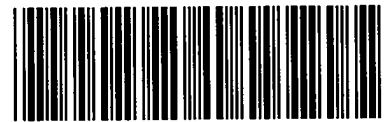


REGISTERED COMPANY NUMBER: 8753719 (England and Wales)

**REPORT OF THE GOVERNORS, STRATEGIC REPORT AND  
FINANCIAL STATEMENTS FOR THE PERIOD 29 OCTOBER 2013 TO  
31 AUGUST 2014  
FOR  
FARNBOROUGH PRIMARY SCHOOL**

THURSDAY



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12/02/2015

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COMPANIES HOUSE

Wilkins Kennedy LLP  
Chartered Accountants  
Statutory Auditor  
Greytown House  
221-227 High Street  
Orpington  
Kent  
BR6 0NZ

**FARNBOROUGH PRIMARY SCHOOL**  
**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

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**FARNBOROUGH PRIMARY SCHOOL**  
**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

**MEMBERS AND GOVERNORS**

L Ashley (appointed 29.10.2013) (resigned 31.8.2014)  
C Browne (resigned 30.11.2013)  
P Chandler (appointed 9.12.2013)  
C Darbourne (appointed 9.12.2013) (resigned 31.8.2014)  
P Farrow (appointed 29.10.2013)  
M Fontyn (appointed 29.10.2013) (resigned 30.11.2013)  
N Kimber (appointed 29.10.2013)  
C Lloyd (appointed 9.12.2013)  
I Pittman (appointed 08.12.2013)  
R Short (appointed 29.10.2013) (resigned 30.11.2013)  
D Stacey (appointed 29.10.2013)  
M Hughes (appointed 20.10.2014)  
C Amos (appointed 20.10.2014)

**SENIOR MANAGEMENT TEAM**

P Farrow (Headteacher)  
C Browne (Deputy Headteacher)  
L Ashley (Deputy Headteacher) (resigned 31.8.2014)  
C. Humphries (Phase Leader)  
K. Theodorou (Phase Leader)

**REGISTERED OFFICE**

Farnborough Primary School  
Farnborough Hill  
Farnborough  
Orpington  
BR6 7EQ

**REGISTERED COMPANY NUMBER**

8753719 (England and Wales)

**AUDITORS**

Wilkins Kennedy LLP  
Chartered Accountants  
Statutory Auditor  
Greytown House  
221-227 High Street  
Orpington  
Kent  
BR6 0NZ

**SOLICITOR**

Stone King LLP  
13 Queen Square  
Bath  
BA1 2HJ

**BANKERS**

Lloyds Bank Plc  
6-8 Market Square  
Bromley  
Kent  
BR1 1NA

**FARNBOROUGH PRIMARY SCHOOL**  
**REPORT OF THE GOVERNORS**  
**FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

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The Governors present their report together with the financial statements and auditor's report of the charitable company for the period ended 31 August 2014. The annual report serves the purposes of both a trustees' report and a director's report under company law.

The Trust operates an academy for pupils aged 4 to 11 servicing a catchment area in the Farnborough and Crofton Ward. It has a pupil capacity of 210 and had a roll of 224 in the school census on 2/10/2014.

#### **INCORPORATION**

The academy trust was incorporated on 29 October 2013.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Constitution**

The Academy Trust is a company limited by guarantee with no share capital (registration no. 08753719) and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy. The Governors act as the Trustees for the charitable activities of Farnborough Primary School and are also Directors of the charitable company for the purposes of company law. The charitable company is known as Farnborough Primary School. Details of the Governors who served throughout the period, except as noted, are included in the Reference and Administrative Details on page 1.

Farnborough Primary School was incorporated on 29 October 2013 and obtained Academy status from 1 December 2013.

##### **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.

##### **Principal activities**

The principal activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a School offering a broad and balanced curriculum.

##### **Method of Recruitment and Appointment or Election of Governors**

The number of Governors shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. Subject to Articles 48 and 49, the Academy Trust shall have the following Governors - up to 5 governors appointed under Article 50; a minimum of two Parent Governors appointed under Articles 53 - 58; up to two Staff Governors, subject to Article 50A; the Headteacher; any Governors appointed by The Academy Learning Collaborative, subject to Article 51.

Each Governor must be a Member or must have agreed in writing to become a Member and must become one without delay. The Academy Trust may also have any Co-opted Governor appointed under Article 59. The first Governors shall be those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

The governors of the Predecessor School as at the date immediately prior to the Conversion Date (the "Transferring Governors") shall be Governors as of the Conversion Date and shall serve their remaining terms of office as if they were still Governors of the Predecessor School. Those Transferring Governors who were parent governors and elected staff governors, if any, shall become Parent Governors and Staff Governors respectively and shall be deemed to have been elected for the purposes of these Articles. Those Transferring Governors who were LA governors or community shall become Governors pursuant to Article 46(a).

Future Governors shall be appointed or elected, as the case may be, under these Articles. Where it is not possible for such a Governor to be appointed or elected due to the fact that an Academy has not yet been established, then the relevant Article or part thereof shall not apply.

The Members may appoint up to 5 Governors, subject to Article 50A.

The total number of Governors (including the Headteacher) who are employees of the Academy Trust shall not exceed one third of the total number of Governors.

The Academy Learning Collaborative may appoint one or Governors, provided that the total number of Governors who are appointed by The Academy Learning Collaborative shall not at any time exceed 30% of the total number of Governors.

**REPORT OF THE GOVERNORS  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Policies and Procedures Adopted for the Induction and Training of Governors**

During the period under review the Governors held 4 meetings. The training and induction provided for new Governors will depend on their existing experience. Each new Governor receives induction training through the Bromley Governor training package. All relevant Governors 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 Governors a period, induction tends to be done informally and is tailored specifically to the individual.

**Organisational structure**

The structure consists of four levels: the Governors, Senior Leadership Team, Phase Leaders and Middle Leaders. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. The Governors are responsible for setting general policy, adopting an annual School Development Plan and budget, monitoring the Academy by the use of key objective budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Senior Leadership Team are the Headteacher, Phase Leaders and Deputy Headteachers. These leaders control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for senior leader posts contain at least one Governor. Some spending control is devolved to Middle Leaders, with limits above which the Headteacher must countersign.

**Connected Organisations including Related Party Relationships**

The school has a strong Parents Association, which is called the Association of Parents and Friends. It is a separate Charity and works within the local and school community for the benefit of the pupils at Farnborough Primary school.

The school is a member of an Umbrella Trust organisation called the Academy Learning Collaborative (ALC). The ALC is an incorporated company, whose articles and memorandum are to support the development of the member schools. Each school contributes a per pupil amount to the ALC for the support, intervention and procurement of joined services. These accounts are audited.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims (as set out in the governing document)**

**Vision**

To create an inclusive culture of learning, where all children will be challenged in their thinking, strive for continuous improvement and be motivated to become lifelong learners.

We will empower our children to become respected citizens to enable them to make valuable contributions locally, globally and to contribute to our children's sustainable future.

**Our Aims**

1. To respect individual differences, ensuring equality of opportunity.
2. To develop in each child the self-discipline, self-respect, empathy and capacity to be an independent, self-motivated person with an awareness and understanding of societies' expectations.
3. To develop the child's ability to communicate effectively, form relationships and to participate as an effective member of the community.
4. To develop in each child the confidence to be creative, to question and to challenge their own thinking and the thinking of others.
5. To create a safe and stimulating environment in which every child can succeed and where everyone strives to build on their achievements.

**We Value**

- each child's intellectual, physical, aesthetic, spiritual, emotional, moral and social development;
- individual differences and the individual needs of each child;
- our friendships and our sense of community, the involvement of parents/families/carers in the life of the school
- fostering a positive, supportive home/school relationship;
- equality of opportunity for all;
- truthfulness, honesty, politeness and consideration towards others;
- respect and tolerance of the opinions and beliefs of others;
- commitment and determination to realise dreams and the ability to inspire confidence and courage to achieve success;
- the qualities of patience and sensitivity;
- self-discipline, self-respect, empathy and the capacity to live as an independent, self-motivated person with an awareness of our sociality and the world community.
- our children's inquisitive and imaginative minds, their questions and ideas.

REPORT OF THE GOVERNORS  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014

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**OBJECTIVES AND ACTIVITIES**

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- the qualities of patience and sensitivity;
- self-discipline, self-respect, empathy and the capacity to live as an independent, self-motivated person with an awareness of our sociality and the world community.
- our children's inquisitive and imaginative minds, their questions and ideas.

**Our core values are:-**

- Respect for others and tolerance
- Trust, honesty and truth
- Equality
- Commitment
- Friendship and kindness
- Confidence and courage

Farnborough Primary School is a caring community with learning at its heart. The Academy is primary school for pupils aged 4 to 11. School staff encourage children to aim high, be honest and work together. Senior leaders and Governors work with colleagues and other partners to promote high standards and teamwork. There is a sense of purpose, fun and enjoyment in the School which is nurtured and sustained. The School has long record of success and leaders work to ensure that we keep the best of what we have while continually striving to improve and build on strong foundations.

We enable each child, allowing them to practise important skills for life such as being responsible, learning to read, write, spell, be numerate, make informed choices and to love learning across a wide curriculum that includes science, art, music, sport, languages and humanities.

Farnborough Primary School is proud to date originally from 1872 and yet provide enhanced facilities, buildings and generous outdoor green space to deliver today's modern, demanding and creative curriculum.

Farnborough Primary School is a School where everyone works hard to ensure that the children are safe, secure, and part of a friendly caring community. We want children to be happy and excited about coming to School. We encourage them to learn, achieve and make progress and to develop knowledge, skills and understanding across a wide curriculum. We aim for pupils to thrive and develop the skills they need for life-long learning.

The School has received a number of awards which reflect the high quality of our work. The School was graded 'Outstanding' by Ofsted in its most recent full inspection in December 2012

## FARNBOROUGH PRIMARY SCHOOL

### REPORT OF THE GOVERNORS FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014

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#### **Objects and Aims (as set out in the governing document)**

##### **Objectives, Strategies and Activities**

The main objectives of the Academy during the period ended 31 August 2014 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with our community
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Farnborough Primary School community values diversity and seeks to give everyone in the School an equal chance to learn, work and live, free from the action, or fear, of racism, discrimination, or prejudice. By our actions we will work together to develop the potential of all pupils academically, socially, culturally and psychologically and to establish a community that is just and fair for all people who work at or visit Farnborough Primary School.

Students will be happy and healthy, enthused by the intellectual, social and physical challenges posed by their experience at School. They will be developing as independent learner in an age appropriate ways, developing how to learn and the role of emotions and dispositions in the learning process, which they draw on to address challenge and difficulty, as well as success.

All staff will have the opportunity to develop further as self-directed, reflective learners, through working collaboratively with others to enhance their own expertise. Through their passion, teachers and support staff will enthuse and inspire others to explore new ideas.

#### **Objects and Aims (as set out in the governing document)**

Parents will fulfil their roles as true partners, recognizing their role in the pupil - School - parent partnership to ensure that their child realises his/her potential.

Governors will contribute to the life of the School on a wider scale, acting as critical friends to support the School in becoming a centre of excellence.

#### **Equal opportunities policy**

The Governors recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

#### **Disabled persons**

The Academy complies fully with Disability Discrimination Act regulations and is equipped to welcome and/or teach any child or adult with a disability.

#### **Public benefit**

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The criteria used to admit pupils to Farnborough Primary School:-

- Looked after children
- Siblings
- Proximity to the School

In September 2013 the furthest offer made was 0.4 miles from the School. The School follows the London Borough of Bromley Admission Procedures (see LBB website).

**FARNBOROUGH PRIMARY SCHOOL**  
**REPORT OF THE GOVERNORS**  
**FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

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**STRATEGIC REPORT**

**ACHIEVEMENT AND PERFORMANCE**

The Academy is heavily oversubscribed with 13 applications for each reception class place. Total students in the period ended 31st August 2014 numbered 224 and the Academy published pupil admission number for 12/13 was 210.

The Academy is a one form entry primary School with many strengths. The School is successful, popular and oversubscribed.

Pupils enter the School from a very wide range of social, cultural and economic backgrounds. The Academy prides itself on being an inclusive School.

Our data shows that since our last inspection in December 2012 Farnborough Primary School has continued to be a high achieving school. Our last inspection grade the school as Outstanding in all areas. The school was also awarded National Support Schools status for its work supporting and developing over schools. KS2 data for Summer 2013 shows Farnborough is well above the national average across reported curriculum areas. 100% of pupils in Summer 2014 achieved the nationally expected level in Maths, Reading and Writing placing it in the top 20% of schools Nationally.

The percentage of pupils eligible for free school meals is 15.1% (2013) below the national average, but increasing year on year. In 2013 there were 8.2% of pupils identified with Special Educational Needs. Pupil attendance and behaviour is outstanding. In 2013 the attendance percentage was 96.6, placing the school in the top 20% of all schools nationally.

To ensure that standards are continually raised the Academy operates a programme of internal and external reviews of curriculum areas and has an external quality assurance review as part of its membership of the ALC.

The Senior Leadership Team currently grades the school as 'outstanding' using the key performance indicators in the new Ofsted framework.

**Going concern**

After making appropriate enquiries, the Governing Body 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.

**Key financial performance indicators**

The main KPI is the Ofsted Framework for Inspection:

Inspectors must judge the quality of education provided in the School. This is the overarching judgement.

In order to make a judgement about the quality of education provided in the School, inspectors must first make four key judgements. These are:

- the achievement of pupils at the School
- the quality of teaching in the School
- the behaviour and safety of pupils at the School
- the quality of leadership in and management of the School.

In addition, inspectors must also consider:

- the spiritual, moral, social and cultural development of pupils at the School
- the extent to which the education provided by the School meets the needs of the range of pupils at the School,

and in particular the needs of:

- pupils who have a disability for the purposes of the Equality Act 2010
- pupils who have special educational needs.



**FARNBOROUGH PRIMARY SCHOOL**  
**REPORT OF THE GOVERNORS**  
**FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

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**FINANCIAL REVIEW**

**Financial report for the period**

Most of the Academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2014 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the EFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2014, total expenditure of £762k was met by recurrent grant funding from the EFA together with other incoming resources. The excess of expenditure over income for the period (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £76k.

At 31 August 2014 the net book value of fixed assets was £3,434k. Movements in tangible fixed assets are shown in Note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The London Borough of Bromley Pension Fund, in which the Academy participates, showed a deficit of £129k at 31 August 2014. Of this sum, £111k was inherited by Farnborough Primary School from the London Borough of Bromley on 1 December 2013, the date the local authority's staff transferred to employment with the Academy.

The Statement of Financial Activities includes the assets and liabilities from the predecessor School, details of these can be found in Note 10 on page 25.

**Reserves policy**

The Governors 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 reserves. The Governors have determined that the appropriate level of free reserves should be equivalent to four weeks' expenditure, approximately £59k.

The reason for this is to 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. The Academy's current level of free reserves of £73k. (total funds less the amount held in fixed assets and restricted funds). The Governors expect the excess of general unrestricted funds to reduce in the coming periods.

**Investment policy**

Under the Memorandum and Articles of Association, the Academy has the power to invest funds not immediately required for its own purposes, in any way the Governors see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

**Financial position**

The Academy held fund balances at 31 August 2014 of £3,337k comprising £3,305k of restricted funds and £73k of unrestricted general funds. Of the restricted funds, £3,434k is represented by tangible fixed assets.

The pension reserve which is considered part of restricted funds was £129k in deficit.

**Financial and Risk Management Objectives and Policies**

The main financial risks to which Farnborough Primary School is exposed, taking account of the mitigations in place, relate the risk of an income shortfall due to the likelihood of further government spending reductions affecting our general grant. A risk also arises in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £129k.

**Principal Risks and Uncertainties**

The principal risks and uncertainties that Farnborough Primary School faces are mitigated by the risk management process that the Academy Trust has in place.

**Risk management**

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. The Governors have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement on page 9.

**FARNBOROUGH PRIMARY SCHOOL**

**REPORT OF THE GOVERNORS  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

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**PLANS FOR FUTURE PERIODS**

The Academy will continue striving to improve the levels of performance of its pupils in all areas of the school curriculum. It endeavours to provide appropriate resources including staffing that will have significant impact on pupil achievement and attainment.

The School has a very good understanding of its strengths and areas for development based on rigorous analysis of data and monitoring of teaching and learning. The School also makes good use of external validation to secure its judgement on the quality of provision and subsequent outcomes. The School Development Plan (SDP) has key areas identified for improvement and is based on regular analysis of data which is meticulously analysed by the Headteacher and the Senior Leadership Team (SLT). The SDP is regularly monitored and amended annually by the SLT and Governors. It is underpinned by appropriate budget links.

School improvement strategies are constantly under review and effectively identify underperforming areas and addresses them through a combination of rigorous monitoring, good continuing staff development, including coaching and thorough analysis of pupil performance data. The School makes good provision for personalised learning, support and intervention programmes for individual pupils and the quality of provision for inclusion is very good due to bespoke programmes aimed at raising achievement.

The strive for excellence is evident in many aspects of School life, but particularly in the strong culture of collaboration, openness and commitment to professional learning. Staff continuing professional development is good as is the way that all staff work relentlessly at sharing best practice to fulfil the School's moral imperative at improving the quality of learning for our pupils. Our fundamental approach is improving on our previous best.

The pressure for pupil places across the Local Authority will mean that Farnborough will be part of a feasibility study regarding the expansion of schools throughout Bromley. The Board of Directors will work with the local Authority to ensure that Farnborough continues to be a high achieving school of choice for families in the community.

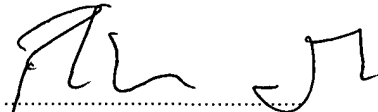
**INFORMATION PROVIDED TO AUDITORS**

The Governors confirm that so far as they are aware, there is no relevant audit information of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

**AUDITORS**

The auditors, Wilkins Kennedy LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



P Chandler - Governor

Date: 8.12.2014

**FARNBOROUGH PRIMARY SCHOOL**  
**GOVERNANCE STATEMENT**  
**FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

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**Scope of Responsibility**

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

The board of the governors has delegated the day-to-day responsibility to the Accounting Officer, 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 Farnborough Primary School and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Report of the Governors and in the Statement of Governors Responsibilities. The board of governors has formally met 3 times during the period. Attendance during the period at meetings of the board of governors was as follows:

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
P Chandler	3	3
N Kimber	3	3
P Farow	3	3
D Stacey	2	3
I Pittman	3	3
C Darbourne	3	3
R Short	1	1
C Lloyd	3	3

The Resources Committee is a sub-committee of the main Governing Body. Its purpose is to approve the annual budget, review expenditure and forecast against the budget and propose larger items of expenditure. It receives and considers the findings of reports from the Responsible Officer. Attendances at meetings in the period were as follows.

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
P Chandler	4	4
N Kimber	4	4
P Farrow	4	4
D Stacey	3	4
I Pitman	4	4

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust 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 Farnborough Primary School for the period 29 October 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The board of governors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 29 October 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

GOVERNANCE STATEMENT  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014

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**The Risk and Control Framework**

The Academy Trust'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 Governing Body;
- 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; and
- the identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Wilkins Kennedy LLP, to complete the internal audit function. Wilkins Kennedy LLP's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a quarterly basis, Wilkins Kennedy LLP reports to the Governing body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities

The role is carried out by a separate office at Wilkins Kennedy LLP with no connection to the audit team, this is to ensure the reviews are carried out independently.

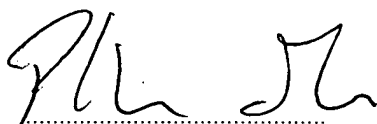
**Review of Effectiveness**

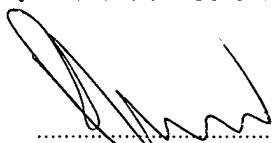
As Accounting Officer, (the Headteacher) has responsibility for reviewing the effectiveness of the system of internal control. During the period in question, the review has been informed by:-

- the work of the Internal Audit Review;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the Senior Leadership Team within the Academy Trust 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 Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Governors on 8/12/14 and signed on its behalf by:

  
P Chandler - Governor

  
Paula Farrow - Accounting Officer

FARNBOROUGH PRIMARY SCHOOL

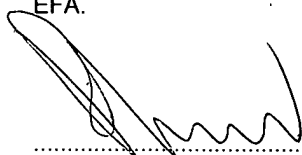
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014

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As accounting officer of Farnborough Primary School I have considered my responsibility to notify the academy trust board of governors 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. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust board of governors 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.

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 Governors and the EFA.



P Farrow - Accounting Officer

Date: 8/12/14

**FARNBOROUGH PRIMARY SCHOOL**

**STATEMENT OF GOVERNORS RESPONSIBILITIES  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

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The governors (who act as trustees of Farnborough Primary School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Governors 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.

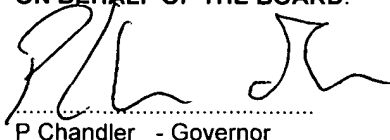
Company law requires the governors to prepare financial statements for each financial year. Under company law the governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the academy trust and of the incoming resources and application of resources, including the income and expenditure, of the academy trust for that period. In preparing those financial statements, the governors are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy trust will continue in business.

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

The governors are responsible for ensuring that in its conduct and operation the academy trust 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.

**ON BEHALF OF THE BOARD:**



.....

P Chandler - Governor

Date: 8.12.2014.....

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
FARNBOROUGH PRIMARY SCHOOL**

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We have audited the financial statements of Farnborough Primary School for the period ended 31 August 2014 on pages sixteen to thirty two. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2014 issued by the Education Funding Agency (EFA).

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

**Respective responsibilities of governors and auditors**

As explained more fully in the Statement of Governors Responsibilities set out on page twelve, the governors (who are also the directors of the charitable company 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 trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Governors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2013 issued by the EFA.

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

In our opinion the information given in the Report of the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

*Michelle Wilkes*

Michelle Wilkes (Senior Statutory Auditor)  
for and on behalf of Wilkins Kennedy LLP  
Chartered Accountants  
Statutory Auditor  
Greytown House  
221-227 High Street  
Orpington  
Kent  
BR6 0NZ

Date: 10/12/14

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO FARNBOROUGH PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY

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In accordance with the terms of our engagement and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Farnborough Primary School during the period 29 October 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Farnborough Primary School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Farnborough Primary School and 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 Farnborough Primary School and the EFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Farnborough Primary School's accounting officer and the reporting accountant**

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

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts direction 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 29 October 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Academies: Accounts Direction 2014 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 matter 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 trust's income and expenditure.

As a firm we have taken the decision to use the Mercia work programme for regularity audit as approved by the ICAEW. The work undertaken to draw to our conclusion includes:

- Identification and assessment of the design and operational effectiveness of controls in place.
- Assessment and review of the policies and procedures in place and implementation thereof.
- Assessment that the policies and procedures have been implemented.
- Considered the activity represented by the expenditure and considered whether any may represent a breach of terms included within the funding agreement and the academy's charitable objects.
- Confirmed that the results of procedures throughout the audit did not provide any evidence that related party transactions and controlling party, if any, is incomplete.
- Considered whether the movements, including the level of disposals, and depreciation of fixed assets appear reasonable in view of our knowledge of the academy, its funding and consent received for disposals.
- Verified a sample of grants receivable to grant documentation, especially noting any restrictions as to timing or other recognition of the income, and any claw back clauses.
- Considered whether income appeared to be derived from activities outside of the academy's charitable objects and wider framework of authorities.
- Ensured that bank accounts are operated within the terms of the governing document, delegated powers, and the bank mandates.
- Considered the systems in place to ensure compliance with terms of funding and other relevant authorities (e.g. terms of the Academies Financial Handbook or terms relevant to non-core funding streams).
- Ensured that the overall level of retained funds is acceptable in view of the academy's needs and plans, and that the accumulated funds are justifiable and permissible under the terms of funding.



INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
FARNBOROUGH PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY

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**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 29 October 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Wilkins Kennedy LLP*

Wilkins Kennedy LLP  
Chartered Accountants  
Greytown House  
221-227 High Street  
Orpington  
Kent  
BR6 0NZ

Date: 10/12/14

**FARNBOROUGH PRIMARY SCHOOL**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

	Notes	Unrestricted fund £'000	Restricted funds £'000	Fixed Assets £'000	Total funds £'000
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	13	6	13	32
Voluntary income - Transfer from Local Authority	10				
on conversion		75	(111)	3,463	3,427
Activities for generating funds	3	47	-	-	47
<b>Incoming resources from charitable activities</b>					
Academy's educational operations	4	-	683	-	683
<b>Total incoming resources</b>		<b>135</b>	<b>578</b>	<b>3,476</b>	<b>4,189</b>
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>					
Academy's educational operations	6	27	679	42	748
<b>Governance costs</b>	7	-	42	-	42
<b>Total resources expended</b>	5	<b>27</b>	<b>721</b>	<b>42</b>	<b>790</b>
<b>NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS</b>					
		108	(143)	3,434	3,399
<b>Gross transfers between funds</b>	18	(35)	35	-	-
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>		<b>73</b>	<b>(108)</b>	<b>3,434</b>	<b>3,399</b>
<b>Other recognised gains/losses</b>					
Actuarial gains/losses on defined benefit schemes	19	-	(21)	-	(21)
<b>NET MOVEMENT IN FUNDS</b>		<b>73</b>	<b>(129)</b>	<b>3,434</b>	<b>3,378</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>73</b>	<b>(129)</b>	<b>3,434</b>	<b>3,378</b>

**CONTINUING OPERATIONS**

All incoming resources and resources expended arise from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

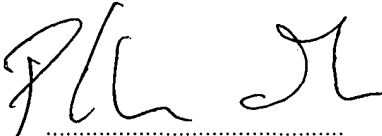
The notes form part of these financial statements

**BALANCE SHEET**  
**AT 31 AUGUST 2014**

	Notes	£'000
<b>FIXED ASSETS</b>		
Tangible assets	12	3,434
<b>CURRENT ASSETS</b>		
Debtors	13	46
Cash in hand		<u>176</u>
		222
<b>CREDITORS</b>		
Amounts falling due within one year	14	(149)
<b>NET CURRENT ASSETS</b>		<u>73</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,507
<b>PENSION LIABILITY</b>	19	(129)
<b>NET ASSETS</b>		<u>3,378</u>
<b>FUNDS</b>	18	
Unrestricted funds:		
General fund		73
Restricted funds:		
Fixed Assets		3,434
Pension Fund		<u>(129)</u>
		<u>3,305</u>
<b>TOTAL FUNDS</b>		<u>3,378</u>

The financial statements were approved by the Board of Governors on 8/12/14 and were signed on its behalf by:

  
P Farrow - Governor

  
P Chandler - Governor

The notes form part of these financial statements

**FARNBOROUGH PRIMARY SCHOOL**

**CASH FLOW STATEMENT  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

	Notes	£'000
Net cash inflow from operating activities	22	114
Cash transferred on conversion to an academy		75
Capital expenditure and financial investment	23	(13)
		<u>          </u>
Increase in cash in the period		<u>176</u>
<hr/>		
Reconciliation of net cash flow to movement in net funds	24	
Increase in cash in the period		<u>176</u>
Change in net funds resulting from cash flows		<u>176</u>
Movement in net funds in the period		176
Net funds at 29 October		<u>-</u>
Net funds at 31 August		<u>176</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

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**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards, The Charity Commission Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005), the Academies Accounts Direction issued by the EFA and the Companies Act 2006 (other than in respect of the disclosure of remuneration received by staff governors under employment contracts - see note 9 for details). A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

**Going concern**

The Governors 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 company to continue as a going concern. The Governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

**Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the academy trust is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Grants receivable**

Grants, where conditions have been met to establish entitlement, are included in the statement of financial activities on a receivable basis. Where grants are received but conditions establishing entitlement have not been met, these are deferred. The balance of income receivable for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

**Donations**

Donations are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and are receivable at the balance sheet date.

**Other income**

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

**Donated services and gifts in kind**

The value of donated services and gifts in kind provided to the Academy is recognised in the statement of financial activities as incoming resources and resources expended at their estimated value to the Academy in the period in which they are receivable, and where the benefit is both quantifiable and material.

Where it has been ascertained that the risks and rewards of property subject to long lease agreements lie substantially with the Academy, a reasonable estimate of the gross value is included within fixed assets and, with an appropriate credit to voluntary income (gift in kind), within the restricted fixed asset fund. The valuation is at an estimation of depreciated replacement cost on the basis that the assets represent specialised property and the open market value for existing use is not readily available.

**Interest receivable**

Interest receivable is included within the statement of financial activities on a receivable basis.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014

1. ACCOUNTING POLICIES - continued

**Resources expended**

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

All resources expended are inclusive of irrecoverable VAT.

**Governance costs**

Governance costs include the costs attributable to the Academy's compliance and constitutional and statutory requirements, including audit, strategic management and Governors' meetings and reimbursed expenses. Such costs include both direct and allocated support costs.

**Tangible fixed assets**

Tangible fixed assets acquired since the Academy was established are included in the accounts at cost. Assets costing less than £1,000 and a group of similar items costing £3,000 are written off in the period of acquisition. All other assets are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the Statement of Financial Activities and carried forward in the balance sheet). The depreciation on such assets is charged to the restricted fund in the Statement of Financial Activities

The Property has been included at its donated value as provided by the EFA when completing their desktop valuation.

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

Buildings	2%
Furniture and equipment	25%
ICT	33.3%

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

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.

**Taxation**

The Academy Trust 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 Trust 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.

**Fund accounting**

General funds represent those resources which may be used towards meeting any of the objects of the Academy at the discretion of the Governors.

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

Restricted funds comprise all other restricted funds received and include grants from the EFA and DfE.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

**1. ACCOUNTING POLICIES - continued****Leased assets**

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

**Pension costs and other post-retirement benefits**

Retirement benefits to employees of the Academy Trust 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 Trust.

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 Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 20, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

**2. VOLUNTARY INCOME**

	<b>£'000</b>
Trips	14
Other donations	<u>18</u>
	<u><u>32</u></u>

**3. ACTIVITIES FOR GENERATING FUNDS**

	<b>£'000</b>
Hire of facilities	2
Catering income	20
Other income	<u>25</u>
	<u><u>47</u></u>

**FARNBOROUGH PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

**4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted Funds £'000	Restricted General Funds £'000	2014 Total £'000
<b>DfE/ EFA revenue Grants</b>			
General Annual Grant (GAG)	-	603	603
Start Up Grants	-	25	25
Other DfE/ EFA grants	-	40	40
	-	668	668
<b>Other Government Grants</b>			
Local Authority Grants	-	15	15
	-	15	15
<b>Total Grants</b>	-	683	683

**5. RESOURCES EXPENDED**

	Staff costs £'000	Non-pay expenditure Premises £'000	Other costs £'000	Total £'000
<b>Charitable activities</b>				
<b>Academy's educational operations</b>				
Direct costs	482	55	35	572
Allocated support costs	57	83	36	176
	539	138	71	748
<b>Governance costs including allocated support costs</b>	1	-	41	42
	540	138	112	790

Net resources are stated after charging/(crediting):

	£'000
Auditors' remuneration	7
Depreciation - owned assets	42
Hire of plant and machinery	1
Auditors remuneration for non-audit work	3



**FARNBOROUGH PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

**6. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
<b>Direct costs</b>			
Teaching and educational support staff	-	482	482
Depreciation	-	40	40
Technology costs	-	13	13
Educational supplies	-	18	18
Staff development	-	4	4
Other Direct costs	-	15	15
	-	572	572
<b>Allocated support costs</b>			
Support staff costs	-	57	57
Depreciation	-	2	2
Technology costs	-	5	5
Recruitment and support	-	1	1
Maintenance of premises and equipment	-	32	32
Cleaning	-	2	2
Rent and rates	-	6	6
Energy costs	-	9	9
Insurance	-	4	4
Security and transport	-	4	4
Catering	27	-	27
Other support costs	-	27	27
	27	149	176
	<u>27</u>	<u>721</u>	<u>748</u>

**7. GOVERNANCE COSTS**

	£'000
Governors' expenses	1
Auditors' remuneration	7
Auditors' remuneration for non-audit work	3
Legal and professional fees	31
	<u>42</u>

**FARNBOROUGH PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

**8. GOVERNORS' REMUNERATION AND BENEFITS**

There were no governors' remuneration or other benefits for the period ended 31 August 2014.

Principal and staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy in respect of their role as Governors. The three staff Governors who received remuneration (including pensions) are:

<b>Name</b>	<b>2014 Amount</b>
P Farrow (headteacher)	£60,000-£65,000
L Ashley	£30,000-£35,000

The other staff Governor listed above only received remuneration for their role as a member of staff and the salaries have been aggregated as the Governors believe any further detailed breakdown would be prejudicial to the structure of the Governing Board.

**Governors' expenses**

	<b>£'000</b>
Trustees' expenses	<u>1</u>

**9. STAFF COSTS**

	<b>£'000</b>
Wages and salaries	443
Social security costs	28
Other pension costs	<u>68</u>
	<u>539</u>

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

Teachers	27
Administration and support	7
Management	<u>1</u>
	<u>35</u>

The number of employees whose emoluments fell within the following bands was:  
£70,001 - £80,000

1

The employee above participated in the Teachers Pension Scheme. During the period to 31 August 2014, pension contributions for this member of staff amounted to £6,864.

**FARNBOROUGH PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

**8. GOVERNORS' REMUNERATION AND BENEFITS**

There were no governors' remuneration or other benefits for the period ended 31 August 2014.

Principal and staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy in respect of their role as Governors. The three staff Governors who received remuneration (including pensions) are:

<b>Name</b>	<b>2014 Amount</b>
P Farrow (headteacher)	£60,000-£65,000
L Ashley	£30,000-£35,000

The other staff Governor listed above only received remuneration for their role as a member of staff and the salaries have been aggregated as the Governors believe any further detailed breakdown would be prejudicial to the structure of the Governing Board.

**Governors' expenses**

	<b>£'000</b>
Trustees' expenses	<u>1</u>

**9. STAFF COSTS**

	<b>£'000</b>
Wages and salaries	443
Social security costs	28
Other pension costs	<u>68</u>
	<u>539</u>

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

Teachers	27
Administration and support	7
Management	<u>1</u>
	<u>35</u>

The number of employees whose emoluments fell within the following bands was:  
£70,001 - £80,000

1

The employee above participated in the Teachers Pension Scheme. During the period to 31 August 2014, pension contributions for this member of staff amounted to £6,864.

**FARNBOROUGH PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

**10. TRANSFER ON CONVERSION**

	Unrestricted Funds	Restricted General Funds	2014 Total
	£000	£000	£000
Tangible Fixed Assets			
Freehold property	-	3,463	3,463
Budget surplus on LA funds	27	-	27
LGPS pension deficit	-	(111)	(111)
<b>Net assets</b>	<u>27</u>	<u>3,352</u>	<u>3,379</u>

The above net assets includes £30,000 that was transferred as cash.

**11. GOVERNORS' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £500,000 on any one claim and the cost for the period ended 31 August 2014 cannot be ascertained as it is included with all insurance.

**12. TANGIBLE FIXED ASSETS**

	Freehold property £'000	Plant and machinery £'000	Fixtures and fittings £'000	Totals £'000
<b>COST</b>				
Transfer on conversion	3,463	-	-	3,463
Additions	-	1	12	13
At 31 August 2014	<u>3,463</u>	<u>1</u>	<u>12</u>	<u>3,476</u>
<b>DEPRECIATION</b>				
Charge for year	40	-	2	42
<b>NET BOOK VALUE</b>				
At 31 August 2014	<u>3,423</u>	<u>1</u>	<u>10</u>	<u>3,434</u>

Included in cost of freehold property is land of £1,469,000 which is not depreciated.

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£'000
Trade debtors	5
Other debtors	15
VAT	9
Prepayments and accrued income	17
	<u>46</u>

**FARNBOROUGH PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>£'000</b>
Social security and other taxes	12
Other creditors	57
Accruals and deferred income	<u>80</u>
	<u><b>149</b></u>

**Deferred Income**

	<b>2014 £000</b>
Resources deferred in the year	<u>18</u>
Deferred income at 31 August 2014	<u><u>18</u></u>

At the balance sheet date the academy Trust was holding funds received in advance for free school meal funding to March 2015.

**15. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	<b>Other operating leases £'000</b>
Expiring: Between one and five years	<u><u>1</u></u>

**16. 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 period 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.

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

	<b>Unrestricted fund £'000</b>	<b>Restricted funds £'000</b>	<b>Fixed Assets £'000</b>	<b>Total 2014 funds £'000</b>
Fixed assets	-	-	3,434	3,434
Current assets	97	125	-	222
Current liabilities	(24)	(125)	-	(149)
Pension liability	<u>-</u>	<u>(129)</u>	<u>-</u>	<u>(129)</u>
	<u><u>73</u></u>	<u><u>(129)</u></u>	<u><u>3,434</u></u>	<u><u>3,378</u></u>

FARNBOROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014

18. MOVEMENT IN FUNDS

	Incoming Resources	Resources Expended	Gains, Losses and Transfers	31 August 2014
	£000	£000	£000	£000
<b>Restricted General Funds</b>				
General Annual Grant (GAG)	603	(638)	35	-
Start Up Grant	25	(25)	-	-
Other DfE/ EFA grants	44	(44)	-	-
LA and other Grants	11	(11)	-	-
Other Restricted Donation	6	(6)	-	-
	<u>689</u>	<u>(724)</u>	<u>35</u>	<u>-</u>
<b>Restricted Fixed Asset Funds</b>				
General Fixed Assets	13	(2)	-	11
Assets Transferred from predecessor academy	<u>3,463</u>	<u>(40)</u>	<u>-</u>	<u>3,423</u>
	<u>3,476</u>	<u>(42)</u>	<u>-</u>	<u>3,434</u>
<b>Pension Reserve</b>	<u>(111)</u>	<u>3</u>	<u>(21)</u>	<u>(129)</u>
<b>Total Restricted Funds</b>	<u>4,054</u>	<u>(763)</u>	<u>14</u>	<u>3,305</u>
<b>Total Unrestricted Funds</b>	<u>135</u>	<u>(27)</u>	<u>(35)</u>	<u>73</u>
<b>Total Funds</b>	<u>4,189</u>	<u>(790)</u>	<u>(21)</u>	<u>3,378</u>

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

General Annual Grant: Income received from the EFA to cover the normal running costs of the Academy.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

Other DfE/EFA grants: This includes the pupil premium, the devolved formula, NSS Bursary, devolved capital grant and sports funding grant.

LA and other grants: This includes SEN funding, pupil premium and a landscaping grant.

The Other restricted donation was money received for library books and IT equipment.

The transfer of funds relates to the cover of additional costs over and above those covered by GAG Funding.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014

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**19. PENSION COMMITMENTS**

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Bromley. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2014.

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

**Teachers' pension scheme  
Introduction**

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

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

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

**Valuation of the Teachers' Pension Scheme**

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

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

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

**Teachers' Pension Scheme Changes**

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

**19. PENSION COMMITMENTS - continued****Teachers' pension scheme - continued**

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

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

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

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

**Local government pension scheme**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £31k, of which employer's contributions totalled £25k and employees contributions totalled £6k.

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 of Education. the guarantee came into force on 18 July 2013.

**Principle Actuarial assumptions**

	<b>At 31 August 2014</b>
	<b>%</b>
Rate of increase in salaries	3.7
Rate of increase for pensions in payment / inflation	2.2
Discount rate for scheme liabilities	4.0
Inflation assumption (CPI)	2.2

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

	<b>At 31 August 2014</b>
Retiring in 20 years	
Males	25.3
Females	28.3
Retiring today	
Males	23
Females	25.4



**FARNBOROUGH PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

**19. PENSION COMMITMENTS - continued**

**Local government pension scheme - continued**

The academy's share of the assets and liabilities in the scheme and the expected rate of return were:-

	<b>Expected return at 31 August 2014</b>	<b>Value at 31 August 2014</b>
	<b>%</b>	<b>£000</b>
Equities	7.0	107
Government bonds	2.9	-
Other bonds	3.8	25
Property	6.2	-
Cash	0.5	1
Other	7.0	17
		<hr/>
Total market value of assets		150
Present value of scheme liabilities		
Funded		(279)
		<hr/>
<b>Surplus/ (deficit) in the scheme</b>		<b>(129)</b>
		<hr/>

The return on the fund (on a bid value to bid value basis) for the period to 31 August 2014 is estimated to be £5k. This is based on the estimated fund value used at the previous accounting date and the estimated fund value used at this accounting date. The actual return on scheme assets was £10k.

**Amounts recognised in the statement of financial activities**

	<b>2014 £000</b>
Current service cost (net of employee contributions)	13
	<hr/>
Total Operating Charge	13
	<hr/>
<b>Analysis of pension finance income/ (costs)</b>	
Expected return on pension scheme assets	5
Interest on pension liabilities	8
	<hr/>
Pension finance income/ (costs)	13
	<hr/>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £21k loss.

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

	<b>2014 £000</b>
At 1 September 2013	-
Current service cost	19
Interest cost	8
Employee Contributions	6
Actuarial (gain)/ loss	25
Benefits paid	-
Business combinations	221
	<hr/>
<b>At 31 August 2014</b>	<b>279</b>
	<hr/>

**FARNBOROUGH PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

**19. PENSION COMMITMENTS - continued**

**Local government pension scheme - continued**

The academy's share of the assets and liabilities in the scheme and the expected rate of return were:-

	<b>Expected return at 31 August 2014</b>	<b>Value at 31 August 2014</b>
	<b>%</b>	<b>£000</b>
Equities	7.0	107
Government bonds	2.9	-
Other bonds	3.8	25
Property	6.2	-
Cash	0.5	1
Other	7.0	17
		<hr/>
Total market value of assets		150
Present value of scheme liabilities		
Funded		(279)
		<hr/>
<b>Surplus/ (deficit) in the scheme</b>		<b>(129)</b>
		<hr/>

The return on the fund (on a bid value to bid value basis) for the period to 31 August 2014 is estimated to be £5k. This is based on the estimated fund value used at the previous accounting date and the estimated fund value used at this accounting date. The actual return on scheme assets was £10k.

**Amounts recognised in the statement of financial activities**

	<b>2014 £000</b>
Current service cost (net of employee contributions)	13
	<hr/>
Total Operating Charge	13
	<hr/>
<b>Analysis of pension finance income/ (costs)</b>	
Expected return on pension scheme assets	5
Interest on pension liabilities	8
	<hr/>
Pension finance income/ (costs)	13
	<hr/>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £21k loss.

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

	<b>2014 £000</b>
At 1 September 2013	-
Current service cost	19
Interest cost	8
Employee Contributions	6
Actuarial (gain)/ loss	25
Benefits paid	-
Business combinations	221
	<hr/>
<b>At 31 August 2014</b>	<b>279</b>
	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

**19. PENSION COMMITMENTS - continued****Local government pension scheme - continued****Movement in the fair value of academy's share of Scheme assets:**

	<b>2014 £000</b>
At 1 September 2013	
Expected return on assets	5
Actuarial gain/(loss)	4
Business combinations	110
Employer contributions	25
Employee contributions	6
Benefits paid	-
	<hr/>
<b>At 31 August 2014</b>	<b>150</b>
	<hr/>

The estimated value of employer contributions for the year ended 31 August 2015 is £30k

**The five-year history of experience adjustments is as follows:**

	<b>2014 £000</b>
Present value of defined benefit obligations	279
Fair value of share of scheme assets	<hr/> (150)
	<hr/>
	<b>129</b>
	<hr/>

**Experience adjustments on share of scheme assets:**

Amount £000	4
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**Experience adjustments on scheme liabilities:**

Amount £000	-
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**20. CONTINGENT LIABILITIES**

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Education Funding Agency the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

**FARNBOROUGH PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 29 OCTOBER 2013 TO 31 AUGUST 2014**

**21. RELATED PARTY DISCLOSURES**

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

There were no related party transactions during the period.

**22. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	£'000
Net incoming resources	3,399
Depreciation charges	42
Transfer from Local Authority on conversion	(3,427)
Increase in debtors	(46)
Increase in creditors	149
Difference between pension charge and cash contributions	<u>(3)</u>
<b>Net cash inflow from operating activities</b>	<b><u>114</u></b>

**23. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	£'000
<b>Capital expenditure and financial investment</b>	
Purchase of tangible fixed assets	<u>(13)</u>
<b>Net cash outflow for capital expenditure and financial investment</b>	<b><u>(13)</u></b>

**24. ANALYSIS OF CHANGES IN NET DEBT**

	At 29.10.13 £'000	Cash flow £'000	At 31.8.14 £'000
Net cash:			
Cash in hand	-	176	176
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total</b>	<b><u>          </u></b>	<b><u>176</u></b>	<b><u>176</u></b>