

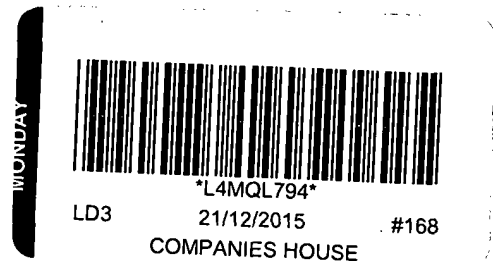
# REGISTRAR OF COMPANIES

## Kennet School Academies Trust

### Annual Report and Financial Statements

Year to 31 August 2015

Company Limited by Guarantee  
Registration Number  
07543874 (England and Wales)



## Contents

### Reports

Reference and administrative information	1
Directors' report	2
Governance statement	11
Statement of regularity, propriety and compliance	15
Statement of Directors' responsibilities	16
Independent auditor's report	17
Independent reporting accountant's report	19

### Financial Statements

Statement of financial activities	21
Balance sheet	22
Cash flow statement	23
Principal accounting policies	24
Notes to the financial statements	28

**Reference and administrative information** Year to 31 August 2015

<b>Members and Directors</b>	Prof D S Mottram Mrs S Nicholls Reverend M Bennet Mr N Beach
<b>Directors</b>	Mr N Cornish Mr P G Dick Mr C Heslop Mr M Irving Mr G Warham
<b>Executive Headteacher and Accounting Officer</b>	Mr P G Dick
<b>Principal and registered office</b>	Kennet School Stoney Lane Thatcham Berkshire RG19 4LL
<b>Company registration number</b>	07543874 (England and Wales)
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	HSBC 16/17 The Broadway Thatcham Berkshire RG19 3HW
<b>Solicitors</b>	Veale Wasbrough Vizards LLP Orchard Court Orchard Lane Bristol BS1 5WS

## **Directors' report** Year to 31 August 2015

The Directors of Kennet School Academies Trust (the Trust) present their statutory report and financial statements for the year ended 31 August 2015. The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes the directors' report for the purposes of Companies Act 2006. Sections on 'achievements and performance', 'financial review', 'principal risks and uncertainties' and 'plans for future years', included within the directors' report, meet the requirements for a strategic report as outlined in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

The financial statements have been prepared in accordance with the accounting policies set out on pages 24 to 27 of the attached financial statements and comply with the Trust's memorandum and articles of association, applicable laws and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 ("SORP 2005").

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

#### **Constitution and principal activities**

The Trust is a company limited by guarantee (Company registration no. 07543874). Initially incorporated on 25 February 2011 as a single academy known as Kennet School, on 1 January 2014 the Trust became a Multi-Academy Trust, incorporating Whitelands Park Primary, a feeder school. The Trust is also an exempt charity. The Memorandum and Articles of Association dated 1 January 2014 and master funding agreement executed December 2013 alongside separate supplemental funding agreements for each Academy within the Trust are the primary governing documents of the Trust.

The Members of the Trust comprise the signatories to the Trust's memorandum of association, the chairman of the Directors and any person appointed by article 16 of the articles of association. The Articles of Association require there to be no less than three Members.

The principal activity of the Trust is specifically restricted 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.

#### **Members' liability**

Every Member of the Trust undertakes to contribute to the assets of the Trust 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, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

## Directors' report Year to 31 August 2015

### STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

#### Directors

The structure of the Trust consists of a Board of Directors who manage the affairs of the Trust and are responsible for its day to day running under company law. The number of Directors is not subject to any maximum but again the Articles of Association require that there are no less than three Directors.

The following were in office at 1 September 2014 and served throughout the year ended 31 August 2015 except as noted:

Members and Directors	Appointed	Resigned
Professor DS Mottram (Chairman of Trust)		
Mrs S Nicholls (Vice-Chair of Trust & Chair of Directors)		
Reverend M Bennet (Vice-Chairman of Directors)		
Mr N Beach	3 September 2014	

Directors	Appointed	Resigned
Mr N Cornish		
Mr PG Dick (Executive Headteacher)		
Mr G Warham (Staff)		
Mr C Heslop		
Mr M Irving (Staff)		

The day to day running of the Trust is delegated to the Executive Headteacher, supported by the Senior Leadership Teams at both Academies and the Bursar.

#### Senior Leadership Team (Kennet)

Mr M Loveridge	Deputy Headteacher
Ms B McNally	Deputy Headteacher
Mrs G Piper	Deputy Headteacher
Dr G Case	Assistant Headteacher
Miss T Dowling	Assistant Headteacher
Mr C Ellison	Assistant Headteacher
Mrs K Odenwälder	Assistant Headteacher
Mr G Warham	Assistant Headteacher

#### Senior Leadership Team (Whitelands Park Primary)

Mr M Irving	Headteacher
Mr S Morsley	Deputy Headteacher
Miss A Collicott	Assistant Headteacher
Mrs M Phillips	Assistant Headteacher
Mrs E Wiltshire	Assistant Headteacher

#### Bursar

Mrs A J Humphreys	Bursar
-------------------	--------

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Directors' remuneration**

No Director received any remuneration in respect of their duties as Directors during the year ended 31 August 2015. Mr P G Dick was remunerated in his position as Executive Headteacher, Mr G Warham was remunerated as an employee of Kennet School and Mr M Irving as an employee of Whitelands Park Primary School.

### **Honorary officers**

The Board of Directors reappointed Dr C C Smith Honorary Vice-Chairman for a further two years and this ends at the end of academic year 2015-16. This appointment was in recognition of his 26 years of service and his continued support and advice to Directors.

### **Directors' organisation, recruitment, appointment and training**

The Articles of Association define that the Trust shall have the following number and classes of Directors:

- ◆ Up to 9 Directors appointed by the members;
- ◆ The Executive Headteacher;
- ◆ Any Staff Directors, if appointed by the members under Article 50A; and
- ◆ A minimum of 2 Parent Directors unless there are Local Governing Bodies which include at least 2 parent governors.

The Trust may also have any Co-opted Director appointed under Article 58. The Trust had no Co-opted Directors during or at the year ended 31 August 2014.

As both Academies within the Trust have Local Governing Bodies which include at least two parent governor representatives, all Directors of Kennet School Academies Trust, in the table listed above are appointed Directors, except for those whose class is listed.

Key considerations for appointment of Directors include personal competence, professional and specialist skills and a deep commitment to the Trust. New Directors undertake induction to the workings of the Trust. Training is offered to all Directors and is provided through a number of sources. Directors, with the exception of the Headmaster, are appointed for a four year term. At the end of this period they can offer themselves for either re-appointment or re-election as appropriate.

The Directors meet at least three times a year. The Directors have delegated powers and duties to the work of committees, but not responsibility, nor any reserved matters which always remain the remit of the Directors. The Trust has a Finance Committee and a separate Audit Committee which share the responsibility for the financial management of the Trust and all Directors serve on one of these two committees.

Those Directors who are also Members, are ex-officio members of both Committees and this is in addition to their responsibility to meet at least once a year at the AGM.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Directors' organisation, recruitment, appointment and training** (continued)

Each Academy in the Trust has its own Local Governing Body which is chaired by a Director. The Directors' Committees and the Local Governing Bodies always meet prior to a Trust meeting to provide timely reporting and monitoring to the Directors.

Other committees of the Trust that are formed as required cover disciplinary matters and appeals.

### **Directors' indemnities**

Subject to the provisions of the Companies Act 2006 every Director or other officer or auditor of the Trust shall be indemnified out of the assets of the Trust against any liability incurred by him/her in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he/she is acquitted or in connection with any application in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Trust. Indemnity insurance is in place, held by the Trust.

## **OBJECTIVES AND ACTIVITIES**

### **Objectives**

When setting the objectives of the Trust for the period, the Directors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary guidance on advancing education.

The core purpose of the Trust is to inspire confidence in learners to develop a love of learning, a sense of self-worth and pride in all that they do and to develop in them the skills they need to thrive in a rapidly changing world. This will be achieved through three key priorities:

- ◆ Outstanding achievement for all pupils.
  - All pupils achieve well above national expectations for their age and prior attainment
  - Robust whole school tracking of pupils in all subjects to maximise and drive progress of all pupils
  - Rapid progress made by all pupils in each and every lesson
- ◆ All pupils are outstanding learners.
  - Pupils respond to timely and effective feedback on their classwork and homework which deepens every pupil's effective understanding and knowledge outside of lessons

## **OBJECTIVES AND ACTIVITIES** (continued)

### **Objectives** (continued)

- Pupils take full responsibility for the own learning and demonstrate a passion and love of learning that shows both curiosity and enthusiasm
  - Parents understand the curriculum, the school's approach to assessment and receive regular information on the progress of their child and know how to use it to support best their child's learning
  - High quality teaching which facilitates independent learning is seen consistently throughout both schools in the Trust
  - Pupils develop a social awareness and responsibility reflecting on how we all work and live together including an understanding of British values and their worldwide context
- ◆ Outstanding environment for learning.
- Both schools in the Trust provide safe, well-resourced and vibrant environments for learning
  - All staff and pupils adopt exemplary standards of courtesy and respect towards each other and the school facilities
  - All pupils engage in the high quality and wide ranging extra-curricular activities and trips that are offered.

### **Aims and intended impact**

Within these objectives, the Trust's high expectations and ambition is for all pupils to experience success and have opportunities to develop and fulfil their potential academically and personally through wider sporting, artistic, moral and social skills so that all pupils are on track for the right career after formal education is over and become happy, confident, responsible and active young citizens in the wider world.

## **STRATEGIC REPORT**

### **Achievements and performance**

The key items of note are:

- ◆ For Kennet, the exceptionally strong GCSE examination results in 2014 marked by two national awards for being in the top 10% for progress and top 20% for attainment were further improved on in the Summer of 2015 across all headline measures. Particularly pleasing was the previous stubbornly low attainment of pupil premium boys which improved almost threefold.
- ◆ For Whitelands the focused leadership since April 2014 and the improvements in teaching across the whole school along with strong outcomes at the end of Key Stage 1 and the Year 1 Phonic Test provide the base required for sustainable progress and attainment ahead.



## **STRATEGIC REPORT (continued)**

### **Going concern**

After making appropriate enquiries, the Directors have a reasonable expectation that the 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 accounting policies.

### **Financial review**

#### ***Financial report for the year***

Kennet School Academies Trust presents its report and financial statements for the period 1 September 2014 to 31 August 2015, its first full year accounts as a Multi-Academy Trust covering 12 months of both Kennet and Whitelands Park Primary. The comparative figures for 2013-14 refer Kennet School only for 4 months followed by both Kennet and Whitelands Park Primary for a further 8 months.

At 31 August 2015, the Trust holds fixed assets of £23,239k, cash of £1,079k and £375k held in private fund balances.

The uncrystallised LGPS pension liability has grown to £2,387k from £2,133k. The Directors do not, under their reserves policy, need to designate any of their existing funds to meet future pension commitments. The actuarial valuation of the pension liability was fully reviewed at the 31 March 2014 LGPS triennial pension funding valuation, as opposed to the accounting valuation reported within these financial statements. The funding valuation confirmed the employer contribution level from April 2014 at the same level as the Trust had been paying since initial conversion in April 2011. This position is supported by actuarial advice sought and the Parliamentary Minute that provides for a guarantee by the Department for Education to meet any outstanding LGPS liabilities in the event of an academy closure. The guarantee came into force on 18 July 2013.

During the year ended 31 August 2015 total expenditure in the Trust of £13,304k (2014 - £12,625k), including the depreciation charge, was not fully covered by income comprising both grant funding from the Education Funding Agency (EFA) and other incoming resources. Income for the year amounted to £12,395k (2014 - £18,011k). The within period excess of income over expenditure net of depreciation, was £51k (2014 - £206k); this is a significant decrease on last year reflecting the tighter funding the Trust faces during this period of challenging public finances.

#### ***Reserves policy***

Reserves are held by the Trust to ensure it can operate effectively, specifically to:

- ◆ meet any emergency or unexpected needs for funds for example: urgent repairs or falls in pupil numbers;
- ◆ provide time to take action should funding levels fall for example: to enable the Trust the option to respond through natural wastage rather than through redundancy of staff;

**STRATEGIC REPORT** (continued)

**Financial review** (continued)

**Reserves policy** (continued)

- ◆ meet planned commitments that cannot be met through future income alone for example: major asset purchase or extension; and
- ◆ provide working capital to cover cashflow variations.

The Directors review the reserves level at least annually and have determined that the appropriate level of free reserves (total funds less amounts held in fixed asset and restricted funds) should be around 3% (+/- 0.5%) of total funding, during times when the Trust's funding framework is defined and stable. During times of funding turbulence the determined level of free reserves should be higher and has been set at 10% (+/- 0.5%).

As at 31 August 2015, the level of free reserves was £876k, 7.5% of total funding (2014 - £895k, 8%). Whitelands Park Primary's element of the £876k is £69k (2014 - £84k). Of the £69k, £10k are designated reserves attached to the Before and After School Club which provides childcare provision to children aged 4-11.

Kennet reserves have remained unused, at Whitelands the reserves were used to fund the continued investment in staff to provide two classes for every year group whilst pupil numbers recover to make this structure sustainable. During 2014-15 pupil numbers reached a low of 292 but recovered to 298 by September 2015.

As part of its reserves policy, Directors give careful consideration to the cash flow implications that arise from increased or decreased contributions to its defined benefit scheme under Financial Reporting Standard (FRS17) Retirement Benefits.

Where contributions can be met from projected future income without significant impact on the levels of activity then Directors will not designate any of their existing funds to meet future pension commitments. Where contribution increases would cause uncertainty or would result in a curtailment of activities, Directors would seek actuarial and legal advice and prudently create a designation of existing funds.

Directors have continued to review reserves at the two schools in the Trust. In the knowledge of on-going pressures on employment costs and the fact that the scale of the financial challenge facing education for 2016-17 will only become clear after the Spending Review in the Autumn of 2015, the Directors have set the framework for Kennet to continue to hold reserves at the level at 31 August 2015 and for Whitelands to continue to invest in two classes for every year group for at least one more year but with a review of this taking place within 2015-16.

**Financial position**

The Trust's net assets (i.e. total reserves) at the end of the year were £22,149k (2014 - £23,117k). This comprises £21,273k (2014 - £22,222k) of restricted funds and £876k (2014 - £895k) of unrestricted general funds. The Trust held cash balances of £1,454k (2014 - £1,285) at 31 August 2015 either in a current account or on deposit.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risk and uncertainty is that, despite the drive, overwhelming desire and hard work of committed and skilled staff throughout both academies, the teaching and learning outcomes at the time of Inspection do not warrant a rating of Outstanding. This has been mitigated by changes to Senior Leadership Teams and also rebalanced senior staff responsibilities and focus at both schools.

### **Risk management**

The Directors are responsible for the management of the risks faced by the Trust. The Trust has in place a risk management strategy to identify and prioritise strategic risks formally. The register and management of strategic risks are reviewed by the Executive Headteacher with senior staff but also through the two Local Governing Bodies in both schools to the Directors' Audit Committee annually.

This risk management process involves identifying the types of risk each academy faces, scoring and prioritising them in terms of their potential impact, the probability of the risk occurring and means of mitigating the risk. Impact considers the financial implications, impact on strategy and/or teaching and learning and the level of stakeholder concern. Probability considers the likelihood of the risk occurring within a four year period as well as whether the event has recently occurred. At this stage in the Trust's development, the principal risks that have been subject to detailed review are:

- ◆ Ofsted inspection risk; both schools expect Ofsted Inspections in 2016.
- ◆ Funding risk; the EFA have made clear to the accounting officer that all Academy Trusts face an on-going period of challenging public finances. Securing the financial health of the Trust whilst continuing to deliver the very best educational outcomes in light of the tightening of funding for 2015-16 is a risk being managed.

### **PLANS FOR FUTURE YEARS**

The plan for 2015/16 is to secure outstanding Ofsted ratings for both its schools through a focus on ever-improving outcomes for all pupils at Kennet and Whitelands. Beyond 2015-16, the key matter is the Trust's capacity to increase in size as there is pressure particularly on Kennet School and its catchment from feeder primary schools.

### **Equal opportunities**

The Equality Act 2010 provides a single, consolidated source of discrimination law, covering all the types of discrimination that are unlawful replacing all previous equality legislation.

The Trust wholeheartedly supports and endorses the Single Public Sector Equality Duty and the subsequent reasonable adjustment duty that came into force on 1 September 2012. Everyone is held to be of equal value and we ensure that all our pupils have an equal chance to make good use of the education the Trust offers. The Trust's declared intention is to ensure that every pupil and the family of every pupil is treated equally and fairly always.

**PLANS FOR FUTURE YEARS** (continued)

**Equal opportunities** (continued)

Equality objectives were published in June 2012 for Kennet and are available to view on its website along with the third annual review of performance towards those objectives. Initial equality objectives were finalised for Whitelands Park Primary focusing on outcomes for girls and performance towards those objectives will be made available on its website early in 2015-16.

**Employee consultation**

Arrangements to provide information to and consult employees on matters affecting them were developed and implemented on conversion to academy status. During the year, all employees were consulted following a total review of all statutory policies for the Trust. In terms of pensions, all teaching staff were made aware of the reform of the Teachers' Pension Scheme (TPS) with the introduction of TPS2014 and the new contribution rates from 1 April 2015. Support staff received individual notifications following the revisions to existing bandings as required under Local Government Pension Scheme (LGPS) Regulations (Regulation 3 of Benefits Membership & Contributions).

**FUNDS HELD AS CUSTODIAN ON BEHALF OF OTHERS**

No such funds are held.

**AUDITOR**

Each of the Directors confirms that:

- ◆ so far as the Director is aware, there is no relevant audit information of which the Trust's auditor is unaware; and
- ◆ the Director has taken all the steps that she ought to have taken as a Director in order to make herself aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

The report of the Directors, incorporating a strategic report, approved by order of the Board of Directors on 16<sup>th</sup> December 2015 and signed on its behalf by:



Mrs S Nicholls

Chairperson of Directors, Kennet School Academies Trust

Approved by the Board of Directors on:

Date: 16 December 2015

### **Scope of responsibility**

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

The Board of Directors has delegated the day-to-day responsibility 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 the Trust and the Secretary of State for Education to the Executive Headteacher. The Executive Headteacher is also responsible for reporting to the Directors any material weaknesses or breakdowns in internal control.

### **Governance**

The information on governance included here supplements that described in the Directors' report and in the statement of Directors' responsibilities. The Board of Directors has formally met three times during the year. Attendance during the year at meetings of the Directors' was as follows:

<b>Director</b>	<b>Number of meetings attended</b>	<b>Out of a possible</b>
Professor DS Mottram	3	3
Mrs S Nicholls	3	3
Mr C Heslop	2	3
Mr N Beach	3	3
Reverend M Bennet	3	3
Mr N Cornish	3	3
Mr PG Dick (Executive Headteacher)	3	3
Mr G Warham (Staff)	2	3
Mr M Irving (Staff)	3	3
Honorary Vice-Chair Dr C C Smith	—	3

### **Governance reviews**

As a newly established multi-academy trust, the Directors on the recommendation of the Audit Committee commissioned a review of governance which took place in May 2015.

The review was carried out by Buzzacott LLP over 2 days and consisted of meetings, conversations and written responses provided to a series of questions. Directors were pleased with the report and its findings which were a positive reflection on how the Trust and its two schools have developed governance since the Multi-Academy Trust was formed in January 2014.

The key matter raised was the clarity of roles, particularly for governors and this was addressed by providing the more formal information that had already been provided on the structure of the Trust in more summary and in a different format.

The Trust intends to focus its review of governance in 2015-16 on the Members of the Trust. At present there are four Members who are all also Directors of the Trust. The purpose of the Review will be to consider increasing the number of members to five and incorporating some independence to the Board of Directors.

### **Finance committee**

The Finance Committee is a sub-committee of the main Board of Directors. It is responsible for ensuring that there are effective financial governance arrangements to manage all of the Trust's funds and in particular ensure that every school in the Trust develops financial plans to secure a balanced budget to ensure sustainability, stability and on-going liquidity.

Attendance at meetings in the year was as follows:

<b>Director</b>	<b>Number of meetings attended</b>	<b>Out of a possible</b>
Professor DS Mottram (Chairman)	3	3
Reverend M Bennet	3	3
Mr PG Dick (Executive Headteacher)	3	3
Mr C Heslop	3	3
Mr M Irving (Staff)	3	3
Mrs S Nicholls (ex officio member)	1	3

### **Review of value for money**

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

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

Creating an even stronger culture and climate focused on championing attainment and across both schools in its Trust through sharp intervention for vulnerable groups and all who need support to secure their potential. This has been achieved through changes to senior staff and their responsibilities - that said there is still more to be done: Focused actions identified for 2014-15 have reaped rewards in the Summer of 2015, particularly to pupil premium boys at Kennet and in phonics and girls outcomes at the end of Key Stage 2 at Whitelands. On-going analysis and assessment will confidently identify ambitious priorities for 2015-16 to ensure that both schools continue to go from strength to strength.

Taking action to rebalance the spending of pupil premium to ensure more of the grant is focused on teaching and learning interventions and using an increasingly analytical approach so that the funding it is directed to the right pupils to close remaining attainment gaps. In 2015-16 particular focus will be on girls at Kennet and at Whitelands.

Both schools across the Trust have invested time and technology to improve the efficiency of communications with parents to ensure that they receive quick and clear information and reducing further any unnecessary administration.

**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 the Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised, to evaluate the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place at the Trust for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of Directors has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is a formal, appropriate on-going process for identifying, evaluating and managing the Trust's significant risks. This process is regularly reviewed by the Board of Directors.

**The risk and control framework**

The 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 Board of Directors;
- ◆ regular reviews by the Finance 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
- ◆ identification and management of risks.

**The risk and control framework (continued)**

The Board of Directors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Directors have in place an Audit Committee which gives advice on financial matters and performing a range of checks on the Trust's financial systems. At Kennet School Academies Trust, the programme of checks and examination of the financial systems and controls are undertaken by Buzzacott LLP who report to the Audit Committee. On a termly basis, the Audit Committee reports to the Directors on the operation of the systems of control and on the discharge of the Director's financial responsibilities including the findings from the detailed checks undertaken. There has been a programme of checks and tests undertaken reviewing Autumn, Spring and Summer terms and reported to the Directors for the year ended 31 August 2015.

**Review of effectiveness**

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

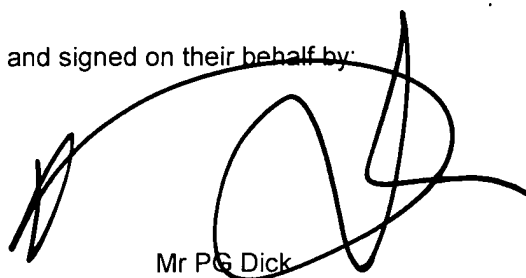
- ◆ the work of the programme of visits and checks in support of the Audit Committee;
- ◆ the work of the external auditor;
- ◆ the financial management and governance self-assessment process;
- ◆ the work of the Senior Leadership Team within the Trust who have responsibility for the development and 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 Audit Committee and ensures continuous improvement of the system is in place.

Approved by order of the Board of Directors and signed on their behalf by:



Mrs S Nicholls  
Chairperson of Directors



Mr PG Dick  
Executive Headteacher

Approved on: 16 December 2015

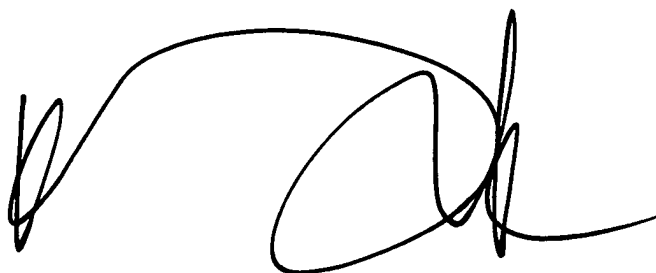


**Statement on regularity, propriety and compliance 31 August 2015**

As Accounting Officer of Kennet School Academies Trust, I have considered my responsibility to notify the Trust Board of Directors 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 Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Trust's Directors are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the 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 Directors and EFA.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke at the end.

Mr P G Dick

Executive Headteacher and Accounting Officer

Date: 16 December 2015

## Statement of Directors' responsibilities 31 August 2015

The Directors are responsible for preparing the Directors' report, the strategic report and the financial statements in accordance with the Annual Accounts Requirements 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 Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Trust and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' Statement of Recommended Practice (the Charities' SORP);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 operation.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for ensuring that in its conduct and operation the 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 have been applied for the purposes intended. The Directors are responsible for the maintenance and integrity of the charity and financial information included on the academies' websites. 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 Kennet School Academies Trust and signed on its behalf by:

Mrs S Nicholls



Chairperson of Directors, Kennet School Academies Trust

Date: 16 December 2015

**Independent auditor's report on the financial statements to the Members of Kennet School Academies Trust**

We have audited the financial statements of Kennet School Academies Trust for the year ended 31 August 2015 which comprise the statement of financial activities, the balance sheet, the cash flow statement, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2014 issued by the Education Funding Agency.

This report is made solely to the 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 Trust's members 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 Trust and the Trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of Directors and auditor**

As explained more fully in the statement of Directors' responsibilities set out in the Directors' report, the Directors of the Kennet School Academies Trust (who are also trustees of the charitable company for the purposes of charity legislation) 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 Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report, including the Strategic Report, to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## **Independent auditor's report** 31 August 2015

### **Opinion**

In our opinion:

- ◆ the financial statements give a true and fair view of the state of the Trust's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ◆ the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ the financial statements have been prepared in accordance with the Companies Act 2006; and
- ◆ the financial statements have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

In our opinion the information given in the report of the directors including the strategic report 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.



Edward Finch, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Date: 17/12/15

**Independent reporting accountant's assurance report on regularity to Kennet School Academies Trust and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 25 August 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Kennet School Academies Trust during the period from 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Kennet School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Kennet School Academies Trust's funding agreement with the Secretary of State for Education dated 30 March 2011 (alongside a subsequent deed of variation dated 16 July 2013) and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

## Independent reporting accountant's report 31 August 2015

### Approach (continued)

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 Trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

### 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 from 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London  
EC2V 6DL

Date: 17/12/15

**Statement of Financial Activities for the year ended 31 August 2015**  
**(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	Year to 31 August 2015 £000	Year to 31 August 2014 £000
<b>Incoming resources</b>						
<i>Incoming resources from generated funds:</i>						
. Voluntary income	1	378	9	-	387	433
. Activities for generating funds	2	109	71	-	180	148
. Transfer from local authority on conversion		-	-	-	-	6,056
<i>Incoming resources from charitable activities:</i>						
. Funding for the Academy Trust's educational operations	3	-	11,397	431	11,828	11,353
<b>Total incoming resources</b>		<b>487</b>	<b>11,477</b>	<b>431</b>	<b>12,395</b>	<b>17,990</b>
<b>Resources expended</b>						
<i>Cost of generating funds:</i>						
. Costs of generating voluntary income		315	-	-	315	406
. Fundraising trading		141	-	-	141	111
<i>Charitable activities:</i>						
. Academy Trust's educational operations	5	-	11,836	960	12,796	12,022
<i>Governance costs</i>	6	-	52	-	52	62
<b>Total resources expended</b>	4	<b>456</b>	<b>11,888</b>	<b>960</b>	<b>13,304</b>	<b>12,601</b>
<b>Net incoming (outgoing) resources before transfers</b>		<b>31</b>	<b>(411)</b>	<b>(529)</b>	<b>(909)</b>	<b>5,389</b>
Gross transfers between funds	14	(50)	(107)	157	-	-
<b>Net (expenditure) income for the year</b>		<b>(19)</b>	<b>(518)</b>	<b>(372)</b>	<b>(909)</b>	<b>5,389</b>
<b>Other recognised gains and losses</b>						
Actuarial losses on defined benefit pension schemes	14	-	(59)	-	(59)	(184)
<b>Net movement in funds</b>		<b>(19)</b>	<b>(577)</b>	<b>(372)</b>	<b>(968)</b>	<b>5,205</b>
<b>Reconciliation of funds</b>						
Funds brought forward at 1 September 2014	14	895	(1,545)	23,767	23,117	17,912
<b>Funds carried forward at 31 August 2015</b>	14	<b>876</b>	<b>(2,122)</b>	<b>23,395</b>	<b>22,149</b>	<b>23,117</b>

All of the Academy Trust's activities derive from continuing operations during the above financial years.

# Balance sheet as at 31 August 2015

Company number: 07543874

	Notes	2015 £000	2015 £000	2014 £000	2014 £000
<b>Fixed assets</b>					
Tangible assets	11		23,239		23,711
<b>Current assets</b>					
Debtors	12	356		624	
Cash at bank and in hand		<u>1,454</u>		<u>1,285</u>	
		1,810		1,909	
<b>Creditors: Amounts falling due within one year</b>	13	<u>(513)</u>		<u>(370)</u>	
<b>Net current assets</b>			<u>1,297</u>		<u>1,539</u>
<b>Total assets less current liabilities</b>			<u>24,536</u>		<u>25,250</u>
Pension scheme liability	22		<u>(2,387)</u>		<u>(2,133)</u>
<b>Net assets including pension liability</b>			<u>22,149</u>		<u>23,117</u>
<b>Funds of the academy:</b>					
<b>Restricted funds</b>					
. Fixed asset fund(s)	14		23,395		23,767
. General fund(s)	14		265		588
. Pension reserve	14		<u>(2,387)</u>		<u>(2,133)</u>
<b>Total restricted funds</b>			<u>21,273</u>		<u>22,222</u>
<b>Unrestricted funds</b>					
. General fund(s)	14		<u>876</u>		<u>895</u>
<b>Total unrestricted funds</b>			<u>876</u>		<u>895</u>
<b>Total funds</b>			<u>22,149</u>		<u>23,117</u>

The financial statements on pages 21 to 45 were approved by the Trustees, and authorised for issue on 16th December 2015 and are signed on their behalf by:



**Mrs S Nicholls**  
Chairperson of Directors



## Cash Flow Statement for the year ended 31 August 2015

	Notes	Year to 31 August 2015 £'000	Year to 31 August 2014 £'000
Net cash inflow from operating activities	17	226	39
Capital expenditure	18	(57)	(446)
Increase (decrease) in cash in the year	19	<u>169</u>	<u>(407)</u>
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 August 2014		1,285	1,692
Net funds at 31 August 2015		<u>1,454</u>	<u>1,285</u>

## **Principal accounting policies 31 August 2015**

### **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 Academies Accounts Direction 2014 to 2015 issued by the EFA 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 Directors 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 Trust to continue as a going concern. The Directors 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 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 year 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.

### **Agency Arrangements**

The Trust acts as an agent in distributing 16-19 Bursary Funds from the EFA. Payments received from the EFA and subsequent disbursements to students are excluded in the statement of financial activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in Note 23.

### **Donations**

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

## **Principal accounting policies 31 August 2015**

### **Other income**

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

### **Gifts in kind**

The value of gifts in kind provided to the Trust are recognised at a valuation attributed by the Directors in the period in which they are receivable as incoming resources, where the benefit to the Trust can be reliably measured.

### **Resources expended**

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

### **Costs of generating funds**

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 Trust's educational operations.

### **Governance costs**

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

All resources expended are inclusive of irrecoverable VAT.

### **Tangible fixed assets**

Assets costing £1,000 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 Trust's depreciation policy.

## Principal accounting policies 31 August 2015

### **Tangible fixed assets (continued)**

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost/valuation of each asset on a straight-line basis over its expected useful economic life, as follows:

Leasehold Buildings at Conversion	3% pa
Leasehold Buildings	2% pa
Leasehold Buildings – Roof Components	6.67% pa
Freehold Buildings	2% pa
Furniture and Equipment	20% pa
Computer Equipment	25% pa
Mini Buses	20% pa

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.

### **Leased assets**

Rentals under operation leases are charged on a straight line basis over the lease term.

### **Taxation**

The 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 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.

### **Pensions benefits**

Retirement benefits to employees of the Trust are provided by TPS and 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 Trust.

**Pensions benefits (continued)**

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 24, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the 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 Trust at the discretion of the Directors.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the EFA (and its predecessor Young People's Learning Agency), Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted EFA funds comprise all other grants received from the EFA.

Restricted other funds comprise all other restricted funds received and include grants from the Local Authority.

## Notes to the Financial Statements for the year ended 31 August 2015

### 1 Voluntary Income

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Assets Funds £000	Total funds 2015 £000	Total funds 2014 £000
<b>Other Income</b>					
Other Donations	11	4	-	15	25
Private Fund Income	363	-	-	363	391
Other Income	4	5	-	9	17
	<u>378</u>	<u>9</u>	<u>-</u>	<u>387</u>	<u>433</u>

### 2 Activities for Generating Funds

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Assets Funds £000	Year to 31 August 2015 £000	Year to 31 August 2014 £000
Maestros@Kennet Tuition	72	-	-	72	55
Hire of Facilities	26	-	-	26	30
Receipts from Insurance Claims	-	22	-	22	4
Catering Income	-	20	-	20	17
Sale of Classroom Materials	11	2	-	13	14
Recovery of Exam Fees	-	5	-	5	5
Mini Bus Income	-	2	-	2	4
Photocopy Income	-	1	-	1	2
Other	-	19	-	19	17
	<u>109</u>	<u>71</u>	<u>-</u>	<u>180</u>	<u>148</u>

## Notes to the Financial Statements for the year ended 31 August 2015 (continued)

### 3 Funding for the Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
<b>DfE / EFA capital grant</b>				
. Academy Capital Grants	-	354	354	42
. Academy Capital Maintenance Fund	-	77	77	42
	-	431	431	84
<b>DfE / EFA revenue grants</b>				
. General Annual Grant (GAG)	-	10,258	10,258	10,021
. Pre and Post 16 High Needs Place Funding	-	344	344	400
. Pupil Premium Grant	-	351	351	326
. Sponsor Capacity and Supporting School Improvement Grants	-	-	-	65
. Primary Grants (Universal Free School Meals and PE Sports Premium)	-	43	43	29
. Yr 7 Catch Up Grant	-	18	18	26
. Primary Conversion Grant	-	-	-	25
	-	11,014	11,014	10,892
<b>Other Government grants</b>				
. Pre and Post 16 High Needs Commissioning Funding from Local Authorities	-	378	378	363
. Hearing Impaired Maintenance Funding from Local Authority	-	-	-	11
	-	378	378	374
<b>Other grants</b>				
	-	5	5	3
	-	5	5	3
	-	11,828	11,828	11,353

## Notes to the Financial Statements for the year ended 31 August 2015 (continued)

### 4 Resources Expended

	Staff Costs	Non Pay	Expenditure	Total	Total
	£000	Premises	Other Costs	2015	2014
	£000	£000	£000	£000	£000
Costs of generating voluntary income	17	5	293	315	406
Costs of activities for generating funds	21	-	120	141	111
Academy's educational operations					
Direct costs	8,795	503	1,306	10,604	9,854
Allocated support costs	705	1,092	395	2,192	2,168
	<u>9,538</u>	<u>1,600</u>	<u>2,114</u>	<u>13,252</u>	<u>12,539</u>

Governance costs including allocated support costs	-	-	52	52	62
	<u>9,538</u>	<u>1,600</u>	<u>2,166</u>	<u>13,304</u>	<u>12,601</u>

### Net Incoming resources for the year include:

	2015	2014
	£000	£000
Operating leases	6	6
Fees payable to auditor - audit	16	16
- other services	4	5
	<u>26</u>	<u>27</u>

### 5 Charitable Activities - Academy Trust's educational operations

	Total	Total
	2015	2014
	£000	£000
<b>Direct costs</b>		
Teaching and educational support staff costs	8,795	8,055
Depreciation	503	456
Educational supplies	879	913
Examination fees	178	172
Staff development	70	83
Interest (including FRS 17 adjustments of £57,000 2014 was £76,000)	57	76
Other direct costs	122	99
	<u>10,604</u>	<u>9,854</u>
<b>Allocated support costs</b>		
Support staff costs	705	717
Depreciation	457	420
Recruitment and support	104	95
Maintenance of premises and equipment	371	447
Cleaning	173	166
Rent & rates	36	20
Insurance	55	93
Security and transport	53	57
Catering	149	76
Bank interest and charges	3	2
Other support costs	86	75
	<u>2,192</u>	<u>2,168</u>
	<u>12,796</u>	<u>12,022</u>



## Notes to the Financial Statements for the year ended 31 August 2015(continued)

<b>6 Governance costs</b>	<b>Total 2015 £000</b>	<b>Total 2014 £000</b>
Legal and professional fees	1	12
Auditor's remuneration		
. Audit of financial statements	16	16
. Responsible officer audit and governance review	4	5
Support costs	31	29
	<b>52</b>	<b>62</b>

## 7 Staff

### a) Staff costs

Staff costs during the period were:	<b>2015 £000</b>	<b>2014 £000</b>
Wages and salaries	7,614	7,126
Social security costs	542	506
Pension costs (including FRS 17 adjustment of £138,000, 2014 was £84,000)	1,155	1,017
	<b>9,311</b>	<b>8,649</b>
Supply teacher costs	44	57
Agency costs	174	71
Staff restructuring costs	9	30
	<b>9,538</b>	<b>8,807</b>

### b) Staff severance payments

Included in staff restructuring costs are two non-statutory / non-contractual severance payments of £9,066 (2014 – £nil). Individually the payments were for £6,746 and £2,320.

### c) Staff numbers

The average number of persons (including senior management team) employed by the Academy Trust during the year was as follows:

	<b>2015 FTE</b>	<b>2015 Number</b>	<b>2014 FTE</b>	<b>2014 Number</b>
<b>Charitable Activities</b>				
Teachers	140	159	131	150
Administration and support	104	167	103	166
Management	14	14	10	10
	<b>258</b>	<b>340</b>	<b>244</b>	<b>326</b>

### d) Higher paid staff

The number of employees whose emoluments exceeded £60,000 in the year was:

	<b>2015 Number</b>	<b>2014 Number</b>
£60,001 - £70,000	2	1
£70,001 - £80,000	-	-
£140,001 - £150,000	1	1

Two of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £15,000. (2014 - £12,000).

## Notes to the Financial Statements for the year ended 31 August 2015 (continued)

### 8 Governors' remuneration and expenses

The Executive Headteacher of the Academy Trust, the Headteacher of Whitelands Park Primary and any staff trustee governors only receive remuneration in respect of their employment as staff and not in respect of their work as academy trustees. During the year ended 31 August 2015 there were three trustees who received remuneration from their employment. (2014 - three.) The value of governors remuneration and other benefits was as follows:

	2015 £	2014 £
P G Dick (Executive Head and Trustee)		
• Remuneration	£140,000-£145,000	£140,000-£145,000
• Employer's pension contributions	£0-£5,000	£0-£5,000
M P Irving (Headteacher Whitelands Park Primary School and Trustee)		
• Remuneration	£55,000-£60,000	£55,000-£60,000
• Employer's pension contributions	£5,000-£10,000	£5,000-£10,000
G Warham		
• Remuneration	£45,000-£50,000	£45,000-£50,000
• Employer's pension contributions	£5,000-£10,000	£5,000-£10,000

During the year ended 31 August 2015, no expenses were reimbursed to any trustee for their services as trustees. (2014 - none).

Related party transactions involving the trustees are set out in note 22.

### 9 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 an aggregate limit of £2,000,000 in the insurance year and is subject to an excess of £250 each claim. The cost of this cover is £1,675 (2014 - £5,885).

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

### 10 Central Services

The Academy Trust has insured and provided central services to its two academies which included:

- human resources
- legal services
- accounting and audit services
- senior staff support on school improvement
- governance and clerking

The Trust charged for these items on the basis of income, pupil numbers or staffing as appropriate.

The actual amounts charged during the year were as follows:

	£'000
Kennet School	34
Whitelands Park Primary	3
	<u>37</u>

## Notes to the Financial Statements for the year ended 31 August 2015 (continued)

### 11 Tangible Fixed Assets

	Leasehold Land and Buildings £000	Furniture and Equipment £000	Computer Equipment £000	Mini-Buses £000	Total £000
<b>Cost</b>					
At 1 September 2014	24,103	368	1,390	26	25,887
Additions	307	24	157	-	488
At 31 August 2015	24,410	392	1,547	26	26,375
<b>Depreciation</b>					
At 1 September 2014	1,278	152	731	15	2,176
Charged in year	503	79	373	5	960
At 31 August 2015	1,781	231	1,104	20	3,136
<b>Net book values</b>					
At 31 August 2015	22,629	161	443	6	23,239
At 31 August 2014	22,825	216	659	11	23,711

## Notes to the Financial Statements for the year ended 31 August 2015 (continued)

### 12 Debtors

	2015 £000	2014 £000
Trade debtors	122	70
Prepayments	161	151
Other debtors	73	403
	<b>356</b>	<b>624</b>

### 13 Creditors: amounts falling due within one year

	2015 £000	2014 £000
Trade creditors	185	81
PAYE and NIC creditor	167	160
Other creditors	14	2
Accruals and deferred income	147	127
	<b>513</b>	<b>370</b>

### Deferred income

	2015 £000	2014 £000
Deferred Income at 1 September 2014	39	35
Resources deferred in the year	15	19
Amounts released from previous years	(23)	(15)
Deferred Income at 31 August 2015	<b>31</b>	<b>39</b>

Deferred Income relates to:

1. Grant funding received following the end of Greater Thatcham Extended Services partnership, the funding is ring-fenced in school and being put to purposes consistent with the aims of the partnership but over a period of more than one year.
2. Income from parents for music tuition and trips taking place after 31st August 2015.

## Notes to the Financial Statements for the year ended 31 August 2015 (continued)

### 14 Funds

	Balance at 1 September 2014 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2015 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG) incl High Needs Funding	468	11,126	(11,292)	(107)	195
Pupil Premium Grant (incl Summer School Funding)	120	351	(401)	-	70
Pension reserve	(2,133)	-	(195)	(59)	(2,387)
	<b>(1,545)</b>	<b>11,477</b>	<b>(11,888)</b>	<b>(166)</b>	<b>(2,122)</b>
<b>Restricted fixed asset funds</b>					
Available Fixed Asset Grant Funding	56	100	-	-	156
Donated Fixed Assets on Conversion	20,565	-	(503)	-	20,062
Acquired Fixed Assets	3,146	331	(457)	157	3,177
	<b>23,767</b>	<b>431</b>	<b>(960)</b>	<b>157</b>	<b>23,395</b>
<b>Total restricted funds</b>	<b>22,222</b>	<b>11,908</b>	<b>(12,848)</b>	<b>(9)</b>	<b>21,273</b>
<b>Unrestricted funds</b>					
Unrestricted funds	895	487	(456)	(50)	876
<b>Total unrestricted funds</b>	<b>895</b>	<b>487</b>	<b>(456)</b>	<b>(50)</b>	<b>876</b>
<b>Total funds</b>	<b>23,117</b>	<b>12,395</b>	<b>(13,304)</b>	<b>(59)</b>	<b>22,149</b>

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

Restricted General Funds comprises:

1. General Annual Grant. The main grant an Academy receives annually to meet its normal running costs. 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 2015.
2. Pupil Premium Grant comprises the school's funding for disadvantaged pupils.
3. Pension Reserve. This is the Academy Trust's share of the assets and liabilities in the LGPS scheme administered by Royal Borough of Windsor and Maidenhead that is offered to support staff at the Academy Trust. The Trustees received funding valuations at conversion of each Academy within the Trust and fully implemented the recommended employer contribution rate to address the deficit at conversion. This is exactly the same approach taken with the employer contribution rates implemented on 1 April 2014 following the LGPS scheme's funding valuation at 31 March 2013. The Trustees will also consider whether employer contributions can be met from projected future income and if not will seek advice and create a designation of funds from the Academy's reserves.

Restricted Fixed Asset Fund comprises:

1. Fixed Assets. The basis of their valuation and the split between asset types being detailed in note 11.
2. Capital Grants. This includes devolved formula capital funding and any other capital grants received from the EFA.

Unrestricted Funds comprises:

1. Kennet School Private Fund. The separate fund which includes the accounts for trips, PTA donations, staff association payments.
2. Whitelands Park Primary Before and After School Club. The designated funds from the provision of childcare to children aged 4-11.
3. Other Income. All other income received by the Academy Trust and includes grants, lettings, music tuition, mini bus hire as well as the surplus funds without specific purpose attached inherited from the two predecessor LA maintained schools.

Transfer of Funds comprises:

1. At Kennet £157k was transferred from Restricted General and Unrestricted Funds to Restricted Fixed Asset Funds for the purchase of ICT hardware.
- 2 At Whitelands £31k was transferred from Unrestricted Funds to Restricted General to fund its continued investment in two classes for every year group.

## Notes to the Financial Statements for the year ended 31 August 2015 (continued)

### 14 Funds (Continued)

#### Analysis of fund balance by academy

Fund balances at 31 August 2015 were allocated as follows:

	Total £'000
Kennet School	1,014
Whitelands Park Primary School	127
Central Services	-
Total before fixed assets and pension reserve	1,141
Restricted fixed asset fund	23,395
Pension Reserve	(2,387)
<b>Total</b>	<b>22,149</b>

#### Analysis of academies by cost

Expenditure incurred by each academy during the year was as follows:

	Teaching and Educational Support Staff Costs £'000	Other Support Staff Costs £'000	Educational Supplies £'000	Other Costs (excluding depreciation £'000	Total £'000
Kennet School	7,779	613	779	1,660	10,831
Whitelands Park Primary School	1,016	92	100	267	1,475
Academy Trust	8,795	705	879	1,927	12,306

## Notes to the Financial Statements for the year ended 31 August 2015 (continued)

### 15 Analysis of net assets between funds

Fund balances at 31 August 2015 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	23,239	23,239
Current assets	891	763	156	1,810
Current liabilities	(15)	(498)	-	(513)
Pension scheme liability	-	(2,387)	-	(2,387)
<b>Total net assets</b>	<b>876</b>	<b>(2,122)</b>	<b>23,395</b>	<b>22,149</b>

### 16 Financial Commitments

#### Operating Leases

At 31 August 2015 Whitelands Park Primary had two annual commitments under non-cancellable operating lease for photocopiers, as follows:

	2015 £000	2014 £000
<u>Other</u>		
Expiring within one year	4	2
Expiring within two and five years inclusive	-	4
	<b>4</b>	<b>6</b>

## Notes to the Financial Statements for the year ended 31 August 2015 (continued)

	2015 £000	2014 £000
<b>17 Reconciliation of net income to net cash inflow from operating activities</b>		
Net income	(909)	5,386
Depreciation (note 11)	960	876
Capital grants from EFA and other capital income	(431)	(6,187)
FRS 17 pension cost less contributions payable (note 24)	138	84
FRS 17 pension finance income (note 24)	57	76
Decrease / (increase) in debtors	268	(221)
Increase / (decrease) in creditors	143	(100)
FRS17 Whitelands Park Primary Opening Pension Scheme Deficit (note 24)	-	125
<b>Net cash inflow from operating activities</b>	<b>226</b>	<b>39</b>

<b>18 Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(488)	(6,633)
Capital grants from EFA and other capital income	431	6,187
<b>Net cash outflow from capital expenditure and financial investment</b>	<b>(57)</b>	<b>(446)</b>

	At 1 September 2014 £000	Cash flows £000	At 31 August 2015 £000
<b>19 Analysis of changes in net funds</b>			
Cash in hand and at bank	1,285	169	1,454
	<u>1,285</u>	<u>169</u>	<u>1,454</u>



## **Notes to the Financial Statements for the year ended 31 August 2015 (continued)**

### **20 Capital commitments**

There are capital commitments at the year end amounting to £140,000 (2014 - £114,000). This commitment is at Kennet School and is the remaining contract value associated with the replacement roofs funded by the EFA's Condition Improvement Fund (CIF) and the purchase of a new MFD scheduled for delivery 1 October 2015.

### **21 Members' Liability**

Each member of the Academy Trust 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.

## Notes to the Financial Statements for the year ended 31 August 2015 (continued)

### 22 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.

The daughter of the Chairman of Directors is employed as a teacher by The Trust and is remunerated within the school's pay scales.

The wife of the Executive Head is employed as a teacher by The Trust and is remunerated within the school's pay scales.

### 23 Agency arrangements

The Academy Trust distributes 16-19 Bursary Funds to students as an agent for EFA. In the accounting period ending 31 August 2015 the Trust received £17,879 and disbursed £17,188 from the fund. There was £nil of undistributed funds as at 31st August 2015.

## Notes to the Financial Statements for the year ended 31 August 2015 (continued)

### 24 Pension and similar obligations

The Academy Trust'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 The Royal Borough of Windsor and Maidenhead, the administering authority to the Royal County of Berkshire Pension Fund. Both are multi-employer 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 2012 and of the LGPS 31 March 2013.

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.

##### Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay including a 0.8% employer administration charge (currently 14.1%).
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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

The pension costs paid to TPS for the year ended 31 August 2015 was £1,298,506, (2014: £1,195,227). Of which employer's contributions totalled £776,957 and employees contributions totalled £521,549.

A copy of the valuation report and supporting documentation is on the Teacher's Pension website.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme and has set out above the information available on the scheme.

## Notes to the Financial Statements for the year ended 31 August 2015 (continued)

### 24 Pension and similar obligations (continued)

#### 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 2015 was £327,576 of which employer's contributions totalled £243,554 and employees' contributions totalled £84,022. The agreed contribution rate for future years is 16.6% for employers. Employee contributions vary between 5.5% and 12.5% and are split into 9 salary bandings. The contribution rate an employee pays is determined by how much they earn as detailed in the table below:

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.

<i>Band and Actual Pensionable Pay</i>	<i>Rate</i>
Band 1 £0-£13,600	5.50%
Band 2 £13,601-£21,200	5.80%
Band 3 £21,201-£34,400	6.50%
Band 4 £34,401-£43,500	6.80%
Band 5 £43,501-£60,700	8.50%
Band 6 £60,701-£86,000	9.90%
Band 7 £86,000 - £101,200	10.50%
Band 8 £101,201 - £151,800	11.40%
Band 9 More than £151,801	12.50%

<b>Principal Actuarial Assumptions</b>	<b>At 31 August 2015</b>	<b>At 31 August 2014</b>
Rate of increase in salaries	4.50%	4.50%
Rate of increase for pensions in payment / inflation	2.70%	2.70%
Discount rate for scheme liabilities	4.00%	4.00%
Inflation assumption (CPI)	2.70%	2.70%
Commutation of pensions to lump sums	50%	50%
Active members will retire 1 year later than they are first able to do without reduction and 10% of active members will take up the option to pay 50% of contributions for 50% of the benefits.		

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

	<b>At 31 August 2015</b>	<b>At 31 August 2014</b>
<i>Retiring today</i>		
Males	22.8	22.7
Females	26.1	26
<i>Retiring in 20 years</i>		
Males	25.1	24.9
Females	28.4	28.3

## Notes to the Financial Statements for the year ended 31 August 2015 (continued)

### 24 Pension and similar obligations (continued)

#### Local government pension scheme (continued)

The Academy Trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2015	Fair value at 31 August 2015 £000	Expected return at 31 August 2014	Fair value at 31 August 2015 £000
Equities		838	6.70%	645
Gilts		25	3.00%	17
Other Bonds		235	3.60%	225
Property		250	5.50%	186
Cash		92	2.90%	52
Alternative assets		n/a	n/a	n/a
Target return portfolio		334	6.70%	256
Commodities		72	6.70%	130
Infrastructure		79	3.60%	67
Longevity Insurance		-73	2.90%	-55
<b>Total market value of assets</b>	<b>5.90%</b>	<b>1,852</b>	<b>5.90%</b>	<b>1,523</b>
Present value of scheme liabilities				
- Funded		(4,239)		(3,656)
<b>Deficit in the scheme</b>		<b>(2,387)</b>		<b>(2,133)</b>

For accounting years on or after 1 January 2015, the expected return and the interest cost has been replaced with a single net interest cost, which will effectively set the expected return equal to the discount rate.

The actual return on scheme assets was £38,000 (2014 - £144,000).

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

	2015 £000	2014 £000
Current service cost (net of employee contributions)	381	292
Total operating charge	<u>381</u>	<u>292</u>

#### Analysis of pension finance income

Expected return on pension scheme assets	(98)	(80)
Interest on pension liabilities	155	156
<b>Pension finance income</b>	<u>57</u>	<u>76</u>

## Notes to the Financial Statements for the year ended 31 August 2015 (continued)

### 24 Pension and similar obligations (continued)

#### Local government pension scheme (continued)

The actual 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 £882,000 loss.

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

	2015 £000	2014 £000
<b>At 1 September</b>	<b>3,656</b>	<b>3,019</b>
Transfer Whitelands Park Primary At 1 Jan 2014		190
Current service cost	381	292
Interest cost	155	156
Employee contributions	86	76
Actuarial loss / (gains)	(1)	(54)
Benefits paid net of transfers in	(38)	(23)
<b>At 31 August</b>	<b>4,239</b>	<b>3,656</b>

## Notes to the Financial Statements for the year ended 31 August 2015 (continued)

### 24 Pension and similar obligations (continued)

#### Local government pension scheme (continued)

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

	2015 £000	2014 £000
<b>At 1 September</b>	<b>1,523</b>	<b>1,355</b>
Transfer Whitelands Park Primary At 1 Jan 2014	-	65
Expected return on assets	98	80
Actuarial gain/(loss)	(60)	(238)
Employer contributions	243	208
Employee contributions	86	76
Benefits paid net of transfers in and including unfunded	(38)	(23)
<b>At 31 August</b>	<b>1,852</b>	<b>1,523</b>

The estimated value of employer contributions for the year ended 31 August 2016 is £252,000.

#### The history of experience adjustments is as follows:

	2015 £000	2014 £000	2013 £000	2012 £000	2011 £000
<b>Present value of defined benefit obligations</b>	<b>(4,239)</b>	<b>(3,656)</b>	<b>(3,019)</b>	<b>(2,475)</b>	<b>(1,783)</b>
<b>Fair value of share of scheme assets</b>	<b>1,852</b>	<b>1,523</b>	<b>1,355</b>	<b>1,063</b>	<b>924</b>
<b>Deficit in the scheme</b>	<b>(2,387)</b>	<b>(2,133)</b>	<b>(1,664)</b>	<b>(1,412)</b>	<b>(859)</b>
<b>Experience adjustments on share of scheme assets</b>					
Amount £000	(60)	(238)	45	(18)	(16)
<b>Cumulative Actuarial Gains and Losses</b>					
Amount £000	(882)	(823)	(639)	(498)	6