

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014



STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the academy, its trustees and advisers	1
Trustees' report	2 - 7
Governance statement	8 - 10
Statement on regularity, propriety and compliance	11
Trustees' responsibilities statement	12
Independent auditors' report	13 - 14
Independent reporting accountant's assurance report on regularity	15 - 16
Statement of financial activities	17 - 18
Balance sheet	19
Cash flow statement	20
Notes to the financial statements	21 - 40

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Members

D Adams, Chair of Trustees
Rev. T Elbourne, Diocesan representative
R Sams, Incumbent

Trustees

S Gurteen, Responsible Officer
M Hawrylak, Principal and Accounting Officer
F Garrett, Vice Chair
G Williams, Staff Trustee
E Davey, Staff Trustee
E Coulson, Parent Trustee
T Ferguson, Trustee
A Herbert, Trustee
K Leech, Trustee
L Thain, Trustee
M Waine, Trustee
C Stayt, Parent Trustee (appointed 1 November 2013)

Company registered number

07769085

Principal and registered office

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

Senior management team

M Hawrylak, Principal
G Williams, Principal's Deputy
D Traylan, EYFS/KS1 Co-Ordinator
E Davey, Office Manager

Independent auditors

MHA MacIntyre Hudson, 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 2014

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Stisted Church of England Primary Academy Trust (the academy) for the year ended 31 August 2014. The Trustees confirm that the Annual report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

The trust operates an Academy for pupils aged 4 to 11 serving a catchment area in Stisted. It has a pupil capacity of 105 and had a roll of 106 in the school census on 16 January 2014.

Structure, governance and management

a. 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 Limited are also the directors and Trustees of the Charitable Company for the purposes of Company Law. The Charitable Company is known as Stisted C of E Primary Academy.

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

b. 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.

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

Three Trustees are nominated by the Parochial Church Council, four are nominated by the Diocesan Board of Education, two are elected by staff, two are elected by parents and one (Community Governor) elected by the Governing Body.

d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The Governing Body have adopted a policy for the induction and training of Trustees.

e. 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, Pay, Human Resources and Pupil Related.

The Principal has been designated the Accounting Officer and has the responsibility for the day to day management of the school and implementing school policies on behalf of the Governing Body.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

f. 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 £7,000 per year.

Stisted Church of England Primary Academy Trust received donations from the Annie Saunders Trust Fund, to promote the education of the pupils at the Academy.

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 provide sensory and music equipment to enhance the learning of the children.

Stisted Church of England Primary Academy Trust received a donation of the proceeds from a Golf Day to support the creation of a Multi-Use Games Area at the Academy.

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

g. RISK MANAGEMENT

The Trustees have assessed the major risks to which the academy is exposed, in particular those related to the operations and finances of the academy, and are satisfied that systems and procedures are in place to mitigate the Academy Trust's exposure to the major risks.

h. TRUSTEES' INDEMNITIES

Trustees benefit from indemnity insurance to cover the liability of the Trustees which, by virtue of any rule of law, would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £35.

Objectives and Activities

a. OBJECTS AND AIMS

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.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

- To offer all children equal access to the National Curriculum, and in particular Mathematics, English, Science, ICT and RE; and

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

- To offer all children a differentiated curriculum which is both challenging and motivating; and
- To foster a sense of belonging, where all may feel valued and secure in a caring atmosphere based on Christian principles; and
- To provide a safe, secure and happy environment; and
- To instil value and appreciation of the world in which the children live; and
- To provide a 'People' orientated environment; and
- To encourage children to value the achievements of others; and
- To develop the children's ability to build effective relationships with adults and their peers; and
- To work in partnership with parents, teachers, Trustees and the wider community for the benefit of the school and children.

c. PUBLIC BENEFIT

The Trustees of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit, published by the Charity Commission, in exercising their powers and duties. 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.

Achievements and performance

a. 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 statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

b. REVIEW OF ACTIVITIES

	Level 4+	Level 5+	Level 6+
Reading	94% (+5%)	75% (+26%)	0% (0%)
Writing (Gr. Pu, Sp)	81% (+5%)	38% (-15%)	0% (-4%)
Writing	88% (+2%)	38% (+4%)	0% (0%)
English overall	87% (+1%)	56% (+31%)	0% (0%)
Maths	81% (-5%)	69% (+27%)	0% (-9%)

Percentages represent proportion of children at Stisted achieving that rate of progress. The figure in brackets is the % above or below the national rate (2014 figure).

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

The proportion of children achieving a Good Level of Development at the end of the Early Years Foundation Stage is higher than the 2013 national rate. In 2014, 67% of children in our Reception Class attained a Good Level of Development compared with 52% nationally in 2013.

The proportion of children achieving level 2a and level 3 at the end of Key Stage 2 is higher than the national rate. All pupils in Year 2 achieved level 2 (the required standard) or above in reading, writing and maths. Nationally, 89% of pupils achieved the required standard in reading, 85% in writing and 91% in maths.

The proportion of children reaching the required standard at Key Stage 2 is in line with national rates. Attainment at level 5 was significantly above national results in reading and maths and marginally above in writing.

c. INVESTMENT POLICY AND PERFORMANCE

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

Financial review

a. PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks facing the Academy are:

- Reputational risk – mitigated by continued highly effective education and being a small village church school.
- Performance risk – mitigated by continued high quality of expertise of the staff of the Academy Trust and the quality of leadership by the principal.
- Financial Risk – The principal financial risks are a reduction in pupil numbers, reduction in central government funding, unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs. The risks presented here are mitigated by continued popularity as a high performing school that is over subscribed. The financial is low because as a small school it is easier to manage and predict likely teacher costs. Due to the extensive building in phase one (2003) and phase two (2010), major capital repairs are unlikely.

The Academy Trust practices through its Board, namely the Governing Body and the constituted subcommittees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior executive officers.

b. 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 Trustees' 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 Trustees would aim to maintain reserves of between 5% and 10% of GAG as an appropriate cushion.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

At 31 August 2014 the total funds comprised:

Unrestricted	£59,605
Restricted:	
Fixed asset funds	£2,670,253
GAG	(£6,388)
Pension reserve	(£181,000)
Other	£52,464

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 24. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Trustees. The aim of the Trustees is to increase this reserve to meet future working capital requirements.

c. PRINCIPAL FUNDING

The vast majority of the Academy Trust'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.

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.

d. MATERIAL INVESTMENTS POLICY

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

Plans for future periods

a. FUTURE DEVELOPMENTS

Key Priority

To increase opportunities for all children regardless of their starting points to enjoy and take part in team competitive games.

Rationale

The government is providing additional funding of £150 million per annum for academic years 2013 to 2014 and 2014 to 2015 to improve provision of physical education (PE) and sport in primary schools. This funding - provided jointly by the Departments for Education, Health and Culture, Media and Sport - will be allocated to primary school head teachers. This funding is ring-fenced and therefore can only be spent on provision of PE and sport in schools. Schools must spend this additional funding on improving provision of PE and sport.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

Subsidiary objectives

1. To ensure curricular opportunities in the EYFS are made to extend pupils particularly in Expressive Arts and Knowledge and Understanding of the World.
2. To ensure pupils at KS 2 make above expected progress in writing with specific reference to Grammar, Spelling and Punctuation and in line with national rates of progress, taking into account specific cohort factors.
3. Implement the new school curriculum and devise an assessment framework to replace levels.
4. To continue to oversee the transformation of SEN provision in light of the new Code of Practice.
5. Update the following policies : SEN, Attendance, First Aid and Medication

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

No such funds are maintained.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by order of the Board of Trustees on 17 December 2014 and signed on the Board's behalf by:



D Adams
Chair of Trustees

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

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 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. 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 Trustees' responsibilities statement. The Board of Trustees has formally met 4 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	4	4
Rev. T Elbourne, Diocesan representative	0	4
R Sams, Incumbent	0	4
S Gurteen, Responsible Officer	3	4
M Hawrylak, Principal and Accounting Officer	4	4
F Garrett, Vice Chair	3	4
G Williams, Staff Trustee	3	4
E Davey, Staff Trustee	2	4
E Coulson, Parent Trustee	4	4
T Ferguson, Trustee	2	4
A Herbert, Trustee	3	4
K Leech, Trustee	3	4
L Thain, Trustee	2	4
M Waine, Trustee	3	4
C Stayt, Parent Trustee	1	3

The Finance and General Purposes Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor all financial matters of the Academy Trust and the upkeep of the premises..

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
D Adams	6	6
S Gurteen	5	6
M Hawrylak	5	6
F Garrett	4	6
E Davey	6	6
A Herbert	2	4
K Leech	2	2
M Waine	4	6

No formal governance reviews took place during the year but the Academy plans to conduct a self-evaluation in the next financial year.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Stisted Church of England Primary Academy Trust for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of 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 ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of 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.

During the period there were no material control issues arising as a result of the RO's work and all work was carried out in accordance with the EFA's requirements.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

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 auditors;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

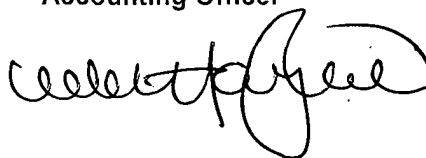
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 17 December 2014 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

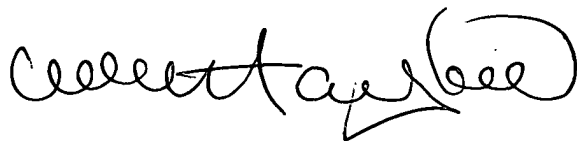
As Accounting Officer of Stisted Church of England Primary Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding 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 (2013).

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 (2013).

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and EFA.

M Hawrylak
Accounting Officer

Date: 17 December 2014



STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

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 of the Charities SORP;
- make judgments 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;
- 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 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 17 December 2014 and signed on its behalf by:



D Adams
Chair of Trustees

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

We have audited the financial statements of Stisted Church of England Primary Academy Trust for the year ended 31 August 2014 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 to 2014 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 opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the academy 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'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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2014 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 to 2014 issued by the Education Funding Agency.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STISTED CHURCH OF ENGLAND PRIMARY
ACADEMY TRUST**

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 return adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustee's remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns; 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
17 December 2014

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 12th June 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, 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 year 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Stisted Church of England Primary Academy Trust and 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 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 Stisted Church of England Primary Academy Trust and 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 1st October 2011, and the Academies Financial Handbook extant from 1 September 2013, (updated October 2013) for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by 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's income and expenditure.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO STISTED
CHURCH OF ENGLAND PRIMARY ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**
(continued)

The work undertaken to draw to conclusion 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 Trust, with reference to the income streams and other information available to us as auditors of the Academy Trust;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing a sample of grants received and other income streams; and
- evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquires of the Accounting Officer.

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA MacIntyre Hudson

Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

17 December 2014.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	3	19,480	-	-	19,480	6,079
Activities for generating funds	4	27,014	-	-	27,014	20,348
Investment income	5	173	-	-	173	155
Incoming resources from charitable activities	6	-	616,663	5,125	621,788	628,376
Other incoming resources	7	4,445	10,748	-	15,193	17,556
TOTAL INCOMING RESOURCES		51,112	627,411	5,125	683,648	672,514
RESOURCES EXPENDED						
Charitable activities	9	-	634,877	39,977	674,854	671,790
Governance costs	10	-	19,545	-	19,545	11,604
TOTAL RESOURCES EXPENDED	8	-	654,422	39,977	694,399	683,394
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		51,112	(27,011)	(34,852)	(10,751)	(10,880)

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Transfers between Funds	19	(24,115)	(30,000)	54,115	-	-
NET EXPENDITURE FOR THE YEAR		26,997	(57,011)	19,263	(10,751)	(10,880)
Actuarial gains and losses on defined benefit pension schemes		-	34,000	-	34,000	(10,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		26,997	(23,011)	19,263	23,249	(20,880)
<i>Total funds at 1 September 2013</i>		<i>32,608</i>	<i>(111,913)</i>	<i>2,656,115</i>	<i>2,576,810</i>	<i>2,597,690</i>
TOTAL FUNDS AT 31 AUGUST 2014		59,605	(134,924)	2,675,378	2,600,059	2,576,810

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 21 to 40 form part of these financial statements.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A company limited by guarantee)

REGISTERED NUMBER: 07769085

**BALANCE SHEET
AS AT 31 AUGUST 2014**

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	15		2,670,252		2,639,817
CURRENT ASSETS					
Stocks	16	886		886	
Debtors	17	64,521		33,579	
Cash at bank		123,732		127,424	
		<u>189,139</u>		<u>161,889</u>	
CREDITORS: amounts falling due within one year	18	(78,332)		(34,896)	
NET CURRENT ASSETS			<u>110,807</u>		<u>126,993</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,781,059</u>		<u>2,766,810</u>
Defined benefit pension scheme liability	24		(181,000)		(190,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>2,600,059</u>		<u>2,576,810</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	19	46,076		78,087	
Restricted fixed asset funds	19	2,675,378		2,656,115	
Restricted funds excluding pension liability		<u>2,721,454</u>		<u>2,734,202</u>	
Pension reserve		(181,000)		(190,000)	
Total restricted funds			<u>2,540,454</u>		<u>2,544,202</u>
Unrestricted funds	19		59,605		32,608
TOTAL FUNDS			<u>2,600,059</u>		<u>2,576,810</u>

The financial statements were approved by the Trustees, and authorised for issue, on 17 December 2014 and are signed on their behalf, by:



D Adams
Chair of Trustees

The notes on pages 21 to 40 form part of these financial statements.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	21	61,422	(107,594)
Returns on investments and servicing of finance	22	173	155
Capital expenditure and financial investment	22	(65,287)	60,816
DECREASE IN CASH IN THE YEAR		<u>(3,692)</u>	<u>(46,623)</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2014**

	2014 £	2013 £
Decrease in cash in the year	<u>(3,692)</u>	<u>(46,623)</u>
MOVEMENT IN NET FUNDS IN THE YEAR	<u>(3,692)</u>	<u>(46,623)</u>
Net funds at 1 September 2013	127,424	174,047
NET FUNDS AT 31 AUGUST 2014	<u>123,732</u>	<u>127,424</u>

The notes on pages 21 to 40 form part of these financial statements.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Department for Education.

Investment income, gains and losses are allocated to the appropriate fund.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the academy 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.

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 provided to the academy 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.

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy 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 the academy's policies.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.4 Resources expended

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 in the academy's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

1.5 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 academy 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.

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are 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's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

A review for impairment for 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.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	50 years straight line
Fixtures and fittings	-	10 years straight line

1.7 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 Taxation

The academy 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 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.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

1.10 Pensions

Retirement benefits to employees of the academy 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.

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 in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 24, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy 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 the 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 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)

Under the funding agreement with the Secretary of State the Academy Trust was subject to limits at 31 August 2014 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 has not exceeded these limits during the year ended 31 August 2014.

3. VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Donations	19,480	-	19,480	6,079

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

4. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Other income from activities	2,779	-	2,779	3,424
Catering income	22,841	-	22,841	16,924
Fundraising income	1,394	-	1,394	-
	<u>27,014</u>	<u>-</u>	<u>27,014</u>	<u>20,348</u>

5. INVESTMENT INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Interest	173	-	173	155
	<u>173</u>	<u>-</u>	<u>173</u>	<u>155</u>

6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Educational Operations	-	621,788	621,788	628,376
	<u>-</u>	<u>621,788</u>	<u>621,788</u>	<u>628,376</u>

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
DfE/EFA grants				
General Annual Grant (GAG)	-	502,806	502,806	489,141
Pupil Premium	-	25,910	25,910	5,336
EFA/DfE Capital Grants	-	5,125	5,125	60,816
Other EFA/DfE Grants	-	8,425	8,425	18,632
	-	542,266	542,266	573,925
Other government grants				
Local Authority grants	-	79,522	79,522	54,451
	-	79,522	79,522	54,451
	-	621,788	621,788	628,376

7. OTHER INCOMING RESOURCES

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Other incoming resources	4,445	10,748	15,193	17,556

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

8. RESOURCES EXPENDED

	Staff costs	Non Pay	Expenditure	Total	<i>Total</i>
	2014	Premises	Other costs	2014	<i>2013</i>
	£	2014	2014	£	<i>£</i>
		£	£		
Educational Operations	398,307	-	22,244	420,551	384,081
Support costs - Educational Operations	123,081	67,801	63,421	254,303	281,709
Charitable activities	521,388	67,801	85,665	674,854	665,790
Governance	-	-	19,545	19,545	11,604
	521,388	67,801	105,210	694,399	677,394

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

9. CHARITABLE ACTIVITIES

	Total funds 2014 £	<i>Total funds 2013 £</i>
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Teaching and educational support staff costs	398,307	357,570
Educational Supplies	18,850	23,650
Staff Development and Training	2,815	2,861
Other Direct Costs	579	-
	<u>420,551</u>	<u>384,081</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Support staff costs	114,081	101,040
Depreciation	39,977	39,977
Pension finance costs	9,000	6,000
Technology Costs	22,237	26,077
Maintenance of premises and equipment	9,341	52,131
Cleaning	1,907	742
Rent and Rates	9,794	13,327
Insurance	8,759	8,483
Security and transport	708	1,142
Catering	10,421	10,794
Bank Interest and Charges	114	64
Other support costs	27,964	27,932
	<u>254,303</u>	<u>287,709</u>
	<u><u>674,854</u></u>	<u><u>671,790</u></u>

10. GOVERNANCE COSTS

	Total funds 2014 £	<i>Total funds 2013 £</i>
Auditors' remuneration - Audit of the Financial Statements	7,650	11,353
Auditors' remuneration - other audit costs	10,562	251
Support costs	1,333	-
	<u>19,545</u>	<u>11,604</u>

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

11. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the charity	39,977	39,977
Auditors' remuneration	7,650	11,353
Auditors' remuneration - non-audit	10,562	251
Operating lease rentals:		
- plant and machinery	6,771	-
	<u> </u>	<u> </u>

12. STAFF

a. Staff costs

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	418,086	379,369
Social security costs	22,399	22,070
Other pension costs (Note 24)	71,903	57,171
	<u> </u>	<u> </u>
	512,388	458,610
Pension finance costs	9,000	6,000
	<u> </u>	<u> </u>
	521,388	464,610

b. Staff numbers

The average number of persons employed by the academy during the year expressed as full time equivalents was as follows:

	2014 No.	2013 No.
Teachers	4	4
Administration and Support	9	9
Management	3	3
	<u> </u>	<u> </u>
	16	16

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

12. STAFF (continued)

c. Higher paid staff

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

	2014 No.	2013 No.
In the band £60,001 - £70,000	<u>1</u>	<u>0</u>

The employee above participated in the Teachers' Pension Scheme. Included in the above are employers pension contributions of £8,165 for the year ended 31 August 2014 (2013: 8,065).

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 4 Trustees (2013 - 4) in respect of defined benefit pension schemes.

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 in respect of their role as Trustees. The value of Trustees' remuneration fell within the following bands:

	2014 £	2013 £
M Hawrylak (Principal)	65,000-70,000	<i>65,000-70,000</i>
G Williams (Staff Trustee)	50,000-55,000	<i>50,000-55,000</i>
E Davey (Staff Trustee)	30,000-35,000	<i>30,000-35,000</i>
E Coulson (Parent Trustee)	5,000-10,000	<i>5,000-10,000</i>

During the year, no Trustees received any benefits in kind (2013 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2013 - £NIL).

14. 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 2014 was £460 (2013 - £446). The cost of this insurance is included in the total insurance cost.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

15. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At 1 September 2013	2,700,000	19,771	2,719,771
Additions	70,412	-	70,412
At 31 August 2014	<u>2,770,412</u>	<u>19,771</u>	<u>2,790,183</u>
Depreciation			
At 1 September 2013	76,000	3,954	79,954
Charge for the year	38,000	1,977	39,977
At 31 August 2014	<u>114,000</u>	<u>5,931</u>	<u>119,931</u>
Net book value			
At 31 August 2014	<u>2,656,412</u>	<u>13,840</u>	<u>2,670,252</u>
At 31 August 2013	<u>2,624,000</u>	<u>15,817</u>	<u>2,639,817</u>

The academy's transactions relating to land and buildings included:

- The construction of a Multi-Use Games Area, at a cost of £70,412.

16. STOCKS

	2014 £	2013 £
Finished goods and goods for resale	<u>886</u>	<u>886</u>

17. DEBTORS

	2014 £	2013 £
Other debtors	60,186	26,971
Prepayments and accrued income	4,335	6,608
	<u>64,521</u>	<u>33,579</u>

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

18. CREDITORS:
Amounts falling due within one year

	2014 £	2013 £
Trade creditors	47,232	8,232
Other taxation and social security	6,647	8,368
Other creditors	7,485	6,491
Accruals and deferred income	16,968	11,805
	<u>78,332</u>	<u>34,896</u>

Deferred income

Resources deferred during the year	<u>5,163</u>
------------------------------------	--------------

The deferred income recognised during the year, and carried forwards, relates to income received for an educational visit planned for the 2014/15 academic year.

19. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds	32,608	51,112	-	(24,115)	-	59,605
Restricted funds						
General Annual Grant (GAG)	69,945	502,806	(549,139)	(30,000)	-	(6,388)
Restricted Funds	8,142	124,605	(80,283)	-	-	52,464
Pension Reserve	(190,000)	-	(25,000)	-	34,000	(181,000)
	<u>(111,913)</u>	<u>627,411</u>	<u>(654,422)</u>	<u>(30,000)</u>	<u>34,000</u>	<u>(134,924)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	2,656,115	5,125	(39,977)	54,115	-	2,675,378
Total restricted funds	<u>2,544,202</u>	<u>632,536</u>	<u>(694,399)</u>	<u>24,115</u>	<u>34,000</u>	<u>2,540,454</u>
Total of funds	<u>2,576,810</u>	<u>683,648</u>	<u>(694,399)</u>	<u>-</u>	<u>34,000</u>	<u>2,600,059</u>

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

19. STATEMENT OF FUNDS (continued)

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

Restricted general funds

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

Restricted fixed asset fund

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

Unrestricted funds

These funds relate to unrestricted income to support the Academy Trust's objectives and educational activities.

Under the funding agreement with the Secretary of State, the academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 2014. Note 2 discloses whether the limit was exceeded.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	32,608	51,112	-	(24,115)	-	59,605
Restricted funds	(111,913)	627,411	(654,422)	(30,000)	34,000	(134,924)
Restricted fixed asset funds	2,656,115	5,125	(39,977)	54,115	-	2,675,378
	<u>2,576,810</u>	<u>683,648</u>	<u>(694,399)</u>	<u>-</u>	<u>34,000</u>	<u>2,600,059</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	-	-	2,670,253	2,670,253	2,639,817
Current assets	64,769	119,243	5,125	189,137	161,889
Creditors due within one year	(5,164)	(73,167)	-	(78,331)	(34,896)
Pension liability	-	(181,000)	-	(181,000)	(190,000)
	<u>59,605</u>	<u>(134,924)</u>	<u>2,675,378</u>	<u>2,600,059</u>	<u>2,576,810</u>

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Net incoming resources before revaluations	(10,751)	(10,880)
Returns on investments and servicing of finance	(173)	(155)
Depreciation of tangible fixed assets	39,977	39,977
Capital grants from DfE	(5,125)	(60,816)
Decrease/(increase) in debtors	8,377	(11,109)
Increase/(decrease) in creditors	4,117	(77,611)
FRS 17 adjustments	25,000	13,000
Net cash inflow/(outflow) from operations	61,422	(107,594)

22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	173	155
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(70,412)	-
Capital grants from DfE	5,125	60,816
Net cash (outflow)/inflow capital expenditure	(65,287)	60,816

23. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	127,424	(3,692)	-	123,732
Net funds	127,424	(3,692)	-	123,732

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

24. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for 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 2012 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

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

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

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

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

24. PENSION COMMITMENTS (continued)

Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

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

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

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

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

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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

24. PENSION COMMITMENTS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £30,000, of which employer's contributions totalled £22,000 and employees' contributions totalled £8,000. The agreed contribution rates for future years are 26.5% for employers and 5.5%-12.5% for employees.

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

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

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £
Equities	6.10	61,000	6.60	38,000
Bonds	3.60	10,000	4.40	5,000
Property	5.10	11,000	5.60	6,000
Gilts	3.00	6,000	3.50	5,000
Cash	2.90	3,000	0.50	2,000
Alternative Assets	3.60	4,000	4.40	2,000
Total market value of assets		<u>95,000</u>		<u>58,000</u>
Present value of scheme liabilities		<u>(276,000)</u>		<u>(248,000)</u>
(Deficit)/surplus in the scheme		<u><u>(181,000)</u></u>		<u><u>(190,000)</u></u>

The amounts recognised in the Balance sheet are as follows:

	2014 £	2013 £
Present value of funded obligations	(276,000)	(248,000)
Fair value of scheme assets	<u>95,000</u>	<u>58,000</u>
Net liability	<u><u>(181,000)</u></u>	<u><u>(190,000)</u></u>

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

24. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2014 £	2013 £
Current service cost	(38,000)	(23,000)
Interest on obligation	(13,000)	(8,000)
Expected return on scheme assets	4,000	2,000
Total	<u>(47,000)</u>	<u>(29,000)</u>
Actual return on scheme assets	<u>8,000</u>	<u>6,000</u>

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

	2014 £	2013 £
Opening defined benefit obligation	248,000	198,000
Current service cost	38,000	23,000
Interest cost	13,000	8,000
Contributions by scheme participants	8,000	5,000
Actuarial (Gains)/losses	(31,000)	14,000
Closing defined benefit obligation	<u>276,000</u>	<u>248,000</u>

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

	2014 £	2013 £
Opening fair value of scheme assets	58,000	31,000
Expected return on assets	4,000	2,000
Actuarial gains and (losses)	3,000	4,000
Contributions by employer	22,000	16,000
Contributions by employees	8,000	5,000
	<u>95,000</u>	<u>58,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £34,000 (2013 - £10,000).

The academy expects to contribute £16,000 to its Defined benefit pension scheme in 2015.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

24. PENSION COMMITMENTS (continued)

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2014	2013
Discount rate for scheme liabilities	3.90 %	4.70 %
Rate of increase in salaries	4.40 %	4.70 %
Rate of increase for pensions in payment / inflation	2.60 %	2.90 %
Inflation assumption (CPI)	2.60 %	2.90 %
RPI increases	3.40 %	3.70 %

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

	2014	2013
Retiring today		
Males	22.7	22.7
Females	25.1	25.3
Retiring in 20 years		
Males	24.9	24.2
Females	27.4	26.9

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2014 £	2013 £
Defined benefit obligation	(276,000)	(248,000)
Scheme assets	95,000	58,000
Deficit	(181,000)	(190,000)
Experience adjustments on scheme liabilities	31,000	(14,000)
Experience adjustments on scheme assets	3,000	4,000

25. OPERATING LEASE COMMITMENTS

At 31 August 2014 the academy had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Expiry date:		
Within 1 year	7,944	8,415
Between 2 and 5 years	5,445	2,499

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

26. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy'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'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 to 2014, issued by the EFA, and the Companies Act 2006.

27. CONTROLLING PARTY

There is no ultimate controlling party

28. COMPANY LIMITED BY GUARENTEE

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