
financial statements

Stisted Church of England Primary Academy Trust
(A Company Limited by Guarantee)

For the year ended 31 August 2013

Company registration number 07769085



A2045508

A36

27/12/2013

#4

COMPANIES HOUSE



MHA MacIntyre Hudson

GLOBAL EXPERTISE NATIONAL EXPERIENCE LOCAL EXCELLENCE®

**Stisted Church of England Primary
Academy Trust**

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2013

Company Registration Number: 07769085

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

Contents

	Page
Reference and Administrative Details	1
Trustees' Report	2
Governance Statement	6
Statement on Regularity, Propriety and Compliance	8
Statement of Trustees' Responsibilities	9
Independent Auditor's Report to the members of Stisted Church of England Primary Academy Trust	10
Independent Reporting Accountant's Assurance Report on Regularity to Stisted Church of England Primary Academy Trust and the Education Funding Agency	12
Statement of Financial Activities incorporating Income & Expenditure Account	14
Balance Sheet	15
Cash Flow Statement	16
Notes to the financial statements	
Statement of Accounting Policies	17
Other notes to the Financial Statements	19

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

Reference and Administrative Details

Trustees

D Adams (chair of trustees) *
S Gurteen (responsible officer) *
M Hawrylak (principal and accounting officer) *
F Garrett (vice chair of trustees)*
R Sams
G Williams (staff trustee)
E Davey (staff trustee) *
E Coulson
T Ferguson
A Herbert
K Leech *
L Thain
M Waine *

* members of the finance and general purposes committee

Company Secretary

G Sutherland

Senior Management Team

- Principal
- Principals Deputy
- EYFS / KS1 Co-Ordinator
- Office Manager

M Hawrylak
G Williams
D Traylen
E Davey

Principal and Registered Office

Stisted Church of England Primary Academy Trust
The Street
Stisted
Braintree
Essex
CM77 8AN

Company Registration Number

07769085

Independent Auditor

MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditors
Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

Bankers

Lloyds TSB Bank Plc
2-4 Bank Street
Braintree
Essex
CM7 1UN

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

Trustees' Report

For the year ended 31 August 2013

The trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the period 1 September 2012 to 31 August 2013

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Stisted Church of England Primary Academy Trust 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 trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

The academy has purchased insurance to cover governors and officers from claims arising from negligent acts, errors or omissions occurring while on academy business. Details of the costs can be found in Note 13 to the accounts.

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.

Policies and Procedures Adopted for the Induction and Training of Trustees

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 of the committee's terms of reference. These committees are Finance and Premises, Human Resources and Pupil Related.

The Principal has been designated the Accounting Officer.

Risk Management

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 31 August 2013 and up to the date of the annual report and financial statement.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

Trustees' Report

For the year ended 31 August 2013

Connected Organisations including Related Party Relationships

Stisted Church of England 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.

Stisted Church of England Primary Academy Trust received donations from the trustees of the Earls Colne and Halstead Educational Trust, Registered Charity Number 0310859, to promote the education of the pupils at the academy.

Stisted Church of England Primary Academy Trust received donations from the trustees of the Bishop Gauden Foundation, Registered Charity Number 310833, to promote the education of the pupils at the academy.

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 Church of England Primary Academy, is to provide education for its pupils.

Objectives, Strategies and Activities

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

The Academy Trust aims to provide the children who attend Stisted Church of England 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

Public Benefit

The charitable company's aims are set out in this report. The trustees have complied with their duty under section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission and the trustees have paid due regard to this guidance in deciding what activities the charitable company should undertake.

The key public benefit delivered by Stisted Church of England Primary Academy is to maintain and develop the high quality educational provision by the school for children in Stisted village and the surrounding areas.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST (A Company Limited by Guarantee)

Trustees' Report

For the year ended 31 August 2013

Achievements and Performance

	Level 4	Level 5	Level 6
Reading	100% (87%)	80% (48%)	- (0%)
Writing (Gr,Pu,Sp)	100% (-----)	50% (-----)	10% (---)
Maths	100% (85%)	90% (36%)	30% (3%)

Figure in brackets is national data No national data yet for Writing

- This cohort compares favourably when compared with the national cohort in all subjects and at all levels and exceeds both expected attainment relative to their starting points in Reading, Writing and Maths Attainment is recognised as sig+ p 33 Raise online 2013 summary report
- All children (100%) achieved at least Level 4 in Reading, Writing and Maths compared with the national rate of 87% for reading and 85% for Maths
- The proportion of pupils achieving L5 and 6 when compared nationally is high (more than double)

Going concern

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

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

A grant was awarded to the school by the DfE towards the maintenance of fixed assets In addition to this the Academy received devolved formula capital (DFC) This is shown as restricted fixed asset funds in the Statement of Financial Activities

The fixed assets of the 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 Church of England 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 in 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

The pension reserve is in deficit due to the academy's share of the LGPS liabilities exceeding its share of the assets

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

Trustees' Report

For the year ended 31 August 2013

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

Key Priority To introduce a Montessori curriculum for children with special educational needs including those with statements of need.

Subsidiary objectives

- 1 To reflect on outcomes of Section 48 inspection and develop children's knowledge and understanding of world faiths
- 2 To reflect on the environment and its impact on learning with a view to further develop Communication and Learning Friendly Spaces/Classrooms
- 3 To review the curriculum with a view to adopting the new national curriculum from 2014
- 4 To establish a plan to improve PE provision using sports premium funding (£9000 per year for two years)
- 5 To ensure the school and Governing Body are 'Ofsted Ready'

Auditor

Insofar as the trustees are aware

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

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

Approved by order of the board of trustees on 28 November 2013 and signed on its behalf by

...  ...

D Adams

Chair of Trustees

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST (A Company Limited by Guarantee)

Governance Statement

For the year ended 31 August 2013

Scope of Responsibility

As trustees 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 board of trustees has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in Stisted Church of England Primary Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
D Adams (chair of trustees)	5	6
S Gurteen (responsible officer)	6	6
M Hawrylak (principal and accounting officer)	6	6
F Garrett (vice chair of trustees)	5	6
R Sams	2	6
G Williams (staff trustee)	4	6
E Davey (staff trustee)	6	6
E Coulson	5	6
T Ferguson	4	6
A Herbert	4	6
K Leech	5	6
L Thain	6	6
M Waine	5	6

The finance and general purposes committee is a sub-committee of the main board of trustees. Its purpose is to monitor all financial matters for the Academy.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
D Adams	4	5
S Gurteen	5	5
M Hawrylak	5	5
F Garrett	5	5
E Davey	5	5
A Herbert	1	2
K Leech	3	3
M Waine	4	5

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Stisted Church of England Primary Academy Trust for the period 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

Governance Statement

For the year ended 31 August 2013

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluation and managing the academy trust's significant risks that has been in place for the period 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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 board of trustees,
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes,
- setting targets to measure financial and other performance,
- clearly defined purchasing (asset purchase or capital investment) guidelines,
- delegation of authority and segregation of duties,
- identification and management of risks

The board of trustees has considered the need for a specific internal audit function and has decided

- not to appoint an internal auditor. However the trustees have appointed S Gurteen, a trustee, 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 board of trustees on the operation of the systems of control and on the discharge of the board of trustees' 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 work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

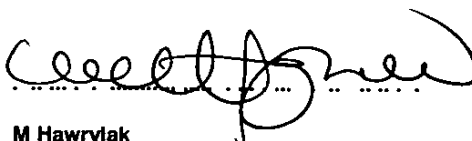
The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and general purposes committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 28 November 2013 and signed on its behalf by

..  ..

D Adams

Chair of Trustees



M Hawrylak

Accounting Officer

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

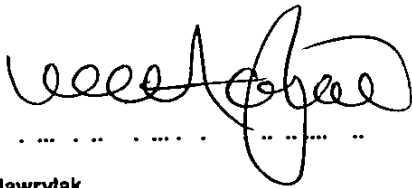
Statement on Regularity, Propriety and Compliance

For the year ended 31 August 2013

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

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.



.....
M Hawrylak

Accounting Officer

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

Statement of Trustees' Responsibilities

For the year ended 31 August 2013

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

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

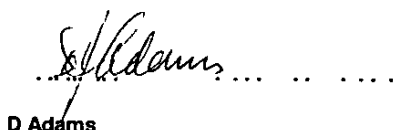
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material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

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

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

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

Approved by order of the members of the board of trustees on 28 November 2013 and signed on its behalf by



D Adams

Chair of Trustees

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

Independent Auditor's Report to the members of Stisted Church of England Primary Academy Trust

For the year ended 31 August 2013

We have audited the financial statements of Stisted Church of England Primary Academy Trust for the year ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow statement 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 Academies Accounts Direction 2013 issued by the Education Funding Agency.

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

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the academy 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 academy trust's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements.

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

Opinion on financial statements

In our opinion the financial statements

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

Opinion on other matter prescribed by the Companies Act 2006

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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

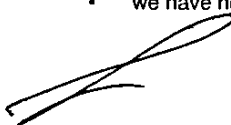
Independent Auditor's Report to the members of Stisted Church of England Primary Academy Trust

For the year ended 31 August 2013

Matters on which we are required to report by exception

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

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



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

23/12/10...

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A 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

For the year ended 31 August 2013

In accordance with the terms of our engagement letter dated 23 September 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Stisted Church of England Primary Academy Trust during the period 1 September 2012 to 31 August 2013 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

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

Respective responsibilities of Stisted Church of England Primary Academy Trust's accounting officer and the reporting accountant

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

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2013 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter

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

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

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

The work undertaken to draw our conclusions includes

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy
- testing of a sample of payroll payments to staff
- testing of a sample of payments to suppliers and other third parties
- testing of a sample of grants received and other income streams

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A 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

For the year ended 31 August 2013

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

MHA MacIntyre Hudson

MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditors

Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

23/12/13 ..

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

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

For the year ended 31 August 2013

	Note	Unrestricted Funds 2013 £	Restricted Pension Funds 2013 £	Restricted General Funds 2013 £	Restricted Fixed Asset Funds 2013 £	Total Funds 2013 £	Total Funds Period from 9 Sep 11 to 31 Aug 12 £
INCOMING RESOURCES							
Incoming resources from generated funds							
Voluntary income	3	6,079	-	-	-	6,079	10,603
Transfer from local authority on conversion		-	-	-	-	-	2,743,739
Activities for generating funds	4	20,348	-	-	-	20,348	17,179
Investment income	5	155	-	-	-	155	87
Incoming resources from charitable activities							
Funding for the Academy's educational operations	6	-	-	572,048	60,816	632,864	500,457
Other incoming resources from educational operations	7	3,590	-	9,478	-	13,068	17,082
TOTAL INCOMING RESOURCES		30,172	-	581,526	60,816	672,514	3,289,147
RESOURCES EXPENDED							
Costs of generating funds							
Transfer from local authority on conversion		-	-	-	-	-	122,000
Charitable activities							
Academy's educational operations	9	-	13,000	575,081	83,709	671,790	515,447
Governance costs	10	-	-	11,604	-	11,604	16,010
TOTAL RESOURCES EXPENDED		-	13,000	586,685	83,709	683,394	653,457
Net incoming / (outgoing) resources before transfers		30,172	(13,000)	(5,159)	(22,893)	(10,880)	2,635,690
Gross transfers between funds	18	(14,685)	-	20,585	(5,900)	-	-
Net income / (expenditure) for the year		15,487	(13,000)	15,426	(28,793)	(10,880)	2,635,690
OTHER RECOGNISED GAINS AND LOSSES							
Actuarial losses on defined benefit pension schemes	18	-	(10,000)	-	-	(10,000)	(38,000)
NET MOVEMENT IN FUNDS		15,487	(23,000)	15,426	(28,793)	(20,880)	2,597,690
RECONCILIATION OF FUNDS							
Total funds brought forward at 1 September 2012	18	17,121	(167,000)	62,661	2,684,908	2,597,690	-
Total funds carried forward at 31 August 2013		32,608	(190,000)	78,087	2,656,115	2,576,810	2,597,690

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

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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

Balance Sheet

As at 31 August 2013

	Notes	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible fixed assets	14		2,639,817		2,679,794
CURRENT ASSETS					
Stock	15	886		886	
Debtors	16	33,578		22,469	
Cash at bank and in hand		127,424		174,047	
		<u>161,888</u>		<u>197,402</u>	
CURRENT LIABILITIES					
Creditors Amounts falling due within one year	17	(34,895)		(112,506)	
NET CURRENT ASSETS			<u>126,993</u>		<u>84,896</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,766,810</u>		<u>2,764,690</u>
NET ASSETS EXCLUDING PENSION LIABILITY			<u>2,766,810</u>		<u>2,764,690</u>
Pension scheme liability	25		(190,000)		(167,000)
NET ASSETS INCLUDING PENSION LIABILITY			<u><u>2,576,810</u></u>		<u><u>2,597,690</u></u>
FUNDS OF THE ACADEMY					
RESTRICTED FUNDS					
Fixed asset fund(s)	18	2,656,115		2,684,908	
General fund(s)	18	78,087		62,661	
Pension reserves	18	(190,000)		(167,000)	
TOTAL RESTRICTED FUNDS			<u>2,544,202</u>		<u>2,580,569</u>
UNRESTRICTED FUNDS					
General fund(s)	18	32,608		17,121	
			<u>32,608</u>		<u>17,121</u>
			<u><u>2,576,810</u></u>		<u><u>2,597,690</u></u>

The financial statements on pages 14 to 32 were approved and authorised for issue by the trustees on 28 November 2013 and are signed on their behalf by


.....

D Adams

Chair of Trustees

Company registration number 07769085

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

Cash Flow Statement

For the year ended 31 August 2013

	Note	2013 £	2012 £
Net cash (outflow) / inflow from operating activities	20	(107,594)	173,960
Net cash inflow from returns on investment and servicing of finance	21	155	87
Net cash inflow from capital expenditure and financial investment	22	60,816	-
(Decrease) / Increase in cash for the year		<u>(46,623)</u>	<u>174,047</u>
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2012		174,047	-
Net funds at 31 August 2013		<u>127,424</u>	<u>174,047</u>

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

Notes to the Financial Statements

For the year ended 31 August 2013

1. Statement of Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice Accounting and Reporting by Charities' ('SORP 2005'), the 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.

Going Concern

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

Incoming resources

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

Grants Receivable

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

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

Sponsorship income

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

Donations

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

Other income

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

Donated Services and Gifts in Kind

The value of donated services and gifts in kind provided to the academy 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.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

Notes to the Financial Statements

For the year ended 31 August 2013

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 academy trust's educational operations.

Governance Costs

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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

Freehold buildings	50 years
Furniture and equipment	10 years

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.

Leased Assets

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

Stock

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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

Notes to the Financial Statements

For the year ended 31 August 2013

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

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

Fund accounting

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

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

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

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2013 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises / capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2013.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

Notes to the Financial Statements

For the year ended 31 August 2013

3 Voluntary Income

	Unrestricted Funds 2013 £	Restricted Pension Funds 2013 £	Restricted General Funds 2013 £	Restricted Fixed Asset Funds 2013 £	Total 2013 £	Total 2012 £
Other donations	6,079	-	-	-	6,079	10,603
	6,079	-	-	-	6,079	10,603

4 Activities for Generating Funds

	Unrestricted Funds 2013 £	Restricted Pension Funds 2013 £	Restricted General Funds 2013 £	Restricted Fixed Asset Funds 2013 £	Total 2013 £	Total 2012 £
Catering income	16,924	-	-	-	16,924	17,179
Other income from activities	3,424	-	-	-	3,424	-
	20,348	-	-	-	20,348	17,179

5 Investment Income

	Unrestricted Funds 2013 £	Restricted Pension Funds 2013 £	Restricted General Funds 2013 £	Restricted Fixed Asset Funds 2013 £	Total 2013 £	Total 2012 £
Interest	155	-	-	-	155	87
	155	-	-	-	155	87

6 Funding for Academy Trust's Educational Operations

	Unrestricted Funds 2013 £	Restricted Pension Funds 2013 £	Restricted General Funds 2013 £	Restricted Fixed Asset Funds 2013 £	Total 2013 £	Total 2012 £
DfE / EFA revenue grants						
General Annual Grant (GAG) (Note 2)	-	-	489,141	-	489,141	433,619
SEN funding	-	-	54,451	-	54,451	-
Start-up grant part A	-	-	-	-	-	12,801
Pupil Premium	-	-	5,336	-	5,336	-
Other DfE / EFA revenue grants	-	-	18,632	-	18,632	48,923
	-	-	567,560	-	567,560	495,343
DfE / EFA capital grants						
DfE / EFA capital grants	-	-	-	60,816	60,816	5,114
	-	-	-	60,816	60,816	5,114
Other income						
Other grants and payments received	-	-	4,488	-	4,488	-
	-	-	4,488	-	4,488	-
	-	-	572,048	60,816	632,864	500,457

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

Notes to the Financial Statements

For the year ended 31 August 2013

7 Other Incoming Resources from Educational Operations

	Unrestricted Funds 2013 £	Restricted Pension Funds 2013 £	Restricted General Funds 2013 £	Restricted Fixed Asset Funds 2013 £	Total 2013 £	Total 2012 £
Contributions towards school trips	-	-	9,478	-	9,478	-
Contributions towards clubs and educational activities	2,869	-	-	-	2,869	-
Other incoming resources	721	-	-	-	721	17,082
	3,590	-	9,478	-	13,068	17,082

8 Resources expended

	Staff Costs 2013 £	Non Pay Expenditure Premises Costs 2013 £	Other Costs 2013 £	Total 2013 £	Total 2012 £
Academy's educational operations					
Direct costs	357,570	-	26,511	384,081	322,875
Allocated support costs	107,040	107,214	73,455	287,709	192,572
	464,610	107,214	99,966	671,790	515,447
Governance costs including allocated support costs	-	-	11,604	11,604	16,010
	464,610	107,214	111,570	683,394	531,457

Outgoing resources for the year include

	2013 £	2012 £
Operating leases		
Other	-	4,217
Depreciation	39,977	39,977
Fees payable to auditors		
Audit	11,353	11,500
Other services	251	-

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

Notes to the Financial Statements

For the year ended 31 August 2013

9. Charitable Activities - Academy's Educational Operations

	Unrestricted Funds 2013 £	Restricted Pension Funds 2013 £	Restricted General Funds 2013 £	Restricted Fixed Asset Funds 2013 £	Total 2013 £	Total 2012 £
Direct costs						
Teaching and educational support staff costs	-	-	357,570	-	357,570	311,709
Educational supplies	-	-	15,078	-	15,078	10,454
Educational visits	-	-	8,572	-	8,572	-
Examination fees	-	-	-	-	-	22
Staff development and training	-	-	2,861	-	2,861	690
	-	-	384,081	-	384,081	322,875
Allocated support costs						
Support staff costs	-	13,000	94,040	-	107,040	80,187
Depreciation	-	-	-	39,977	39,977	39,977
Maintenance of premises and equipment	-	-	8,399	43,732	52,131	4,646
Cleaning	-	-	742	-	742	783
Rent and rates	-	-	12,361	-	12,361	9,408
Water and sewerage	-	-	966	-	966	-
Insurance	-	-	8,483	-	8,483	7,017
Security and transport	-	-	1,142	-	1,142	598
Catering	-	-	10,794	-	10,794	9,509
Technology costs	-	-	26,077	-	26,077	10,214
Bank interest and charges	-	-	64	-	64	6,053
Other support costs	-	-	27,932	-	27,932	24,180
	-	13,000	191,000	83,709	287,709	192,572
	-	13,000	575,081	83,709	671,790	515,447

10 Governance Costs

	Unrestricted Funds 2013 £	Restricted Pension Funds 2013 £	Restricted General Funds 2013 £	Restricted Fixed Asset Funds 2013 £	Total 2013 £	Total 2012 £
Legal and professional fees	-	-	-	-	-	4,492
Fees payable to auditors						
Audit	-	-	11,353	-	11,353	11,500
Other services	-	-	251	-	251	-
Support costs	-	-	-	-	-	18
	-	-	11,604	-	11,604	16,010

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

Notes to the Financial Statements

For the year ended 31 August 2013

11. Staff Costs

	2013 £	2012 £
Wages and salaries	379,369	327,415
Social security costs	22,070	20,994
Pension costs	63,171	42,980
	<u>464,610</u>	<u>391,389</u>
Supply teacher costs	-	507
	<u>464,610</u>	<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

	2013 No	2012 No
Charitable Activities		
Teachers	4	4
Administration and support	9	7
Management	3	3
	<u>16</u>	<u>14</u>

The number of employees whose emoluments (excluding employer pension contributions) fell within the following bands was

	2013 No	2012 No
£60,001 - £70,000	-	-
	<u>-</u>	<u>-</u>

12 Related Party Transactions - Trustees' Remuneration & Expenses

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

	2013 £	2012 £
M Hawrylak (Principal)	65,000 - 70,000	60,000 - 65,000
G Williams (Staff trustee)	50,000 - 55,000	45,000 - 50,000
E Davey (Staff trustee)	30,000 - 35,000	30,000 - 35,000
E Coulson (Staff trustee)	5,000 - 10,000	5,000 - 10,000

During the year ended 31 August 2013, no travel and subsistence expenses were reimbursed to trustees (2012: £0)

Other related party transactions involving the trustees are set out in Note 26

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

Notes to the Financial Statements

For the year ended 31 August 2013

13 Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2013 was £446 (2012 £259)

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

14. Tangible Fixed Assets

	Freehold Land and Buildings £	Furniture and Equipment £	Total 2013 £
Cost			
At 1 September 2012	2,700,000	19,771	2,719,771
At 31 August 2013	2,700,000	19,771	2,719,771
Depreciation			
At 1 September 2012	38,000	1,977	39,977
Charged in the year	38,000	1,977	39,977
At 31 August 2013	76,000	3,954	79,954
Net book values			
At 31 August 2012	2,662,000	17,794	2,679,794
At 31 August 2013	2,624,000	15,817	2,639,817

The leasehold property was professionally valued at conversion by Joscelyne Chase

15 Stock	2013	2012
	£	£
Clothing / uniform	480	480
Catering	406	406
	886	886
16 Debtors	2013	2012
	£	£
Amounts due within one year		
Trade debtors	-	1,485
Prepayments and accrued income	6,608	11,028
VAT recoverable	26,970	9,956
	33,578	22,469

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

Notes to the Financial Statements

For the year ended 31 August 2013

17 Creditors Amounts Falling due within one Year

	2013 £	2012 £
Loans	-	7,688
Trade creditors	8,232	12,674
Accruals and deferred income	11,805	79,844
Net wages control account	17	-
Taxation and social security	8,368	7,261
Pension control account	6,473	-
Other creditors	-	5,039
	34,895	112,506
<u>Deferred income</u>		
Deferred Income at 1 September 2012	65,494	-
Resources deferred in the year	-	65,494
Amounts released from previous years	(65,494)	-
Deferred Income at 31 August 2013	-	65,494

18 Funds

	Balance at 01 Sep 12 £	Incoming Resources £	Resources Expended £	Transfers £	Other recognised gains and losses £	Balance at 31 Aug 13 £
Restricted general funds						
General Annual Grant (GAG)	18,534	489,141	(478,121)	40,391	-	69,945
SEN funding	-	54,451	(54,451)	-	-	-
Start-up grant part A	12,801	-	(12,801)	-	-	-
Pupil Premium	-	5,336	(5,336)	-	-	-
Other DfE / EFA revenue grants	5,461	18,632	(17,104)	-	-	6,989
Other activities	25,865	13,966	(18,872)	(19,806)	-	1,153
	62,661	581,526	(586,685)	20,585	-	78,087
Restricted pension funds						
Pension reserve	(167,000)	-	(13,000)	-	(10,000)	(190,000)
	(167,000)	-	(13,000)	-	(10,000)	(190,000)
Restricted fixed asset funds						
Transfer from local authority on conversion	2,679,794	-	(39,977)	-	-	2,639,817
DfE / EFA capital grants	5,114	60,816	(43,732)	(5,900)	-	16,298
	2,684,908	60,816	(83,709)	(5,900)	-	2,656,115
Total restricted funds	2,580,569	642,342	(683,394)	14,685	(10,000)	2,544,202
Unrestricted funds						
Unrestricted funds	17,121	30,172	-	(14,685)	-	32,608
Total unrestricted funds	17,121	30,172	-	(14,685)	-	32,608
Total funds	2,597,690	672,514	(683,394)	-	(10,000)	2,576,810

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

Notes to the Financial Statements

For the year ended 31 August 2013

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

Restricted general funds

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

Restricted pension funds

These funds represent the LGPS obligation to the employees of the academy Trust

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

Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2013. Note 2 discloses whether this limit was exceeded

19. Analysis of Net Assets between Funds

Fund balances at 31 August 2013 are represented by

	Unrestricted Funds 2013 £	Restricted Pension Funds 2013 £	Restricted General Funds 2013 £	Restricted Fixed Asset Funds 2013 £	Total Funds 2013 £
Fixed assets	-	-	-	2,639,817	2,639,817
Current assets	32,608	-	112,982	16,298	161,888
Current liabilities	-	-	(34,895)	-	(34,895)
Pension scheme liability	-	(190,000)	-	-	(190,000)
	32,608	(190,000)	78,087	2,656,115	2,576,810

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

Notes to the Financial Statements

For the year ended 31 August 2013

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

	2013 £	2012 £
Net income	(10,880)	2,635,690
Fixed assets transferred on conversion	-	(2,719,771)
Pension liability transferred on conversion	-	122,000
Depreciation	39,977	39,977
Capital grants from DfE and other capital income	(60,816)	-
Interest receivable (Note 5)	(155)	(87)
FRS 17 pension cost less contributions payable (Note 25)	7,000	-
FRS 17 pension finance income (Note 25)	6,000	7,000
Increase in stocks	-	(886)
Increase in debtors	(11,109)	(22,469)
(Decrease) / increase in creditors	(77,611)	112,506
Net Cash (Outflow) / Inflow from Operating Activities	(107,594)	173,960

21 Returns on Investments and Servicing of Finance

	2013 £	2012 £
Interest receivable (Note 5)	155	87
Net Cash Inflow / (Outflow) from Returns on Investments and Servicing of Finance	155	87

22 Capital Expenditure and Financial Investment

	2013 £	2012 £
Capital grants from DfE / EFA	60,816	-
Net Cash Inflow from Capital Expenditure and Financial Investment	60,816	-

23 Analysis of Changes in Net Funds

	Balance at 01 Sep 12 £	Cash flows £	Balance at 31 Aug 13 £
Cash in hand and at bank	174,047	(46,623)	127,424
	174,047	(46,623)	127,424

24 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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

Notes to the Financial Statements

For the year ended 31 August 2013

25. 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

The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2010

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

Contributions amounting to £6,473 (2012 £nil) were payable to the schemes at 31 August and are included within creditors

As described in Note 31 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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2010 These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract Teachers and lecturers are able to opt out of the TPS

The Teacher's Pension Budgeting and Valuation Account

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

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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

Notes to the Financial Statements

For the year ended 31 August 2013

Valuation of the Teachers Pension Scheme

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

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

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

Teachers' Pension Scheme Changes

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

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

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2013 was £16,164, of which employer's contributions totalled £10,862 and employees' contributions totalled £5,302. The agreed contribution rates for future years are 29.4% for employers and employees' contributions are dependent on the level of their full-time equivalent salary ranging from 5.5% to 7.5%.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

Notes to the Financial Statements

For the year ended 31 August 2013

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

Principal Actuarial Assumptions

	At 31 August 2013	At 31 August 2012
Rate of increase in salaries	4.70%	3.70%
Rate of increase for pensions in payment / inflation	2.90%	1.90%
Discount rate for scheme liabilities	4.70%	3.90%
Inflation assumption (CPI)	2.90%	1.90%
Inflation assumption (RPI)	3.70%	2.70%

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

	At 31 August 2013	At 31 August 2012
<i>Retiring today</i>		
Males	22.7	22.7
Females	25.3	25.3
<i>Retiring in 20 years</i>		
Males	24.2	24.1
Females	26.9	26.8

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

	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £	Expected return at 31 August 2012 %	Fair value at 31 August 2012 £
Equities	6.60%	38,000	5.90%	21,000
Other bonds	4.40%	5,000	3.90%	3,000
Property	5.60%	6,000	4.00%	4,000
Gilts	3.50%	5,000	2.80%	2,000
Cash	0.50%	2,000	0.50%	1,000
Other	4.40%	2,000	0.00%	-
Total market value of assets		58,000		31,000
Present value of scheme liabilities				
Funded		(248,000)		(198,000)
Deficit in the scheme		(190,000)		(167,000)

The actual return on scheme assets was £6,000 (2012: £1,000).

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

Notes to the Financial Statements

For the year ended 31 August 2013

Amounts recognised in the Statement of Financial Activities	2013	2012
	£	£
Current service cost (net of employee contribution)	23,000	14,000
Total operating charge	23,000	14,000

Analysis of pension finance income / (costs)

Expected return on pension scheme assets	2,000	1,000
Interest on pension liabilities	8,000	(7,000)
Pension finance income / (costs)	10,000	(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 a £48,000 loss (2012 £38,000 loss)

Movements in the present value of defined benefit obligations were as follows	2013	2012
	£	£
Opening present value of scheme obligations at 1 September 2012	198,000	134,000
Current service cost	23,000	14,000
Interest cost	8,000	7,000
Actuarial loss	14,000	39,000
Employee contributions	5,000	4,000
Closing present value of scheme obligations at 31 August 2013	248,000	198,000

Movements in the fair value of academy's share of scheme assets	2013	2012
	£	£
Opening fair value of scheme assets at 1 September 2012	31,000	12,000
Expected return on scheme assets	2,000	1,000
Actuarial gain	4,000	1,000
Employer contributions	16,000	13,000
Employee contributions	5,000	4,000
Closing fair value of scheme assets at 31 August 2013	58,000	31,000

The estimated value of employer contributions for the year ended 31 August 2014 is £16,000

Reconciliation of opening to closing deficit	2013	2012
	£	£
Opening balance at 1 September 2012	167,000	122,000
Current service cost	23,000	14,000
Employer contributions	(16,000)	(13,000)
Other finance income	6,000	6,000
Actuarial loss	10,000	38,000
Closing balance at 31 August 2013	190,000	167,000

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

Notes to the Financial Statements

For the year ended 31 August 2013

The five-year history of experience adjustments is as follows

	2013 £	2012 £
Present value of defined benefit obligations	(248,000)	(198,000)
Fair value of share of scheme assets	58,000	31,000
Deficit in the scheme	<u>(190,000)</u>	<u>(167,000)</u>
 Experience adjustments on share of scheme assets Amount £	 4,000	 1,000
 Experience adjustments on share of scheme liabilities Amount £	 -	 -

26 Related Party Transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

No transactions with related parties were undertaken such as are required to be disclosed under the Charity Commission Statement of Recommended Practice Accounting and Reporting by Charities SORP 2005 the Academies Accounts Direction 2013 issued by the EFA and the Companies Act 2006.

27. Ultimate controlling party

There is no ultimate controlling party.

28. Company limited by guarantee

The academy trust is a company limited by guarantee and does not have share capital.