strategies, activities and objectives as listed above, as well as the 2016/17 Academy Development Plan on www.christchurchfolkestone.com

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 was approved by order of the board of trustees as the company directors, on 6 December 2016 and signed on its behalf by:



Mr Chris Jordan
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 Statement of Trustees' responsibilities. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Maeve Renard	5	5
Mr Chris Jordan, Chair	4	5
Mr Ron Chitty	4	5
Mr Brian Hudson	3	5
Mr Nick Boardman	5	5
Mr Jim Kreiselmeier	5	5
Mrs Clare Carvill	4	5
Mrs Carole Bryant	5	5
Mr Andrew Boxer	1	5
Rev Robert Price Weldon	3	3

Mr Boxer was elected as a Parent Governor on 29 January 2015

Rev Weldon took up his post as ex-officio Foundation Governor on 3 February 2016.

Mrs Bryant resigned as a Staff Governor on 31 July 2016

Mrs Renard resigned as a Parent Governor on 31 August 2016.

Governance reviews:

The governors undertook a self-review as part of the application for the Governor Mark which is a national award providing external evaluation of the quality of governance in a school. The governors completed the process successfully in June and were presented with the award in September 2016.

The Governor Mark review congratulated governors on their knowledge, understanding and continuous support towards the school, pupils and members of their community. "The Governing Body is passionate about the school and its pupils and governors play a significant role in creating a vision that is shared by all members of the school community and is based on input from and consultation with a range of stakeholders." The Governing Body will continue to self-evaluate building on from their strengths which were noted in the Governor Mark and taking on their recommendations, such as reviewing thoroughly the Terms of Reference for each committee.

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Governance Statement (continued)

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.

The Resources Committee is one of the strenghts of the Governing Body. "The Resources Committee evidences that there are adequate systems of financial controls through its monitoring and reporting." Governor Mark 2016. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Nick Boardman	4	4
Mr Chris Jordan	3	4
Mr Andrew Boxer	3	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 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.

The Accounting Officer considers how the academy'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 appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by:

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 2015 to 31 August 2016 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 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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Governance Statement (continued)

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 forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mr N Boardman, a Trustee to carry out a programme of additional internal checks.

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- testing of VAT procedures

The reports have been presented to the Resources Committee throughout the year. 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 6 December 2016 and signed on their behalf, by:

Mr Chris Jordan
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 Church of England Primary Academy, Folkestone I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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


Mr Jim Kreiselmeier
Accounting Officer

Date: 06 December 2016

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

Statement of Trustees' Responsibilities
For the year ended 31 August 2016

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:

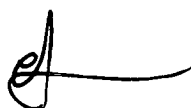
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 6 December 2016 and signed on its behalf by:



Mr Chris Jordan
Chair of Trustees

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

Independent Auditors' Report on the Financial Statements 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 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company 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 Statement of Trustees' responsibilities, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

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

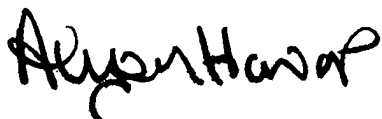
CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY, FOLKESTONE
(A company limited by guarantee)

**Independent Auditors' Report on the Financial Statements 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 Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Alyson Howard FCCA DChA CF (Senior statutory auditor)

for and on behalf of

Williams Giles Limited

Chartered Accountants
Registered Auditors

12 Conqueror Court
Sittingbourne
Kent

ME10 5BH

Date: 16 December 2016

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

Independent Reporting Auditors' 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 2015 to 2016, 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 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

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 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

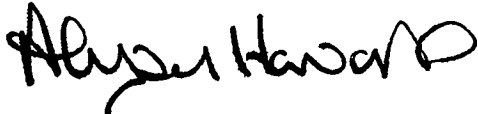
- An assessment of the risk of material misstatement and irregularity
- Testing and review of areas identified through risk assessment including enquiry, inspection and review, observation and re-performance
- Review of system controls, policies and procedures in place to ensure compliance with the regularity 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 Auditors' 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 2015 to 31 August 2016 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 DChA CF (Senior statutory auditor)

for and on behalf of

Williams Giles Limited

Chartered Accountants
Registered Auditors

12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date: 16 December 2016

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

Statement of Financial Activities Incorporating Income and Expenditure Account
For the year ended 31 August 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
Income from:						
Donations and capital grants	2	4,363	-	8,691	13,054	98,867
Charitable activities	3	-	2,124,750	-	2,124,750	2,159,946
Other trading activities	4	20,382	58,693	-	79,075	90,205
Total income		24,745	2,183,443	8,691	2,216,879	2,349,018
Expenditure on:						
Raising funds		-	20,846	-	20,846	22,058
Charitable activities		-	2,271,856	103,544	2,375,400	2,407,234
Total expenditure	7	-	2,292,702	103,544	2,396,246	2,429,292
Net income / (expenditure) before transfers		24,745	(109,259)	(94,853)	(179,367)	(80,274)
Transfers between Funds	18	(68,681)	11,083	57,598	-	-
Net expenditure before other recognised gains and losses		(43,936)	(98,176)	(37,255)	(179,367)	(80,274)
Actuarial losses on defined benefit pension schemes	23	-	(633,000)	-	(633,000)	(12,000)
Net movement in funds		(43,936)	(731,176)	(37,255)	(812,367)	(92,274)
Reconciliation of funds:						
Total funds brought forward		219,303	(684,824)	2,593,506	2,127,985	2,220,259
Total funds carried forward		175,367	(1,416,000)	2,556,251	1,315,618	2,127,985

CHRIST CHURCH CHURCH OF ENGLAND PRIMARY ACADEMY, FOLKESTONE

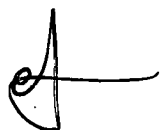
(A company limited by guarantee)
Registered number: 08347877

**Balance Sheet
As at 31 August 2016**

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	14	2,556,251	2,593,506
Current assets			
Stocks	15	3,400	3,815
Debtors	16	58,074	109,299
Cash at bank and in hand		207,694	254,602
		<u>269,168</u>	<u>367,716</u>
Creditors: amounts falling due within one year	17	<u>(93,801)</u>	<u>(111,237)</u>
Net current assets		<u>175,367</u>	<u>256,479</u>
Total assets less current liabilities		<u>2,731,618</u>	<u>2,849,985</u>
Defined benefit pension scheme liability	23	<u>(1,416,000)</u>	<u>(722,000)</u>
Net assets including pension scheme liabilities		<u><u>1,315,618</u></u>	<u><u>2,127,985</u></u>
Funds of the academy			
Restricted income funds:			
Restricted income funds	18	-	37,176
Restricted fixed asset funds	18	<u>2,556,251</u>	<u>2,593,506</u>
Restricted income funds excluding pension liability		<u>2,556,251</u>	<u>2,630,682</u>
Pension reserve		<u>(1,416,000)</u>	<u>(722,000)</u>
Total restricted income funds		<u>1,140,251</u>	<u>1,908,682</u>
Unrestricted income funds	18	<u>175,367</u>	<u>219,303</u>
Total funds		<u><u>1,315,618</u></u>	<u><u>2,127,985</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 6 December 2016 and are signed on their behalf, by:

Mr Chris Jordan
Chair of Trustees



Mr J L Kreiselmeier
Accounting Officer



The notes on pages 25 to 44 form part of these financial statements.

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

Statement of Cash Flows
For the year ended 31 August 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	20	<u>10,690</u>	<u>64,518</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(66,289)	(84,915)
Capital grants from DfE/EFA		<u>8,691</u>	<u>93,558</u>
Net cash (used in)/provided by investing activities		<u>(57,598)</u>	<u>8,643</u>
Change in cash and cash equivalents in the year		<u>(46,908)</u>	73,161
Cash and cash equivalents brought forward		<u>254,602</u>	<u>181,441</u>
Cash and cash equivalents carried forward	21	<u><u>207,694</u></u>	<u><u>254,602</u></u>

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

Notes to the Financial Statements
For the year ended 31 August 2016

1. Accounting Policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

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

Christ Church Church of England Primary Academy, Folkestone constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

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

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. The Trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'

Reconciliations to previous UK GAAP for the comparative figures are included in note 27.

1.2 Company status

The academy is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the academy.

1.3 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Department for Education.

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

Notes to the Financial Statements
For the year ended 31 August 2016

1. Accounting Policies (continued)

1.4 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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 Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

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

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

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

All resources expended are inclusive of irrecoverable VAT.

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

Notes to the Financial Statements
For the year ended 31 August 2016

1. Accounting Policies (continued)

1.6 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements..

1.7 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

The buildings on Church land are situated on land, not owned by the Academy Trust, and are occupied on a rolling supplemental agreement with the Diocese of Canterbury. The underlying land is subject to a variety of specific trusts and vests in a number of different parties represented by the Diocese of Canterbury. Whilst the Academy 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 Academy 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 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 or the trusts which own the land.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

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 carried at cost, net of depreciation and any provision for impairment. 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:

Buildings on church land	-	2% Straight line
Fixtures and fittings	-	25% Straight line
Computer equipment	-	33.33% Straight line

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

Notes to the Financial Statements
For the year ended 31 August 2016

1. Accounting Policies (continued)

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Operating leases

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

1.10 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.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.14 Taxation

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

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

Notes to the Financial Statements
For the year ended 31 August 2016

1. Accounting Policies (continued)

1.15 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 quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit 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 the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.16 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 August 2016 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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2. Income from donations and capital grants

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	4,363	-	-	4,363	5,309
Capital grants	-	-	8,691	8,691	93,558
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and capital grants	4,363	-	8,691	13,054	98,867
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

In 2015, of the total income from donations and capital grants, £5,309 was to unrestricted funds and £93,558 was to restricted funds

3. Funding for Academy's educational operations

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	1,730,789	1,730,789	1,778,865
Other DfE/EFA grants	-	97,252	97,252	62,251
Pupil premium	-	260,712	260,712	274,143
	<hr/>	<hr/>	<hr/>	<hr/>
	-	2,088,753	2,088,753	2,115,259
	<hr/>	<hr/>	<hr/>	<hr/>
Other government grants				
Other government grants	-	35,997	35,997	44,687
	<hr/>	<hr/>	<hr/>	<hr/>
	-	35,997	35,997	44,687
	<hr/>	<hr/>	<hr/>	<hr/>
	-	2,124,750	2,124,750	2,159,946
	<hr/>	<hr/>	<hr/>	<hr/>

In 2015, of the total income from charitable activities, £ NIL was to unrestricted funds and £2,159,946 was to restricted funds.

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4. Other trading activities

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Lettings income	20,382	-	20,382	20,655
Catering income	-	6,996	6,996	22,665
School trip income	-	16,377	16,377	14,401
Other income	-	35,320	35,320	32,484
	<u>20,382</u>	<u>58,693</u>	<u>79,075</u>	<u>90,205</u>

In 2015, of the total income from other trading activities, £20,655 was to unrestricted funds and £69,550 was to restricted funds.

5. Direct costs

	Educational operations £	Total 2016 £	Total 2015 £
Educational supplies	105,883	105,883	101,282
Staff development	43,913	43,913	42,653
Agency supply	10,744	10,744	23,602
Profit/loss on disposal	746	746	-
Wages and salaries	1,338,688	1,338,688	1,330,161
National insurance	93,052	93,052	74,125
Pension cost	209,984	209,984	218,192
	<u>1,803,010</u>	<u>1,803,010</u>	<u>1,790,015</u>

In 2015, the academy incurred the following Direct costs:
£1,790,015 in respect of Educational operations

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6. Support costs

	Educational operations £	Total 2016 £	As restated Total 2015 £
LGPS costs	27,000	27,000	27,000
Maintenance of premises and equipment	31,434	31,434	73,502
Cleaning	7,357	7,357	7,309
Rent & rates	9,429	9,429	7,094
Light & heat	23,547	23,547	26,554
Insurance	10,235	10,235	10,150
Security & transport	1,146	1,146	1,291
Catering	85,305	85,305	76,330
Computer costs	10,882	10,882	16,901
Other support costs	35,100	35,100	27,035
Governance costs	10,788	10,788	11,808
Wages and salaries	152,187	152,187	178,264
National insurance	8,472	8,472	14,508
Pension cost	56,710	56,710	35,296
Depreciation	102,798	102,798	104,177
	<u>572,390</u>	<u>572,390</u>	<u>617,219</u>

During the year ended 31 August 2016, the academy incurred the following Governance costs:
£10,788 (2015 - £11,808) included within the table above in respect of Educational operations.

In 2015, the academy incurred the following Support costs:
£617,219 in respect of Educational operations

7. Expenditure

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising voluntary income	-	-	20,846	20,846	22,058
Activities:					
Direct costs	1,661,100	-	141,910	1,803,010	1,894,192
Support costs	208,737	138,468	225,185	572,390	513,042
	<u>1,869,837</u>	<u>138,468</u>	<u>387,941</u>	<u>2,396,246</u>	<u>2,429,292</u>

In 2016, of the total expenditure, £NIL (2015 - £NIL) was to unrestricted funds and £2,396,246 (2015 - £2,429,292) was to restricted funds.

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8. Net incoming resources/(resources expended)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	102,798	104,177
Auditors remuneration	14,722	8,900
	<u>117,520</u>	<u>113,077</u>

9. Auditors' remuneration

	2016 £	2015 £
Fees payable to the academy's auditor and its associates for the audit of the academy's annual accounts	5,850	6,200
Fees payable to the academy's auditor and its associates in respect of:		
Taxation compliance services	250	-
All other non-audit services not included above	7,947	2,700
	<u>13,047</u>	<u>8,900</u>
	2016 £	2015 £
Fees payable to the academy's auditor and its associates in connection with the academy's pension scheme(s) in respect of:		
The auditing of accounts of the scheme(s)	675	675
	<u>675</u>	<u>675</u>

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10. Staff costs

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	1,490,875	1,508,425
Social security costs	101,524	88,633
Operating costs of defined benefit pension schemes	266,694	253,488
	<hr/>	<hr/>
	1,859,093	1,850,546
Supply teacher costs	10,744	23,602
	<hr/>	<hr/>
	1,869,837	1,874,148
	<hr/> <hr/>	<hr/> <hr/>

The average number of persons employed by the academy during the year was as follows:

	2016	2015
	No.	No.
Teaching staff	31	34
Support staff	51	52
Management	4	4
	<hr/>	<hr/>
	86	90
	<hr/> <hr/>	<hr/> <hr/>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2016	2015
	No.	No.
In the band £70,001 - £80,000	1	1

The key management personnel of the academy trust comprise of the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £312,448 (2015: £290,064)

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11. Trustees' remuneration and expenses

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:

		2016 £	2015 £
J Kreiselmeier	Remuneration	75,000-80,000	70,000-75,000
	Pension contributions paid	10,000-15,000	10,000-15,000
Mrs Clare Carvill	Remuneration	25,000-30,000	25,000-30,000
	Pension contributions paid	0-5,000	0-5,000
Mrs Carole Bryant	Remuneration	10,000-15,000	10,000-15,000
	Pension contributions paid	0-5,000	0-5,000
Mrs Maeve Renard	Remuneration	0-5,000	0-5,000
	Pension contributions paid	0-5,000	0-5,000

12. Trustees' and Officers' Insurance

The academy trust has opted into the Department for 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 unlimited cover for the academy. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

13. Other finance income

	2016 £	As restated 2015 £
Interest income on pension scheme assets	38,000	31,000
Interest on pension scheme liabilities	(65,000)	(58,000)
	<u>(27,000)</u>	<u>(27,000)</u>

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14. Tangible fixed assets

	Buildings on church land £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 September 2015	2,653,190	63,530	106,760	2,823,480
Additions	49,575	1,446	15,268	66,289
Disposals	-	-	(4,264)	(4,264)
	<u>2,702,765</u>	<u>64,976</u>	<u>117,764</u>	<u>2,885,505</u>
At 31 August 2016				
Depreciation				
At 1 September 2015	124,044	38,756	67,174	229,974
Charge for the year	54,055	16,244	32,499	102,798
On disposals	-	-	(3,518)	(3,518)
	<u>178,099</u>	<u>55,000</u>	<u>96,155</u>	<u>329,254</u>
At 31 August 2016				
Net book value				
At 31 August 2016	<u>2,524,666</u>	<u>9,976</u>	<u>21,609</u>	<u>2,556,251</u>
At 31 August 2015	<u>2,529,146</u>	<u>24,774</u>	<u>39,586</u>	<u>2,593,506</u>

15. Stocks

	2016 £	2015 £
Uniform stock	<u>3,400</u>	<u>3,815</u>

16. Debtors

	2016 £	2015 £
Trade debtors	4,627	45,520
VAT	10,104	5,586
Other debtors	40,557	56,184
Prepayments and accrued income	2,786	2,009
	<u>58,074</u>	<u>109,299</u>

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17. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	2,587	27,269
Other taxation and social security	29,274	29,335
Other creditors	27,030	26,849
Accruals and deferred income	34,910	27,784
	<u>93,801</u>	<u>111,237</u>
	2016 £	2015 £
Deferred income		
Deferred income at 1 September 2015	21,796	24,839
Resources deferred during the year	29,443	21,796
Amounts released from previous years	(21,796)	(24,839)
Deferred income at 31 August 2016	<u>29,443</u>	<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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18. Statement of funds

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
Unrestricted funds	219,303	24,745	-	(68,681)	-	175,367
Restricted funds						
General Annual Grant (GAG)	37,176	1,730,789	(1,779,048)	11,083	-	-
Pupil premium	-	260,712	(260,712)	-	-	-
Other EFA/DfE Grants	-	97,252	(97,252)	-	-	-
Other Government Grants	-	35,997	(35,997)	-	-	-
Generated funds	-	58,693	(58,693)	-	-	-
Pension reserve	(722,000)	-	(61,000)	-	(633,000)	(1,416,000)
	(684,824)	2,183,443	(2,292,702)	11,083	(633,000)	(1,416,000)
Restricted fixed asset funds						
Assets held for depreciation	2,593,506	-	(94,853)	57,598	-	2,556,251
Devolved Capital Grant	-	8,691	(8,691)	-	-	-
	2,593,506	8,691	(103,544)	57,598	-	2,556,251
Total restricted funds	1,908,682	2,192,134	(2,396,246)	68,681	(633,000)	1,140,251
Total of funds	2,127,985	2,216,879	(2,396,246)	-	(633,000)	1,315,618

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.

Buildings on Church land are subject to restricted trusts and comprise assets which are recognised in accordance with the accounting policy set out in note 1 on page 32. The land upon which these buildings are situated was originally donated solely for the purpose of providing a site for school buildings. Were school operations ever to cease on this site, the land and obligations would revert to the original trustees for this site.

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18. Statement of funds (continued)

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 2016.

19. Analysis of net assets between funds

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	2,556,251	2,556,251	2,593,506
Current assets	269,168	-	-	269,168	367,716
Creditors due within one year	(93,801)	-	-	(93,801)	(111,237)
Provisions for liabilities and charges	-	(1,416,000)	-	(1,416,000)	(722,000)
	<u>175,367</u>	<u>(1,416,000)</u>	<u>2,556,251</u>	<u>1,315,618</u>	<u>2,127,985</u>

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2016 £	2015 £
Net expenditure for the year (as per Statement of financial activities)	(179,367)	(80,274)
Adjustment for:		
Depreciation charges	102,798	104,177
Loss on the sale of fixed assets	746	-
Decrease/(increase) in stocks	415	(1,201)
Decrease in debtors	51,225	56,584
(Decrease)/increase in creditors	(17,436)	16,790
Capital grants from DfE and other capital income	(8,691)	(93,558)
FRS 102 adjustments	61,000	62,000
Net cash provided by operating activities	<u>10,690</u>	<u>64,518</u>

21. Analysis of cash and cash equivalents

	2016 £	2015 £
Cash in hand	207,694	254,602
Total	<u>207,694</u>	<u>254,602</u>

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22. 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.

23. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 August 2016.

Contributions amounting to £27,030 were payable to the schemes at 31 August 2016 (2015 - 26,849) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

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%.

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23. Pension commitments (continued)

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

The employer's pension costs paid to TPS in the period amounted to £141,344 (2015 - £126,537).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £110,000 (2015 - £118,000), of which employer's contributions totalled £85,000 (2015 - £91,000) and employees' contributions totalled £25,000 (2015 - £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.

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Expected return on scheme assets at 31 August	14.00 %	6.00 %
Rate of increase in salaries	4.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (CPI)	2.30 %	2.70 %
RPI Increases	3.20 %	3.60 %

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

	2016	2015
Retiring today		
Males	22.9	22.8
Females	25.3	25.2
Retiring in 20 years		
Males	25.2	25.1
Females	27.7	27.6

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23. Pension commitments (continued)

The academy's share of the assets in the scheme was:

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	764,000	599,000
Debt instruments	120,000	97,000
Property	158,000	119,000
Cash	27,000	23,000
Target return portfolio	49,000	38,000
Gilts	10,000	9,000
	<hr/>	<hr/>
Total market value of assets	1,128,000	885,000
	<hr/>	<hr/>

The actual return on scheme assets was £134,000 (2015 - £20,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(118,000)	(126,000)
Net interest cost	(27,000)	(27,000)
Administrative expenses	(1,000)	-
	<hr/>	<hr/>
Total	(146,000)	(153,000)
	<hr/>	<hr/>
Actual return on scheme assets	134,000	20,000
	<hr/>	<hr/>

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

	2016 £	As restated 2015 £
Opening defined benefit obligation	1,607,000	1,395,000
Current service cost	118,000	126,000
Interest cost	65,000	58,000
Contributions by employees	25,000	27,000
Actuarial losses	729,000	1,000
	<hr/>	<hr/>
Closing defined benefit obligation	2,544,000	1,607,000
	<hr/>	<hr/>

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23. Pension commitments (continued)

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

	2016 £	As restated 2015 £
Opening fair value of scheme assets	885,000	747,000
Return on plan assets (excluding net interest on the net defined pension liability)	38,000	31,000
Actuarial gains and (losses)	96,000	(11,000)
Contributions by employer	84,000	91,000
Contributions by employees	25,000	27,000
	<hr/>	<hr/>
Closing fair value of scheme assets	1,128,000	885,000
	<hr/>	<hr/>

The adoption of FRS 102 has not had an effect on the closing pension deficit in the comparative year. However the analysis between support costs and actuarial gains and losses has changed.

24. Operating lease commitments

At 31 August 2016 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Amounts payable:		
Within 1 year	2,925	2,835
	<hr/>	<hr/>

25. 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.

26. 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 the trust 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, £1,200 (2015: £1,000) 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. There were no amounts outstanding at the year end.

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

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27. First time adoption of FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

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

The policies applied under the academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.