

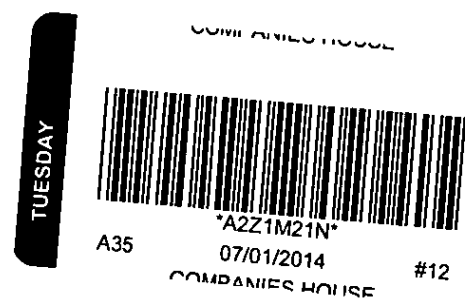
Trevithick Learning Academy

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2013

Registration number 7535379



Trevithick Learning Academy

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Trevithick Learning Academy

Reference and Administrative Details

Governors and Trustees (Directors)	B Terry (Chairman) (resigned 22 October 2013) P Robinson (Chairman from 5 November 2013) S Powers (Principal - seconded until 31 August 2013) K Haywood (Acting Principal until 31 August 2013) S Miles (Staff Governor) L Symons (Staff Governor) (resigned 31 August 2013) G French A Wallace (Parent Governor) A Honeybone (Vice Chairman from 5 November 2013) T Johns (resigned 20 March 2013) H Thomas (resigned 20 March 2013) D Pennington (Parent Governor) (resigned 15 January 2013) M Eddy M Kennedy (appointed 1 September 2012) K Horner A O'Neill (Staff Governor) (appointed 1 September 2013)
Senior Management Team	S Powers, Principal - seconded until 31 August 2013 K Haywood, Vice Principal - Acting Principal until 31 August 2013 W Johnson, Deputy Head B Sullivan, FS Leader L Rowe, KS1 Leader R Evans, KS2 Leader J Long, Business Manager
Principal and Registered Office	S Powers Trevithick Learning Academy Mount Pleasant Road Camborne Cornwall TR14 7RH
Company Registration Number	7535379
Auditors	Francis Clark LLP North Quay House Sutton Harbour Plymouth PL4 0RA

Trevithick Learning Academy

Trustees' Report for the Year Ended 31 August 2013

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2013

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Governors act as the trustees for the charitable activities of Trevithick Learning Academy and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Trevithick Learning Academy.

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

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the 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.

Trustees' indemnities

Every Governor or other officer or auditor of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy Trust.

Principal activities

The Academy Trust's object is specifically restricted to the advancement of education for the public benefit in the United Kingdom, in particular, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum, as detailed in the Trust's articles of association and funding agreement.

Method of recruitment and appointment or election of Trustees

At the point of conversion, the Governing Body of Trevithick School (predecessor school) appointed the Governing Body of the Academy as required by the articles of association. Up to 10 Governors can be appointed by the members of trust. The Secretary of State for Education and the Local Authority (Cornwall Council) may also appoint Governors. The Principal of the Academy is treated as an ex officio Governor and Governors are also elected by parents of pupils attending the Academy. Staff employed by the Academy also elect Governors as staff representatives. The Governors may themselves appoint up to 3 co-opted Governors. The number of Governors shall not be less than three but shall not be subject to any maximum. A Governor shall cease to hold office if removed by the person or persons who appointed them. This does not apply in respect of a Parent Governor. Governors who cease to be eligible to hold office must resign. Governors are appointed for a four year term save for the Principal who is entitled to be a Governor for as long as he/she is the Principal. Governors who are subject to retirement are eligible for re-election at the meeting at which they retire.

Trevithick Learning Academy

Trustees' Report for the Year Ended 31 August 2013

Policies and procedures adopted for the induction and training of Trustees

Trevithick Learning Academy has an induction programme to ensure that new Governors are given the necessary information and support to fulfil their role with confidence. New Governors are supported by an experienced Governor Mentor and training is made available through the Academy CPD, (Continuing Professional Development) planning process.

Organisational structure

The Principal is the Academy's accounting officer and with the support of the Senior Management Team is responsible for the day to day management, implementation of policy, operation and delivery of the curriculum and execution of strategic decisions taken by the Governing Body and Committees. From 1 September 2011, the Principal has been seconded to an external role with the Local Authority and the Vice Principal has assumed the role of Acting Principal until 31st August 2013. An acting Assistant Principal was appointed for the academic year 2012/13 from the existing Senior Management Team.

Governors have a responsibility for determining, monitoring and reviewing the policies, plans and procedures within which the Academy operates. The Governing Body as Directors/Trustees are responsible for ensuring that the relevant statutory documents are delivered to Companies House in a timely manner, administering the Academy's finances and applying the income and property only for the purposes set out in the Governing Documents and participating in Governing Body meetings. The Governing Body as Directors act within their powers as set out in the Company's Articles and in their capacity as trustees of the Academy Trust under charity law accept ultimate responsibility for directing the affairs of the Academy ensuring it is solvent, well-run and delivering the charitable outcomes for the benefit of the public for which it has been set up.

Trevithick Learning Academy

Trustees' Report for the Year Ended 31 August 2013

Risk management

The Governing Body of Trevithick Learning Academy has developed a Risk Management Policy. This explains the Academy's underlying approach to risk management, documents the roles and responsibilities of the Governors, Senior Management Team and other key parties. It also outlines key aspects of the risk management process and identifies the main reporting procedures.

The Academy's system of internal control incorporates risk management and encompasses a number of elements that together facilitate an effective and efficient operation. This enables the Academy to respond to a variety of operational, financial and commercial risks.

These elements include

- **Policies and Procedures** – Attached to significant risks are a series of policies that underpin the internal control process. The policies are set and approved by the Governing Body and communicated to all staff by the Principal.
- **Termly Reporting** – The Principal reports to the Governing Body on a termly basis and this process is designed to monitor key risks and associated controls. Problems or required action are discussed and agreed at regular Senior Management Team meetings and Governing Body meetings as appropriate.
- **Business Planning and Budgeting** – The business planning and budgeting process is used to determine the Academy's objectives via its overall School Improvement Plan, agree individual action plans and allocate appropriate resources. The budget and progress of the Improvement plan is reviewed on a regular basis.
- **Appointment of a Responsible Officer** – The Governing Body have appointed a Responsible Officer who will report findings on the Academy's system of internal control and alert Governors to any emerging issues. The Responsible Officer is not employed by the Academy and is well placed to provide appropriate advice on the effectiveness of internal control systems and the management of risk.
- **External Auditors** – External auditors have been appointed who can advise and give feedback to the Governing Body on the operation of internal financial controls and these controls are reviewed as part of the annual audit process.
- **Third Party Reports** – External consultants are used for areas such as Health and Safety and Human Resources. The use of specialist third parties for consultation, advice and reporting can increase the reliability of the Academy's internal control systems.

Connected organisations, including related party relationships

There were no connected organisations or related party relationships during the reporting period. During the reporting period, Trevithick Learning Academy had an agreement with Cornwall SCITT Partnership (School Centred Initial Teacher Training) that the substantive Academy Principal (Sean Powers) be seconded to lead the SCITT programme until 31st August 2013. Sean Powers returned to the Academy as Principal on 1st September 2013.

Trevithick Learning Academy

Trustees' Report for the Year Ended 31 August 2013

Objectives and activities

Objectives, strategies and activities

The principal aim of the academy is to educate individual children to their full potential and prepare them to be responsible citizens. Trevithick Learning Academy is an inclusive school and our facilities assist access to the school by pupils with disabilities. The whole emphasis is on providing creative, high quality experiences leading to high quality learning.

The school has an Area Resource Base (ARB) which supports 10 children with moderate to severe learning difficulties. The school is fully inclusive and able to cater for all pupils regardless of any disability.

We teach a rich, relevant and exciting curriculum that engages with our pupils on every level and promotes exceptionally good academic progress.

Our curriculum

Foundation Stage

A child's first year at school is critical and our overriding aim is to ensure that all our children are given the best possible start to their education. The curriculum we offer in our Reception classes is varied and carefully planned to offer stimulating learning experiences for every child. There is a strong emphasis on learning through play, including activities that are initiated by the child and others that are planned by the teacher. Within and beyond that curriculum we stress the importance of traditional values such as honesty, courtesy, respect, determination and self-discipline.

We insist on high standards in all areas and strive to ensure that all our children fulfil their potential in a positive learning environment. We take time to ensure that the individual needs of all children are identified and addressed and that their "next steps" are clearly recorded and communicated to both the children and their carers.

Literacy

Reading has a high status within the Academy and we seek to create fluent, life-long readers who love and value books. We have a wide range of high quality reading materials to support our children's reading development and children read in school every day, individually, in small groups and as a class. We teach our children to read using the lively, well structured Read Write Inc phonics programme. Children are taught to become fluent, independent readers as they move through the school. We expect parents to read with their children on a daily basis, where there is extra practice, children make significant progress. The introduction of the 'Accelerated Reader Program' has helped us celebrate the successes of children who read outside of school and has made a particular impact on boys engagement and achievement in reading.

Teaching and Learning in writing is one of the unique features of our school. At Trevithick we have developed a powerful and effective approach to teaching writing through storytelling based on Pie Corbett's 'Talk for Writing' methodology. We use creative starting points such as drama, film, ICT to inspire our children to write. Children are given frequent opportunities to write creatively for a variety of exciting purposes and audiences. We know being able to write well is a passport for life and continued learning. At Trevithick we work relentlessly to ensure that each child achieves their full potential in all areas of our Literacy curriculum.

Trevithick Learning Academy

Trustees' Report for the Year Ended 31 August 2013

Mathematics

The aim of our mathematics teaching is for our children to use and apply their maths confidently in their learning and in everyday situations. Children are exposed to a wide range of learning experiences, which offer broad scope to develop key mathematical skills. We follow a rich curriculum with achievement at its core, enhanced with stimulating resources, the creativity of our teachers and practical investigations to make lessons effective.

Mental arithmetic is a key part of mathematics. To support the learning of number facts, such as multiplication tables and to develop children's mental arithmetic, we open our doors at 8.45am each morning for children to practice these skills daily in class. Children receive daily maths homework to give parents opportunities to investigate maths with your children.

Science

We follow a stimulating science curriculum, where knowledge and understanding is gained through first hand experiences. Our children are taught to be independent and collaborative scientific investigators by their involvement in exciting practical investigations. Children are encouraged to be creative and make learning more relevant to themselves by designing their own experiments.

ICT

Our children are prepared for a rapidly changing world through their use of computers. All our computers are fully networked and have secure access to the internet. Our pupils have regular access to the latest technology, including a state of the art ICT suite, interactive whiteboards, visualisers and ipads. We follow an exciting and relevant ICT curriculum and have a wide range of quality resources and software to support learning in other subjects.

Foundation subjects

We provide a rich curriculum for our foundation subjects, stimulating new interests and enhancing our children's learning experiences. We invite professional artists, actors, writers and musicians into Trevithick and offer a range of trips and events to stimulate learning and broaden pupils' interests and experiences. Our Dazzle topics begin with an exciting introduction and finish with a final celebration. Most topics have one main out of school trip that is central to the children's learning experience. In addition to this, each topic will have a series of memorable learning experiences for our children, which may include visitors into school, themed dressing-up days or a recreated experience in school.

PE

Physical education is an important part of our curriculum. All classes take part in motivating lessons delivered by a specialist teacher. All our KS2 children take part in a programme of swimming lessons each year. We also offer a range of after school sports clubs. Children enjoy the opportunity to be involved in both competitive and non-competitive sports.

Public benefit

The Governors have considered the Charity Commission's guidance on Public Benefit and believe the key public benefit delivered by Trevithick Learning Academy is the provision of an outstanding education for its pupils.

Trevithick Learning Academy

Trustees' Report for the Year Ended 31 August 2013

Achievements and performance

The Academy Trust has continued to build on previous success with pupils making outstanding progress across the curriculum. Achievement in both KS1 and KS2 are significantly above National Averages in Reading, Writing and Mathematics. The Governing Body of Trevithick Learning Academy is pleased to report the following breakdown of our published results for KS1 & KS2 SATs

KS1

READING 78% of children reached level 2b+ and 31% pupils achieved level 3

WRITING 70% of children reached level 2b+ and 28% pupils achieved level 3

MATHEMATICS 83% of children reached level 2b+ and 36% pupils achieved level 3

KS2

READING 100% of children reached level 4+ and 71% pupils achieved level 5

WRITING 100% of children reached level 4b+ and 28% pupils achieved level 5

MATHEMATICS 83% of children reached level 4b+ and 36% pupils achieved level 5

KS2 data shows that 100% of pupils made the expected two levels of progress in writing and maths and 96% of pupils made 2 levels of progress in reading

Going concern

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

Key financial performance indicators

The key financial performance indicator for the Academy Trust is the adherence to the financial budget set at the beginning of the year. Excluding any generated funds, all income for the Academy is Government or Local Authority funded and therefore the income of the Academy is largely a given.

An expenditure budget is set at the beginning of the year, taking into consideration the level of Government funding. The Governors have reviewed detailed capital and revenue expenditure reports compared to expenditure budgets, which confirms that the processes and procedures in place for controlling expenditure are acceptable. The carried forward General Annual Grant is within acceptable parameters.

Financial review

The Academy held fund balances at 31 August 2013 of £5,047,000 comprising £5,019,000 of restricted fixed asset funds, £22,000 of restricted funds, £141,000 of unrestricted funds and a pension reserve deficit of £135,000.

In accordance with the Funding Agreement, the principal source of general funding with which to finance the operations of the Academy Trust, is the Department for Education. £183,000 of general funding was spent on capital items, including £177,000 of GAG funding.

The Academy Trust spent £572,000 on fixed assets, primarily invested in the extension to the main building which was built during the year.

Trevithick Learning Academy

Trustees' Report for the Year Ended 31 August 2013

Principal risks and uncertainties

The principal risk facing the Academy Trust is the future level of Government Funding. This risk is managed by careful control over budgeted expenditure which ensures that a deficit does not arise for the year, combined with a prudent reserves policy. The Governors have also self-assessed financial and governance arrangements by completing the Academies Financial Management and Governance Evaluation which was submitted to the Education Funding Agency during the period, who concur with the overall assessment of good.

Reserves policy

Unrestricted reserves held at 31 August 2013 are to be carried forward as general reserves for future projects or purposes to be decided by the Governing Body and in line with the Academy's School Improvement Plan.

Investment policy

The Governors of Trevithick Learning Academy have decided to take no risks with any investments and to keep all available funds in a UK clearing bank.

Plans for future periods

During 2013/14 the Academy's Key Improvement Plan priorities are,

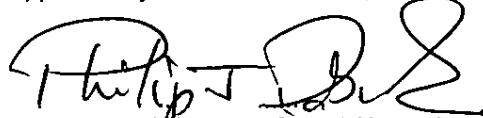
- 1 Independent Learning – Developing pupils' ability to articulate their learning, understand their next steps and follow their individual lines of enquiry
- 2 Embracing the New Curriculum – Creating a curriculum that meets the unique and individual requirements of our pupils and design systems to measure and track their learning
- 3 Boy Friendly Learning – Deepening boys' engagement through the use of, exciting learning scenarios/activities, resources and environments
- 4 EYFS – Meeting the expectations of the revised EYFS Framework

Auditor

In so far as the Trustees are aware

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

Approved by order of the on 11/12/13 and signed on its behalf by



P Robinson (Chairman from 5 November 2013)
Governor and trustee

Trevithick Learning Academy

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Trevithick Learning Academy 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 Governing Body has delegated the day-to-day responsibility to S Powers (Principal), 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 Trevithick Learning Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body 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 Governing Body has formally met 6 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
B Terry (Chairman)	6	6
P Robinson (Chairman from 5 November 2013)	5	6
K Horner	5	6
S Miles (Staff Governor)	4	6
K Haywood (Acting Principal until 31 August 2013)	5	6
M Eddy	4	6
L Symons (Staff Governor)	5	6
A Wallace (Parent Governor)	6	6
D Pennington (Parent Governor)	0	3
T Johns	0	3
A Honeybone (Vice Chairman from 5 November 2013)	6	6
G French	4	6
H Thomas	2	3

The Finance and General Purposes Committee is a sub-committee of the main Governing Body. Its purpose is to review the financial position of the academy on a regular basis. This includes discussing and approving academy budgets, as well as approving necessary expenditure. Attendance at meetings during the year was as follows:

Trevithick Learning Academy

Governance Statement

Trustee	Meetings attended	Out of a possible
B Terry (Chairman)	4	4
P Robinson (Chairman from 5 November 2013)	2	4
S Miles (Staff Governor)	3	4
K Haywood (Acting Principal until 31 August 2013)	2	4
A Honeybone (Vice Chairman from 5 November 2013)	4	4
G French	1	4
H Thomas	1	2

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 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 Trevithick Learning Academy for the year ended 31 August 2013 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body 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 Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

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 Finance and General Purposes 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 Governing Body has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However the Trustees have appointed A Honeybone as responsible officer (RO).

Trevithick Learning Academy

Governance Statement

The RO'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, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

There were no material control or other issues reported by the RO to date.

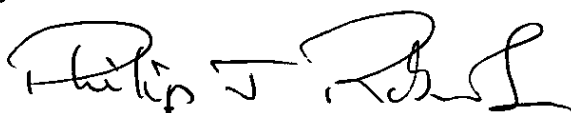
Review of effectiveness

As Accounting Officer, S Powers (Principal) 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 responsible officer,
- the work of the external auditor,
- the financial management and governance self assessment process,
- the work of the executive managers 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 Finance and General Purposes 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 Governing Body on 11/12/13 and signed on its behalf by



P Robinson (Chairman from 5 November 2013)
Governor and trustee



S Powers (Principal - seconded until 31 August 2013)
Governor and trustee

Trevithick Learning Academy

Statement on Regularity, Propriety and Compliance

As accounting officer of Trevithick Learning Academy I have considered my responsibility to notify the academy trust Governing Body 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 Governing Body 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.

A handwritten signature in black ink, appearing to read 'S. Powers'.

S Powers (Principal)
Accounting officer

Trevithick Learning Academy

Statement of Trustees' Responsibilities

The Trustees (who are 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

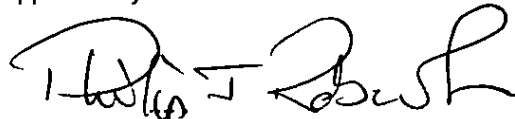
- select suitable accounting policies and apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 on 11/12/13 and signed on its behalf by



P Robinson (Chairman from 5 November 2013)
Governor and trustee

Trevithick Learning Academy

Independent Auditor's Report on the Financial Statements to the members of Trevithick Learning Academy

We have audited the financial statements of Trevithick Learning Academy for the year ended 31 August 2013, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees 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 Trustees' Responsibilities (set out on page 13), the trustees (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 (APB'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 charitable company'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. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 2013 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 the Annual Accounts Direction issued by the Education Funding Agency, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

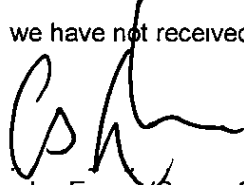
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Independent Auditor's Report on the Financial Statements to the members of Trevithick Learning Academy

Matters on which we are required to report by exception

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

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



Charles Evans (Senior Statutory Auditor)
For and on behalf of Francis Clark LLP, Statutory Auditor

North Quay House
Sutton Harbour
Plymouth
PL4 0RA

Date 11/12/13

Trevithick Learning Academy

Independent Auditor's Assurance Report on Regularity to Trevithick Learning Academy and the Education Funding Agency

In accordance with the terms of our engagement letter dated 2 September 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Trevithick Learning Academy during the period 1 September 2012 to 31 August 2013 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

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

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 31 March 2011 and the Academies Financial Handbook extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2012 to 31 August 2013 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them

Approach

We conducted our engagement in accordance with the Annual Accounts Direction issued by the Education Funding Agency. 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 trust's income and expenditure

The work undertaken to draw our conclusion has been designed to comply with the requirements set out in The Accounts Direction 2013 and includes

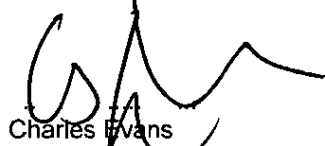
- Inspection and review of documentation providing evidence of governance procedures
- Evaluation of the system of internal controls for authorisation and approval
- Performing substantive tests on relevant transactions

Trevithick Learning Academy

Independent Auditor's Assurance Report on Regularity to Trevithick Learning Academy and the Education Funding Agency

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 from 1 September 2012 to 31 August 2013 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them



Charles Evans

For and on behalf of Francis Clark LLP, Chartered Accountants

North Quay House
Sutton Harbour
Plymouth
PL4 0RA

Date 11/12/13

Trevithick Learning Academy

Statement of Financial Activities for the Year Ended 31 August 2013 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2013 £ 000	Total 2012 £ 000
Incoming resources						
<i>Incoming resources from generated funds</i>						
Voluntary income	2	8	7	-	15	32
Activities for generating funds	3	16	-	-	16	48
Investment income		-	-	-	-	1
<i>Incoming resources from charitable activities</i>						
Funding for the Academy's educational operations	4	28	1,599	389	2,016	1,380
Total incoming resources		52	1,606	389	2,047	1,461
Resources expended						
<i>Cost of generating funds</i>						
Costs of generating voluntary income		-	-	-	-	6
Cost of generating funds	5	5	-	-	5	15
<i>Charitable activities</i>						
Academy's educational operations		27	1,471	121	1,619	1,421
Governance costs	7	-	7	-	7	8
Total resources expended	5	32	1,478	121	1,631	1,450
Net incoming resources before transfers		20	128	268	416	11
Gross transfers between funds		(24)	(159)	183	-	-
Net (expenditure)/income for the year		(4)	(31)	451	416	11

Trevithick Learning Academy

Statement of Financial Activities for the Year Ended 31 August 2013 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2013 £ 000	Total 2012 £ 000
	Note					
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	23	-	8	-	8	(63)
Net movement in (deficit)/funds		(4)	(23)	451	424	(52)
Reconciliation of funds						
Funds/(deficit) brought forward at 1 September 2012		145	(90)	4,568	4,623	4,675
Funds/(deficit) carried forward at 31 August 2013		141	(113)	5,019	5,047	4,623

All of the Academy's activities derive from continuing operations during the above two periods

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities

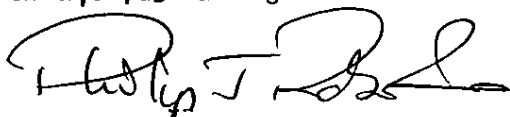
Trevithick Learning Academy

(Registration number: 7535379)

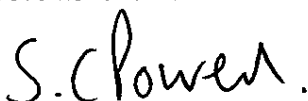
Balance Sheet as at 31 August 2013

	Note	2013 £ 000	2012 £ 000
Fixed assets			
Tangible assets	11	5,019	4,568
Current assets			
Debtors	12	56	29
Cash at bank and in hand		248	400
		<u>304</u>	<u>429</u>
Creditors Amounts falling due within one year	13	<u>(141)</u>	<u>(250)</u>
Net current assets		<u>163</u>	<u>179</u>
Total assets less current liabilities		<u>5,182</u>	<u>4,747</u>
Net assets excluding pension liability		5,182	4,747
Pension scheme liability	23	<u>(135)</u>	<u>(124)</u>
Net assets including pension liability		<u>5,047</u>	<u>4,623</u>
Funds of the Academy.			
Restricted funds			
Restricted general fund		22	34
Restricted fixed asset fund		5,019	4,568
Restricted pension fund		<u>(135)</u>	<u>(124)</u>
		4,906	4,478
Unrestricted funds			
Unrestricted general fund		<u>141</u>	<u>145</u>
Total funds		<u>5,047</u>	<u>4,623</u>

The financial statements on pages 18 to 42 were approved by the Trustees, and authorised for issue on 11/12/13 and signed on their behalf by



P Robinson (Chairman from 5 November 2013)
Governor and trustee



S Powers (Principal - seconded until 31 August 2013)
Governor and trustee

Trevithick Learning Academy

Cash Flow Statement for the Year Ended 31 August 2013

	Note	2013 £ 000	2012 £ 000
Net cash inflow from operating activities	18	31	292
Returns on investments and servicing of finance	19	-	1
Capital expenditure and financial investment	20	<u>(183)</u>	<u>(105)</u>
(Decrease)/increase in cash in the year	21	<u><u>(152)</u></u>	<u><u>188</u></u>

Reconciliation of net cash flow to movement in net funds

(Decrease)/increase in cash in the year	(152)	188
Net funds at 1 September 2012	<u>400</u>	<u>212</u>
Net funds at 31 August 2013	<u><u>248</u></u>	<u><u>400</u></u>

All of the cash flows are derived from continuing operations during the above two periods

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice Accounting and Reporting by Charities' ('SORP 2005'), the Annual Accounts Direction issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

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

Incoming resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income

Sponsorship income provided to the Academy Trust 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.

Donations

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

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.

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

1 Accounting policies (continued)

Donated services and gifts in kind

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

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.

Cost of generating funds

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

Charitable activities

These are costs incurred on the Academy Trust's educational operations.

Governance costs

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses.

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. 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. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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.

Asset class	Depreciation method and rate
Leasehold land and buildings	2% straight line
Furniture and equipment	20% straight line
Computer equipment	33% straight line

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.

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

1 Accounting policies (continued)

Pension 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, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), 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 the notes to the financial statements, 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 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.

Fund accounting

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

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

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

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

2 Voluntary income

	Unrestricted funds £ 000	Restricted funds £ 000	Total 2013 £ 000	Total 2012 £ 000
Educational trips and visits	-	2	2	1
Surplus brought forward from Local Authority	-	-	-	24
Other donations	8	5	13	7
	<u>8</u>	<u>7</u>	<u>15</u>	<u>32</u>

3 Activities for generating funds

	Unrestricted funds £ 000	Total 2013 £ 000	Total 2012 £ 000
Hire of facilities	2	2	5
Breakfast bar income	3	3	3
Recharges and reimbursements	5	5	2
Other income	6	6	38
	<u>16</u>	<u>16</u>	<u>48</u>

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

4 Funding for Academy's educational operations

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2013 £ 000	Total 2012 £ 000
DfE/EFA capital grants					
Devolved formula calculations	-	-	7	7	3
ACMF	-	-	382	382	9
	-	-	389	389	12
DfE/EFA revenue grants					
General Annual Grant	-	1,253	-	1,253	1,058
Other DfE/EFA grant	-	85	-	85	45
	-	1,338	-	1,338	1,103
Other government grants					
Other grants	28	261	-	289	265
Total grants	<u>28</u>	<u>1,599</u>	<u>389</u>	<u>2,016</u>	<u>1,380</u>

5 Resources expended

	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total 2013 £ 000	Total 2012 £ 000
Costs of generating voluntary income	-	-	-	-	6
Costs of activities for generating funds	-	-	5	5	15
Academy's educational operations					
Direct costs	989	-	103	1,092	921
Allocated support costs	236	218	73	527	500
	1,225	218	176	1,619	1,421
Governance costs including allocated support costs	-	-	7	7	8
	<u>1,225</u>	<u>218</u>	<u>188</u>	<u>1,631</u>	<u>1,450</u>

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

5 Resources expended (continued)

Net incoming/outgoing resources for the year include:

	2013 £ 000	2012 £ 000
Operating leases	5	2
Fees payable to auditor - audit	5	4
- other audit services	1	1

6 Charitable activities - Academy's educational operations

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2013 £ 000	Total 2012 £ 000
Direct costs					
Teaching and educational support staff costs	17	972	-	989	824
Educational supplies	-	80	-	80	81
Staff development	-	16	-	16	14
Educational consultancy	-	1	-	1	2
Other direct costs	-	6	-	6	-
	<u>17</u>	<u>1,075</u>	<u>-</u>	<u>1,092</u>	<u>921</u>
Allocated support costs					
Support staff costs	6	214	-	220	217
FRS 17 service cost adjustment	-	16	-	16	-
Depreciation	-	-	121	121	121
Maintenance of premises and equipment	4	29	-	33	43
Cleaning	-	9	-	9	9
Rent and rates	-	9	-	9	10
Energy costs	-	14	-	14	14
Insurance	-	32	-	32	26
Recruitment and support	-	4	-	4	3
Security and transport	-	4	-	4	2
Catering	-	30	-	30	25
Interest on defined benefit pension scheme	-	3	-	3	1
Professional fees	-	4	-	4	6
Other support costs	-	28	-	28	23
	<u>10</u>	<u>396</u>	<u>121</u>	<u>527</u>	<u>500</u>
	<u>27</u>	<u>1,471</u>	<u>121</u>	<u>1,619</u>	<u>1,421</u>

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

7 Governance costs

	Restricted funds £ 000	Total 2013 £ 000	Total 2012 £ 000
Auditors' remuneration			
Audit of financial statements	5	5	4
Other audit services	1	1	1
Support costs	1	1	3
	<u>7</u>	<u>7</u>	<u>8</u>

8 Staff costs

	2013 £ 000	2012 £ 000
Staff costs during the year were		
Wages and salaries	1,016	884
Social security costs	55	49
Pension costs	140	104
Supply teacher costs	8	12
Compensation payments	6	-
	<u>1,225</u>	<u>1,049</u>

The average number of persons (including senior management team) employed by the Academy during the year expressed as full time equivalents was as follows

	2013 No	2012 No
Charitable Activities		
Teachers	11	8
Administration and support	31	31
Management	7	5
	<u>49</u>	<u>44</u>

During the year there were no employees whose emoluments, being gross pay plus employment benefits excluding employer's pension contributions, were above £60,000 (2012 - Nil)

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

9 Trustees' remuneration and expenses

The Principal and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the Academy in respect of their role as trustees. The value of trustees' remuneration was as follows:

S Powers (Principal - seconded until 31 August 2013)	£65,000 - £70,000	(2012 - £65,000 - £70,000)
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K Haywood (Acting Principal until 31 August 2013)	£60,000 - £65,000	(2012 - £55,000 - £60,000)
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S Miles (Staff Governor)	£35,000 - £40,000	(2012 - £35,000 - £40,000)
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L Symons (Staff Governor)	£10,000 - £15,000	(2012 - £10,000 - £15,000)
---------------------------	-------------------	----------------------------

The emoluments of S Powers were reimbursed to the academy from the organisation to which he was seconded.

Related party transactions involving the trustees are set out in note 24.

10 Trustees' 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 £5,000,000 on any one claim and the cost for the year ended 31 August 2013 was £1,200 (2012 - £1,200).

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

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

11 Tangible fixed assets

	Leasehold land and buildings £ 000	Furniture and equipment £ 000	Computer equipment £ 000	Total £ 000
Cost				
At 1 September 2012	4,626	53	51	4,730
Additions	531	25	16	572
At 31 August 2013	5,157	78	67	5,302
Depreciation				
At 1 September 2012	129	9	24	162
Charge for the year	95	11	15	121
At 31 August 2013	224	20	39	283
Net book value				
At 31 August 2013	4,933	58	28	5,019
At 31 August 2012	4,497	44	27	4,568

12 Debtors

	2013 £ 000	2012 £ 000
Trade debtors	4	3
Prepayments	10	-
Accrued grant and other income	17	10
VAT recoverable	25	16
	56	29

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

13 Creditors. amounts falling due within one year

	2013	2012
	£ 000	£ 000
Trade creditors	51	40
Other taxation and social security	34	30
Other creditors	23	38
Deferred income	<u>33</u>	<u>142</u>
	<u>141</u>	<u>250</u>

	2013
	£ 000
Deferred income at 1 September 2012	(142)
Resources deferred in the period	(33)
Amounts released from previous periods	<u>142</u>
Deferred income at 31 August 2013	<u>(33)</u>

Deferred income mainly relates to income received in advance for the Autumn term Nursery funds and educational trips which are yet to take place

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

14 Funds

	Balance at 1 September 2012 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2013 £ 000
Restricted general funds					
General Annual Grant (GAG)	-	1,253	(1,061)	(177)	15
Other restricted funds	34	353	(398)	18	7
	<u>34</u>	<u>1,606</u>	<u>(1,459)</u>	<u>(159)</u>	<u>22</u>
Restricted fixed asset funds					
DfE/EFA capital grants	-	389	-	(389)	-
Assets transferred from previous maintained school	4,383	-	(90)	-	4,293
Assets purchased since conversion	185	-	(31)	572	726
	<u>4,568</u>	<u>389</u>	<u>(121)</u>	<u>183</u>	<u>5,019</u>
Restricted pension funds					
Pension reserve	(124)	-	(19)	8	(135)
Total restricted funds	4,478	1,995	(1,599)	32	4,906
Unrestricted funds					
Unrestricted general funds	145	52	(32)	(24)	141
Total funds	<u>4,623</u>	<u>2,047</u>	<u>(1,631)</u>	<u>8</u>	<u>5,047</u>

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

Restricted GAG - Academy investment

Other Restricted - Resources to be spent in line with the restricted purposes

Fixed Asset Fund - Academy investment of a capital nature

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

15 Analysis of net assets between funds

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	5,019	5,019
Current assets	141	163	-	304
Current liabilities	-	(141)	-	(141)
Pension scheme liability	-	(135)	-	(135)
Total net assets	<u>141</u>	<u>(113)</u>	<u>5,019</u>	<u>5,047</u>

16 Capital commitments

	2013 £ 000	2012 £ 000
Contracted for, but not provided in the financial statements	<u>-</u>	<u>391</u>

17 Financial commitments

Operating leases

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

Operating leases which expire

	2013 £ 000	2012 £ 000
Other		
Within one year	1	-
Within two to five years	<u>8</u>	<u>2</u>
	<u>9</u>	<u>2</u>

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

18 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2013	2012
	£ 000	£ 000
Net income	416	11
Depreciation	121	121
Donated capital and capital grants	(389)	(18)
Interest receivable	-	(1)
FRS 17 interest on defined benefit pension scheme	3	1
FRS17 service cost adjustment	16	-
(Increase)/decrease in debtors	(27)	67
(Decrease)/increase in creditors	(109)	111
Net cash inflow from operating activities	<u>31</u>	<u>292</u>

19 Returns on investments and servicing of finance

	2013	2012
	£ 000	£ 000
Interest received	<u>-</u>	<u>1</u>
Net cash inflow from returns on investments and servicing of finance	<u>-</u>	<u>1</u>

20 Capital expenditure and financial investment

	2013	2012
	£ 000	£ 000
Purchase of tangible fixed assets	(572)	(123)
Capital grants from DfE	389	12
Capital grants from others	<u>-</u>	<u>6</u>
Net cash outflow from capital expenditure and financial investment	<u>(183)</u>	<u>(105)</u>

21 Analysis of changes in net funds

	At 1		At 31 August
	September	2012 Cash flows	2013
	£ 000	£ 000	£ 000
Cash at bank and in hand	<u>400</u>	<u>(152)</u>	<u>248</u>

22 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

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

23 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 August 2012

Contributions amounting to £16,000 (£ - £14,000) were payable to the schemes at 31 August 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) These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract Teachers and lecturers are able to opt out of the TPS

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament The TPS is an unfunded scheme and members contribute on a "pay as you go" basis - these contributions along with those made by employers are credited to the Exchequer under arrangements governed by the above Act

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

Trevithick Learning Academy

Notes to the Financial Statements for the Year Ended 31 August 2013

23 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

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Notes to the Financial Statements for the Year Ended 31 August 2013

23 Pension and similar obligations (continued)

Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

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

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2013 was £67,000 (2012 - £60,000), of which employer's contributions totalled £47,000 (2012 - £42,000) and employees' contributions totalled £20,000 (2012 - £18,000). The agreed contribution rates for future years are 17.4 per cent for employers and 5.5 - 7.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding local government pension scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

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Notes to the Financial Statements for the Year Ended 31 August 2013

23 Pension and similar obligations (continued)

Principal actuarial assumptions

	At 31 August 2013 %	At 31 August 2012 %
Rate of increase in salaries	5.10	4.50
Rate of increase for pensions in payment/inflation	2.80	2.20
Discount rate for scheme liabilities	<u>4.60</u>	<u>4.10</u>

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below

	+ 0.5% £ 000	0.0% £ 000	- 0.5% £ 000
Adjustment to discount rate			
Present value of total obligation	<u>-</u>	<u>-</u>	<u>78</u>
	+ 0.5% £ 000	0.0% £ 000	- 0.5% £ 000
Adjustment to rate of salary growth			
Present value of total obligation	<u>43</u>	<u>-</u>	<u>-</u>
	+ 1 Year £ 000	None £ 000	- 1 Year £ 000
Adjustment to mortality age rating assumption			
Present value of total obligation	<u>16</u>	<u>-</u>	<u>-</u>

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

	At 31 August 2013	At 31 August 2012
Retiring today		
Males retiring today	21.30	21.30
Females retiring today	23.40	23.40
Retiring in 20 years		
Males retiring in 20 years	23.20	23.20
Females retiring in 20 years	<u>25.60</u>	<u>25.60</u>

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Notes to the Financial Statements for the Year Ended 31 August 2013

23 Pension and similar obligations (continued)

The academy's share of the assets and liabilities in the scheme were

	At 31 August 2013 £ 000	At 31 August 2012 £ 000
Equities	250	196
Other bonds	99	50
Property	20	20
Cash	28	26
Total market value of assets	397	292
Present value of scheme liabilities - funded	(532)	(416)
Deficit in the scheme	(135)	(124)

The expected rates of return were

	At 31 August 2013 %	At 31 August 2012 %
Equities	6.60	5.50
Other bonds	3.90	3.40
Property	4.70	3.70
Cash	3.60	2.80

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect the default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on scheme assets was £37,000 (2012 - £18,000)

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Notes to the Financial Statements for the Year Ended 31 August 2013

23 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2013 £ 000	2012 £ 000
Current service cost	63	42
Total operating charge	63	42

Analysis of pension finance income/(costs)

	2013 £ 000	2012 £ 000
Expected return on pension scheme assets	16	15
Interest on pension liabilities	(19)	(16)
Pension finance costs	(3)	(1)

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial losses recognised in the statement of financial activities since the adoption of FRS 17 is £55,000 (2012 - £63,000)

Movements in the present value of defined benefit obligation

	2013 £ 000	2012 £ 000
At 1 September	(416)	(274)
Current service cost	(63)	(42)
Interest cost	(19)	(16)
Employee contributions	(20)	(18)
Actuarial gains	(14)	(66)
At 31 August	(532)	(416)

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

	2013 £ 000	2012 £ 000
At 1 September	292	214
Expected return on assets	16	15
Actuarial gains	22	3
Employer contributions	47	42
Employee contributions	20	18
At 31 August	397	292

The estimated value of employer contributions for next period is £51,000 (2012 - £45,000)

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Notes to the Financial Statements for the Year Ended 31 August 2013

23 Pension and similar obligations (continued)

History of experience adjustments

Amounts for the current and previous 2 periods are as follows

	2013 £ 000	2012 £ 000	2011 £ 000
Present value of scheme liabilities	532	416	274
Fair value of scheme assets	397	292	214
Surplus in the scheme	929	708	488
	2013 £ 000	2012 £ 000	2011 £ 000
Experience adjustments arising on scheme assets	22	3	(18)

Comparative figures have not been restated as permitted by FRS 17

24 Related party transactions

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, 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.