

Stisted Church of England Primary Academy Trust

Financial Statements

Year Ending 31 August 2012

Company limited by guarantee no. 07769085



STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Financial Statements

Period from 9 September 2011 to 31 August 2012

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STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST **Company Limited by Guarantee**

Reference and Administrative Details

Period from 9 September 2011 to 31 August 2012

Governors	Chairman	Derek Adams
	Principal	Martin Hawrylak
	Priest in Charge	Ray Sams
	Foundation PCC	Kirsty Leech
	Foundation Diocese	Louise Thain Alyson Herbert Mark Waine Tayrina Ferguson
	Staff Governor	Gareth Williams Elaine Davey
	Parent Governor	Eleanor Coulson Sue Gurteen
	Community Governor	Fay Garrett
Company Secretary	Gordon Sutherland	
Responsible Officer	Sue Gurteen	
Senior Leadership Team.	Principal	Martin Hawrylak
	Headteachers Deputy	Gareth Williams
	EYFS / KS1 Co-Ordinator	Lorraine Sutherland
	Office Manager	Elaine Davey
Principal and Registered Office	Stisted Church of England Primary Academy Trust The Street Stisted Braintree Essex CM77 8AN	
Company reg no	07769085	

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Reference and Administrative Details

Period from 9 September 2011 to 31 August 2012

Auditors	MHA MacIntyre Hudson Chartered Accountants & Stat Boundary House 4 County Place Chelmsford Essex CM2 0RE
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Bankers	Lloyds TSB Bank Plc 2-4 Bank Street Braintree Essex CM7 1UN
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STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Governors' Annual Report

Period from 9 September 2011 to 31 August 2012

The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the period 9 September 2011 to 31 August 2012

The financial statements have been prepared in accordance with the accounting policies of the attached financial statements, and comply with the charitable company's memorandum and articles of association, the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" as issued in March 2005 (SORP 2005)

Structure, governance and management

Constitution

The Stisted Church of England Primary 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 the Stisted Church of England Primary Academy Trust and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Stisted Church of England Primary Academy Trust.

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

Members' Liability

Each member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Governors' Indemnities

Since the incorporation of the Charitable Company on 1st October 2011, the Governors (directors) have been indemnified in respect of their legal liability for financial loss arising as a result of negligent act, accidental error or omission in the course of their official duties. The limit of this indemnity is £1,000,000.

Principal Activities

The Academy Trust's principal activities are set out in its articles of association and funding agreement. The principal activity of the Academy Trust is to make arrangements to ensure a broad and balanced curriculum is delivered for pupils in the final year of the Early Years Foundation up to and including the end of Key Stage 2.

Method of Recruitment and Appointment or Election of Governors

Governors are recruited and appointed or elected as outlined in the academy's articles of association paragraphs 45-64.

Policies and Procedures Adopted for the Induction and Training of Governors

The Governing body have adopted a policy for the induction and training of Governors.

Organisational Structure

The Governing Body has delegated the responsibilities to committees as outlined in each committee's terms of reference. These committees are Finance and Premises, Human Resources and Pupil Related.

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Period from 9 September 2011 to 31 August 2012

The Principal has been designated the Accounting Officer

Connected Organisations, including Related Party Transactions

Stisted CE Primary Academy Trust received donations from the trustees of Stisted Church of England School (Registered Charity Number 284899) to provide education and training in Stisted, making grants to the academy to support such activities

The level of support that the trustees have been able to provide Stisted CE Primary Academy Trust has varied over the years. Over the past 10 years approximately £15,000 has been gifted to the academy

Stisted CE Primary Academy Trust received donations from the trustees of FOSA (Friends of Stisted Academy, Registered Charity Number 1098486) to promote the education of pupils at the academy. This amounts to approximately £5,000 per year

One governor provided services to the academy in return for remuneration at market value

Objects and Aims

The principal object and activity of the charitable company, Stisted CE Primary Academy Trust is to provide education for its pupils

Objectives, Aims and Activities

The Academy Trust was set up in October 2011 to advance the education of pupils at Stisted CE Primary Academy and maintain the school's vision statement

The Academy Trust aims to provide the children who attend Stisted CE Primary Academy with the best all-round education within a caring Christian family environment, recognising and responding to the different starting points, personalities and talents of all the children so that they become responsible confident learners and thoughtful members of society

The aims of the school are as follows

- To offer all children equal access to the National Curriculum, and in particular Mathematics, English, Science, ICT and RE
- To offer all children a differentiated curriculum which is both challenging and motivating
- To encourage children to develop as independent learners, able to respond to new challenges and apply their learning to new situations
- To develop enquiring minds in the children
- To foster a sense of belonging, where all may feel valued and secure in a caring atmosphere based on Christian principles
- To provide a safe, secure and happy environment
- To instil value and appreciation of the world in which the children live
- To encourage children to value the achievements of others
- To develop the children's ability to build effective relationships with adults and their peers
- To work in partnership with parents, teachers, governors and the wider community for the benefit of the school and children
- To provide a 'People' orientated environment
- To continue to link closely with the parish church and the community

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

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Governors' Annual Report

Period from 9 September 2011 to 31 August 2012

Development Plan Objectives for the Academic Year 2012/13

To improve educational provision and standards outcomes for ICT across the school

- 1 To implement revised Early Years Framework
- 2 To narrow the gap between current attainment and national standards of a targeted group of vulnerable pupils in Year 4 and Year 5 over a two year period
- 3 To broaden the offer of extra-curricular activities and enrichment activities
- 4 To revise present end of year school report format
- 5 To improve music provision (Phase 1)
- 6 Monitor educational outcomes in the foundation subjects
- 7 To finalise draft Reading and Writing Policies in light of recent professional development and Talk for Writing

Public Benefit

The key public benefit delivered by Stisted CE Primary Academy is to maintain and develop the high quality educational provision by the school for children in Stisted Village and the surrounding areas

Achievements and Performance

Overall achievement at this school is outstanding because

- Taking account of their starting points, the proportion of pupils making and exceeding expected progress is high compared with national figures
- The learning, quality of work and progress of groups of pupils, particularly those who are disabled, those who have special educational needs and those for whom the pupil premium provides support, show that they achieve exceptionally well
- Pupils make rapid and sustained progress particularly in English and mathematics, and learn exceptionally well
- Pupils develop and apply a wide range of skills to great effect in reading, writing, communication and mathematics

The proportion of children attaining level 4 and Level 5 at the end of KS2 is consistently above the national average over a sustained period of time See table below -

Key Stage 2 results (%)

	2008			2009			2010			2011			2012		
	M	R	W	M	R	W	M	R	W	M	R	W	M	R	W
L4	93 (79)	100 (87)	78 (68)	86 (79)	86 (86)	71 (68)	100 (79)	85 (83)	69 (71)	85 (80)	100 (84)	92 (75)	93	93	93
L5	50 (33)	86 (50)	29 (19)	36 (35)	36 (47)	29 (20)	46 (34)	62 (50)	7 (21)	69 (35)	77 (43)	54 (20)	60	80	73

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

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Governors' Annual Report

Period from 9 September 2011 to 31 August 2012

Key Stage 2 Achievement (progress)

Progress at Key Stage 2 is rapid and sustained over a period of time. We know this because the proportion of pupils who make 2 and 3 levels of progress over time is above national figures.

2 Levels progress KS1 to KS2

The proportion of children making 2 and 3 levels of progress from the end of KS1 to the end of KS2 is rapid and sustained relative to progress nationally. Progress nationally for 2 levels progress is 80-85%.

	2010	2011	2012
All	85%	100%	100%
English	85%	100% (84%)	100% (89%)
Maths	93%	100% (83%)	100% (87%)

3 Levels progress KS1 to KS2

The proportion of children making 3 levels of progress from the end of KS1 to the end of KS2 demonstrates progress is rapid and sustained.

	2008	2009	2010	2011	2012
Reading	43%	31%	29%	69%	40%
Writing	14%	29%	29%	38%	40%
Maths	43%	29%	15%	69%	40%

Going Concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the academy trust has adequate resources to continue its operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Financial Review

The vast majority of the Academy's income is obtained from the Department of Education via the Education Funding Agency in the form of the General Annual Grant (GAG), the use of which is restricted to particular purposes i.e. the objects of the Academy Trust. The GAG received during the period covered by this report and the associated expenditure is shown as restricted funds in the Statement of Financial Activities.

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Period from 9 September 2011 to 31 August 2012

No specific grants were awarded to the school by the DfE to provide fixed assets other than devolved formula capital (DFC). This is shown as restricted fixed asset funds in the Statement of Financial Activities.

On conversion in October 2011, the fixed assets of the former voluntary aided school were transferred to the new Academy Trust and are shown as restricted asset funds. The balance sheet restricted fund is reduced by depreciation charges over the expected useful life of the assets concerned.

Principal Risks and Uncertainties

The Governing Body has reviewed the key financial risk to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

Reserves Policy

Under its Funding Agreement with the Secretary of State for Education, Stisted CE Primary Academy is allowed to hold reserves at the year end as specified in paragraph 72 of the Funding Agreement.

The Governors' Finance and Premises Committee has reviewed these reserve levels and believe that they should provide sufficient working capital to cover delays spending and receipt of grants and to allow for unexpected situations such as urgent maintenance work. Under normal circumstances the Governors would aim to maintain reserves of between 5% and 10% of GAG as an appropriate cushion.

Investment Policy

Apart from the cash held for the operation of the school there are no realisable investments. However the academy has a current account with Lloyds TSB on which the academy receives a small amount of interest.

Plans for Future Periods

Stisted CE Primary Academy will continue to maintain the performance of all pupils at all levels. The Governors recognise that through good financial management they will be able to invest in and improve the quality of the built environment and educational provision. Details can be found in the School Development.

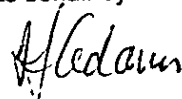
Auditor

In so far as the governors are aware:

- there is no relevant audit information of which the Stisted Church of England Primary Academy Trust's auditors are unaware, and
- the governors 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.

The auditors, MHA MacIntyre Hudson, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

This report was approved and authorised for issue by the Governors on 11 December 2012 and signed on its behalf by



DEREK ADAMS
Chairman

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Governance Statement

Period from 9 September 2011 to 31 August 2012

As governors, we acknowledge we have overall responsibility for ensuring that Stisted Church of England Primary Academy 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 governing body has delegated the day-to-day responsibility to Martin Hawrylak, the 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 Stisted Church of England Primary Academy Trust and the Secretary of State for Education. The Principal is 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 governors' report and in the Statement of Governors responsibilities. The governing body has formally met 10 times during the period. Attendance during the year at meetings of the governing body was as follows:

Governor	Meetings attended	Out of a possible
Derek Adams	9	10
Martin Hawrylak	9	10
Ray Sams	3	6
Kirsty Leech	4	6
Louise Thain	2	2
Alyson Herbert	7	10
Mark Waite	2	2
Tayrina Ferguson	5	6
Gareth Williams	5	6
Elaine Davey	9	10
Eleanor Coulson	6	6
Sue Gurteen	10	10
Fay Garrett	10	10

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

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Governance Statement

Period from 9 September 2011 to 31 August 2012

The Finance and Premises Committee is a sub committee of the main governing body. Its main purpose is to monitor all financial matters for the Academy.

Governor	Meetings attended	Out of a possible
Derek Adams	4	4
Elaine Davey	4	4
Fay Garrett	4	4
Sue Gurteen	4	4
Alyson Herbert	4	4
Martin Hawrylak	3	4

Statement of Internal Control

The Governing Body has adopted a system of internal control which 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 has been in place for the year ended 31st August 2012 and up to the date of the annual report and financial statement.

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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period ending 31 August 2012 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.

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Governance Statement

Period from 9 September 2011 to 31 August 2012

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor

However, the governors have appointed Sue Gurteen, a governor, as Responsible Officer ('RO') 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 termly 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

Review of Effectiveness

As Accounting Officer, the 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 Finance and Premises Committee within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

The Accounting Officer is advised of any implications as a result of the review of the system of internal control by the Finance and Premises Committee and plans to address any weaknesses to ensure continuous improvement of the system in place

Approved by order of the members of the governing body on 11 December 2012 and signed on its behalf by



DEREK ADAMS
Chairman



MARTIN HAWRYLAK
Accounting officer

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

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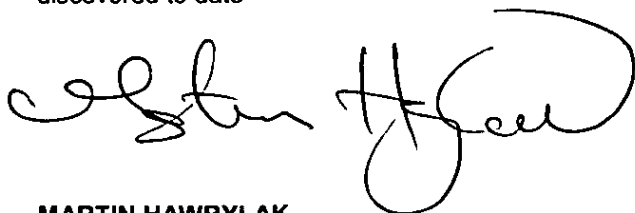
Statement on Regularity, Propriety and Compliance

Period from 9 September 2011 to 31 August 2012

As accounting officer of Stisted Church of England Primary Academy Trust 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 'Martin Hawrylak', with a large, stylized loop at the end.

MARTIN HAWRYLAK
Accounting officer

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Statement of Governors' Responsibilities

Period from 9 September 2011 to 31 August 2012

The Governors (who act as trustees for charitable activities and are also directors of Stisted Church of England Primary Academy Trust for the purposes of company law) are responsible for preparing the Governors Report and the financial statements in accordance with applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2011/12 issued by the Education Funding Agency

Company law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Governors are required to

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

The Governors are responsible for keeping adequate accounting records that 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 detection and prevention of fraud and other irregularities.

The Governors 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 Governors 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.

This report was approved by order of the members of the Governing Body on 11 December 2012 and signed on its behalf by



DEREK ADAMS
Chairman

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

**Independent auditors' report to the Members of Stisted Church of England Primary Academy Trust
(registered company no 07769085)**

Period from 9 September 2011 to 31 August 2012

We have audited the financial statements of Stisted Church of England Primary Academy Trust for the year ended 31 August 2012 which comprise the Statement of Financial Activities, the Balance Sheet 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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Governors and auditors

As explained more fully in the Responsibilities Statement of the Governors, the Governors (who are also the directors of Stisted Church of England Primary Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Governors, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report of the Governors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Continued

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

**Independent auditors' report to the Members of Stisted Church of England Primary Academy Trust
(registered company no. 07769085)**

Period from 9 September 2011 to 31 August 2012

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2012, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been properly 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 Report of the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- we have not received all of the information and explanations we require for our audit, or
- the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report



James Gare ACA DChA (Senior Statutory Auditor)
For and on behalf of
MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditors

Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

22/12/12

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Independent Reporting Accountant's Assurance Report on Regularity to Stisted Church of England Primary Academy Trust and the Education Funding Agency

Period from 9 September 2011 to 31 August 2012

In accordance with the terms of our engagement letter and further to the requirements of the Education Funding Agency (EFA), we have carried out a review to obtain assurance about whether, in all material respects, the expenditure disbursed and income received by the Academy Trust during the period from incorporation on 9 September 2011 to 31 August 2012 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. Our review work has been undertaken so that we might state to the Governing Body and the EFA those matters we are required to state to it 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 review work, for this report, or for the opinion we have formed.

Respective responsibilities of Stisted Church of England Primary Academy Trust's Accounting Officer and the reporting accountant

The Governing Body is responsible, under the requirements of the Academies Act 2010, subsequent legislation and related regulations, 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 review are established in the United Kingdom by our profession's ethical guidance and the audit guidance set out in the EFA's Financial Handbook and Accounts Direction. We report to you whether, in our opinion, anything has come to our attention in carrying out our review which suggests that in all material respects, expenditure disbursed and income received during the period from incorporation on 9 September 2011 to 31 August 2012 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Basis of opinion

We conducted our review in accordance with the Academies Handbook and the Accounts Direction issued by the EFA.

Opinion on financial statements

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 incorporation on 9 September 2011 to 31 August 2012 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA MacIntyre Hudson

MHA MacIntyre Hudson
Chartered Accountants

Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

22/12/12

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Statement of Financial Activities (Incorporating the Income and Expenditure Account & Statement of Total Realised Gains and Losses)

Period from 9 September 2011 to 31 August 2012

	Note	Unrestricted Funds 2012 £	Restricted Pension Funds 2012 £	Restricted General Funds 2012 £	Restricted Fixed Asset Funds 2012 £	Total Funds 2012 £
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	3	8,143	-	26,428	2,719,771	2,754,342
Activities for generating funds	4	17,179	-	-	-	17,179
Investment income		87	-	-	-	87
Incoming resources from charitable activities						
Funding for the Academy's educational operations	5	-	-	495,343	5,114	500,457
Other income from educational operations	6	15,462	-	1,620	-	17,082
TOTAL INCOMING RESOURCES		40,871	-	523,391	2,724,885	3,289,147
RESOURCES EXPENDED						
Charitable activities						
Academy's educational operations	8	23,750	7,000	444,720	39,977	515,447
Governance costs	9	-	-	16,010	-	16,010
Pension scheme liability transferred	20	-	122,000	-	-	122,000
TOTAL RESOURCES EXPENDED		23,750	129,000	460,730	39,977	653,457
Net income/(expenditure) before transfer		17,121	(129,000)	62,661	2,684,908	2,635,690
Transfer between funds	18	-	-	-	-	-
Net incoming/(outgoing) resources before other recognised gains and losses		17,121	(129,000)	62,661	2,684,908	2,635,690
Other recognised gains/losses						
Actuarial gains/(losses) on defined benefit pension		-	(38,000)	-	-	(38,000)
NET MOVEMENT IN FUNDS		17,121	(167,000)	62,661	2,684,908	2,597,690
TOTAL FUNDS AT 31 AUGUST 2012		17,121	(167,000)	62,661	2,684,908	2,597,690

All of the Academy's activities derive from continuing operations during the current financial period

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

The accounting policies and notes on pages 19 to 34 form part of these financial statements

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Balance Sheet

31 August 2012

	Notes	£	2012 £
FIXED ASSETS			
Tangible assets	13		2,679,794
CURRENT ASSETS			
Stock	14	886	
Debtors	15	22,469	
Cash at bank and in hand		174,047	
		<u>197,402</u>	
CREDITORS amounts falling due within one year	16	(112,506)	
NET CURRENT ASSETS			<u>84,896</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,764,690</u>
PENSION SCHEME LIABILITY	20		(167,000)
NET ASSETS INCLUDING PENSION LIABILITY			<u><u>2,597,690</u></u>
FUNDS	18		
Restricted funds			
Fixed asset fund		2,684,908	
General fund		62,661	
Pension fund		<u>(167,000)</u>	
			2,580,569
Unrestricted funds			
General reserve			17,121
			<u><u>2,597,690</u></u>

The financial statements have been approved, and authorised for issue, by the Governors on 11 December 2012 and signed on their behalf by -



DEREK ADAMS
Chairman

Company Registration Number 07769085

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST **Company Limited by Guarantee**

Cash Flow Statement

31 August 2012

	Note	£	2012 £
Net cash flow from operating activities	24		173,960
Returns on investment and servicing of finance			
Bank interest receivable	25	<u>87</u>	87
Capital expenditure	26		-
Net increase in cash		<u>£</u>	<u>174,047</u>

All of the cash flows are derived from acquisitions in the current financial period

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

1. Accounting policies

Basis of preparation of financial statements

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 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.

Conversion to an academy trust

The conversion from a state maintained school to an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Stisted Church of England School to an academy trust have been valued at their depreciated replacement cost value being a reasonable estimate of the current market value that the governors would expect to pay in an open market for an equivalent item. Their depreciated market cost value is in accordance with the accounting policies set out for Stisted Church of England Primary Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 21.

Going Concern

The governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

Fund accounting

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the EFA or 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 EFA.

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 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.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

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

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

The value of donated services and gifts in kind provided to Stisted Church of England Primary 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

Charitable activities are costs incurred on the Academy Trust's educational operations

Governance 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

All resources expended are inclusive of irrecoverable VAT

Tangible fixed assets and depreciation

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 on a straight-line basis over its expected useful lives, as follows

Land & Buildings	-	50 years
Fixtures and Fittings	-	5 years

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

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.

Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for slow and obsolete stock.

Finance and operating leases

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

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.

Pensions

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 Note 20, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

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.

2. General Annual Grant (GAG)

a Results and Carry Forward for the Year

	2012 £
GAG allocation for current year	433,619
Recurrent expenditure from GAG	(415,085)
Fixed assets purchased from GAG	-
GAG carried forward to next year	18,534
Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)	(52,034)

GAG to surrender to DfE

(12% rule breached if result is positive)

(33,500)

No Breach

b. Use of GAG brought forward from previous year for recurrent purposes

Note not applicable as first period of academy operation

3. Voluntary income

	Unrestricted Funds 2012 £	Restricted Pension Funds 2012 £	Restricted General Funds 2012 £	Restricted Fixed Asset Funds 2012 £	Total Funds 2012 £
Donations	8,143	-	-	-	8,143
Charity collections	-	-	330	-	330
School trip income	-	-	2,130	-	2,130
Transfer from Local Authority on conversion	-	-	23,968	2,719,771	2,743,739
	8,143	Nil	26,428	2,719,771	2,754,342

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST **Company Limited by Guarantee**

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

4. Activities for generating funds

	Unrestricted Funds 2012 £	Restricted Pension Funds 2012 £	Restricted General Funds 2012 £	Restricted Fixed Asset Funds 2012 £	Total Funds 2012 £
Catering income	17,179	-	-	-	17,179
	<u>17,179</u>	<u>Nil</u>	<u>Nil</u>	<u>Nil</u>	<u>17,179</u>

5 Funding for Academy's educational operations

	Unrestricted Funds 2012 £	Restricted Pension Funds 2012 £	Restricted General Funds 2012 £	Restricted Fixed Asset Funds 2012 £	Total Funds 2012 £
DfE/EFA capital grant					
Other Capital grants				5,114	5,114
DfE / EFA revenue grants					
General Annual Grant (GAG)					
(note 2)	-	-	433,619	-	433,619
Start Up Grants	-	-	12,801	-	12,801
Other EFA grants	-	-	48,923	-	48,923
	<u>-</u>	<u>-</u>	<u>495,343</u>	<u>-</u>	<u>495,343</u>
	<u>Nil</u>	<u>Nil</u>	<u>495,343</u>	<u>5,114</u>	<u>500,457</u>

6 Other income from educational operations

	Unrestricted Funds 2012 £	Restricted Pension Funds 2012 £	Restricted General Funds 2012 £	Restricted Fixed Asset Funds 2012 £	Total Funds 2012 £
Other income	15,462	-	1,620	-	17,082
	<u>15,462</u>	<u>Nil</u>	<u>1,620</u>	<u>Nil</u>	<u>17,082</u>

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

7. Resources expended

	Staff Costs £	Premises £	Non Pay Expenditure Other Costs £	Total £
Direct costs	311,709	-	11,166	322,875
Allocated support costs	80,187	14,837	97,548	192,572
	391,896	14,837	108,714	515,447
Governance	-	-	16,010	16,010
	391,896	14,837	124,724	531,457

8. Academy's educational operations

	Unrestricted Funds 2012 £	Restricted Pension Funds 2012 £	Restricted General Funds 2012 £	Restricted Fixed Asset Funds 2012 £	Total Funds 2012 £
Teaching and educational support	320	-	311,389	-	311,709
Educational supplies	47	-	10,407	-	10,454
Examination fees	-	-	22	-	22
Staff development	-	-	690	-	690
	367	-	322,508	-	322,875
Support staff costs	6,199	1,000	72,988	-	80,187
Depreciation	-	-	-	39,977	39,977
Maintenance of premises and equipment	-	-	4,646	-	4,646
Cleaning and caretaking	-	-	783	-	783
Rent, rates and utilities	-	-	9,408	-	9,408
Insurance	-	-	7,017	-	7,017
Security and transport	-	-	598	-	598
Catering	9,509	-	-	-	9,509
Bank interest and charges	-	6,000	53	-	6,053
Information and communication technology	7,278	-	2,936	-	10,214
Other support costs	397	-	23,783	-	24,180
	23,383	7,000	122,212	39,977	192,572
	23,750	7,000	444,720	39,977	515,447

Resources expended include	2012
Auditors' remuneration	
Audit fee	11,500
Operating lease rentals	- Plant and equipment
Depreciation	- on owned assets
	39,977

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

9 Governance costs

	Unrestricted Funds 2012 £	Restricted General Funds 2012 £	Restricted Fixed Asset Funds 2012 £	Total Funds 2012 £
Auditors remuneration				
Audit of financial statements	-	11,500	-	11,500
Legal Fees	-	4,492	-	4,492
Support costs	-	18	-	18
	<u>£ Nil</u>	<u>16,010</u>	<u>Nil</u>	<u>16,010</u>

10. Staff numbers and costs

	2012 £
Wages and salaries	333,295
Social security costs	20,996
Pension costs	37,098
	<u>391,389</u>
Supply teacher costs	507
	<u>391,896</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

	Number
Charitable Activities	
Teachers	4
Administration and support	7
Management	3
	<u>14</u>

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

	Number
£60,001 - £70,000	1
	<u>1</u>

The above employee participated in the Teachers' Pension Scheme During the period ended 31 August 2012, pension contributions for this member of staff amounted to £7,435

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

11. Governors' remuneration and expenses

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the Academy in respect of their role as governors. The value of the Principal's remuneration was £50,924 in the period. The value of staff governors' remuneration was £69,103.

During the period ended 31 August 2012, no costs were reimbursed to governors.

Related party transactions involving the trustees are set out in note 29.

12. 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 £1,000,000 on any one claim and the cost for the year was £259.

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

13. Tangible fixed assets

	Land and buildings £	Fixtures & Fittings £	Total £
Cost			
Transfer on conversion	2,700,000	19,771	2,719,771
Additions	-	-	-
At 31 August 2012	2,700,000	19,771	2,719,771
Depreciation			
Charge for the period	38,000	1,977	39,977
At 31 August 2012	38,000	1,977	39,977
Net book value			
At 31 August 2012	2,662,000	17,794	2,679,794

14. Stock

	2012 £
Uniform stock	480
Catering stock	406
	£ 886

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

15. Debtors

	2012
	£
Due within one year	
Trade debtors	1,485
VAT recoverable	9,956
Prepayments and accrued income	11,028
	<u>22,469</u>

16. Creditors: amounts falling due within one year

	2012
	£
Loans due	7,688
Trade creditors	12,674
Sundry creditors	5,039
Social security and other taxes	7,261
Accruals	14,350
Deferred income	65,494
	<u>112,506</u>

Deferred income

Amount deferred in the year	65,494
Balance at 31 August 2012	<u>65,494</u>

At the balance sheet date the Academy Trust was holding funds in advance of the 12/13 financial year

17. Loans

	2012
	£
The loan is repayable as follows	
Within one year or on demand	7,688
	<u>7,688</u>

The loan was with the local Diocese at 5% interest

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

18 Statement of Funds

	Incoming Resources £	Resources Expended £	Gains and losses £	Transfer £	Balance at 31 Aug 12 £
General Restricted funds					
General Annual Grant (GAG)	433,619	(415,085)	-	-	18,534
Start up grant	12,801	-	-	-	12,801
Other EFA grants	48,923	(43,462)	-	-	5,461
Other government grants	-	-	-	-	-
Other restricted projects	28,048	(2,183)	-	-	25,865
	<u>523,391</u>	<u>(460,730)</u>	<u>-</u>	<u>-</u>	<u>62,661</u>
Restricted fixed asset funds					
Dfe/EFA capital grants	5,114	-	-	-	5,114
Other restricted	2,719,771	(39,977)	-	-	2,679,794
	<u>2,724,885</u>	<u>(39,977)</u>	<u>-</u>	<u>-</u>	<u>2,684,908</u>
Restricted pension fund					
Pension fund	-	(129,000)	(38,000)	-	(167,000)
	<u>-</u>	<u>(129,000)</u>	<u>(38,000)</u>	<u>-</u>	<u>(167,000)</u>
Total restricted funds	<u>3,248,276</u>	<u>(629,707)</u>	<u>(38,000)</u>	<u>-</u>	<u>2,580,569</u>
Unrestricted funds General reserve					
	40,871	(23,750)	-	-	17,121
Total unrestricted fundss	<u>40,871</u>	<u>(23,750)</u>	<u>-</u>	<u>-</u>	<u>17,121</u>
Total funds	<u>3,289,147</u>	<u>(653,457)</u>	<u>(38,000)</u>	<u>Nil</u>	<u>2,597,690</u>

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

Restricted general funds and other restricted funds

These grants relate to the Academy's development and operational activities

Restricted fixed asset fund

These grants relate to capital funding to carry out works of a capital nature

Unrestricted reserve

These funds relate to unrestricted income to be used to support the academy's objectives and educational activities

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

19 Analysis of net assets between funds

	Unrestricted Funds 2012 £	Restricted Pension Funds 2012 £	Restricted General Funds 2012 £	Restricted Fixed Asset Funds 2012 £	Total Funds 2012 £
Tangible fixed assets	-	-	-	2,679,794	2,679,794
Net current assets	17,121	-	62,661	5,114	84,896
Pension Liability	-	(167,000)	-	-	(167,000)
	<u>17,121</u>	<u>(167,000)</u>	<u>62,661</u>	<u>2,684,908</u>	<u>2,597,690</u>

20. 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 Essex County Council Both are defined-benefit schemes

As described in 21 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date

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 was at 31 March 2010

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 The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010 These regulations apply to teachers in schools and other educational establishments in England and Wales maintained by local authorities, to teachers in many independent and voluntary-aided schools, and to teachers and lecturers in establishments of further and higher education 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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

The Teacher's Pension Budgeting and Valuation Account

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, 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 (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers Pension Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions.

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate ("SCR") is 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 investigation, 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 - 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, 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. The cost-sharing agreement also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

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Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

Scheme Changes

From 1 April 2012 to 31 March 2013, the employee contribution rate will range between 6.4% and 8.8%, depending on a member's Full Time Equivalent salary. Further changes to the employee contribution rate will be applied in 2013-14 and 2014-15.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these are being discussed in the context of the design for a reformed TPS, as set out in the Proposed Final Agreement, and scheme valuations are, therefore, currently suspended. The Government, however, has set out a future process for determining the employer contribution rate under the new scheme, and this process will involve a full actuarial valuation.

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 and the implications for the Academy in terms of the anticipated contribution rates.

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 period ended 31 August 2012 was £17,000, of which employer's contributions totalled £13,000 and employees' contributions totalled £4,000. The agreed contribution rates for future years are 26.4% for employers and employees contributions are dependent on the level of their full-time equivalent salary ranging from 5.5% to 10%.

<i>Principal Actuarial Assumptions</i>	2012
	%
Rate of increase in salaries	3.7
Rate of increase in pensions payment	1.9
Discount rate for scheme liabilities	3.9
Inflation assumption (CPI)	1.9

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

	2012
Retiring today	
Males	22.7
Females	25.3
Retiring in 20 years	
Males	24.1
Females	26.8

The Academy's share of the assets and liabilities in the scheme and the expected rate of return were

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

	Expected Return at 2012 %	Value of assets £
Equities	5.9	21,000
Government bonds	2.8	2,000
Bonds	3.9	3,000
Property	4.0	4,000
Other	0.5	1,000
Total fair value of assets	5.2	31,000
Present fair value of funded benefit obligations		(198,000)
Deficit in the scheme		(167,000)

The expected rate of return is based on the long-term future expected investment return for each asset class at the beginning of the period

Amounts recognised in the statement of financial activities	2012 £
Current service cost (net of employee contribution)	14,000
Total operating charge	14,000
Analysis of pension finance income / (costs)	
Expected return on assets	1,000
Interest on pension liabilities	(7,000)
Pension finance costs	(6,000)

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is £38,000.

Movements in the present value of defined benefit obligations	2012 £
Benefit obligation at beginning of period	134,000
Current service costs	14,000
Interest on pension liabilities	7,000
Member contributions	4,000
Actuarial losses/(gains)	39,000
At 31 August 2012	198,000

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

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

	2012 £
Fair value of Scheme assets at beginning of period	12,000
Expected return on plan assets	1,000
Actuarial (losses)/gains	1,000
Employer contributions	13,000
Member contributions	4,000
At 31 August 2012	31,000

Reconciliation of opening and closing deficit

	2012 £
Pension scheme liability transferred	(122,000)
Current service costs (net of employee contributions)	(14,000)
Employer contributions	13,000
Other finance income	(6,000)
Actuarial (losses)/gains	(38,000)
At 31 August 2012	(167,000)

Amounts for the current and previous periods are as follows

	2012 £
Funded benefit obligation	(198,000)
Scheme assets	31,000
Deficit	(167,000)
Experience adjustment on Scheme assets	1,000
Experience adjustment on Scheme liabilities	(39,000)

21. Conversion to an academy trust

On 1 October 2011 Stisted Church of England Primary Academy Trust converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to from Essex County Council Local Authority for £nil consideration. The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

	Unrestricted Funds 2012 £	Restricted Pension Funds 2012 £	Restricted General Funds 2012 £	Restricted Fixed Asset Funds 2012 £	Total Funds 2012 £
Tangible Fixed Assets					
Land and Buildings	-	-	-	2,719,771	2,719,771
Budget surplus/(deficit) on LA funds	-	-	23,968	-	23,968
LGPS pension surplus/(deficit)	-	(122,000)	-	-	(122,000)
	<u>-</u>	<u>(122,000)</u>	<u>23,968</u>	<u>2,719,771</u>	<u>2,621,739</u>

The above net assets include £36,516 that were transferred as cash

22 Ultimate controlling party

There is no ultimate controlling party

23 Company limited by guarantee

The Academy Trust is a company limited by guarantee and does not have share capital

24. Reconciliation of net incoming resources before transfers to net cash inflow from operating activities

	2012 £
Operating surplus	2,635,690
Add back	
Fixed assets transferred on conversion	(2,719,771)
Pension liability transferred on conversion to an academy trust	122,000
Income and expenditure in the year affecting the pension liability	7,000
Depreciation and amortisation	39,977
(Increase) in stock	(886)
(Increase) in debtors	(22,469)
Increase in creditors	112,506
Less bank interest receivable	(87)
Net cash input from operations	<u>173,960</u>

25. Returns on investments and servicing of finance

	2012 £
Bank interest receivable	<u>87</u>

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST **Company Limited by Guarantee**

Notes to the Financial Statements

Period from 9 September 2011 to 31 August 2012

26. Analysis of changes in net debt

	2012 £
Purchase of tangible fixed assets	-

27 Analysis of changes in net funds

	13 May 11 £	Cash flows £	31 Aug 12 £
Cash at bank	-	174,047	174,047

28 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

29 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.