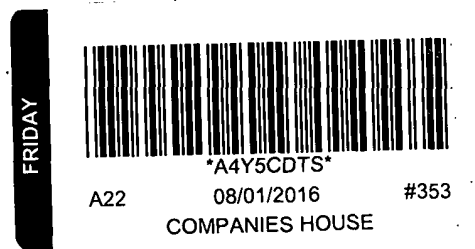


**REGISTERED COMPANY NUMBER: 7806338 (England and Wales)**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 AUGUST 2015  
FOR  
LICKHILL PRIMARY SCHOOL**



Worton Rock Limited  
Chartered Accountants & Statutory Auditor  
Churchfield House  
36 Vicar Street  
Dudley  
West Midlands  
DY2 8RG

**LICKHILL PRIMARY SCHOOL**  
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**FOR THE YEAR ENDED 31 AUGUST 2015**

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**LICKHILL PRIMARY SCHOOL**  
**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**MEMBERS**

**TRUSTEES**

A Bhardwaj  
H R Davies  
J Lloyd  
L Payton (resigned 23/6/2015)  
B Bevan  
C Howen  
A Jones  
S Peace (appointed 1/12/2014)  
V Campbell (appointed 1/7/2015)

**SENIOR MANAGEMENT TEAM**

H R Davies - Headteacher - Accounting Officer  
J Lloyd - Deputy Head  
K Lewis - Teacher with TLR

All trustees were members of the Academy Trust during the year.

**REGISTERED OFFICE**

Almond Way  
Stourport on Severn  
Worcestershire  
DY13 8UA

**REGISTERED COMPANY NUMBER** 7806338 (England and Wales)

**AUDITORS**

Worton Rock Limited  
Chartered Accountants & Statutory Auditor  
Churchfield House  
36 Vicar Street  
Dudley  
West Midlands  
DY2 8RG

**SOLICITORS**

Stone King  
16 St John's Lane  
London  
EC1M 4BS

**BANKERS**

Lloyds Bank Plc  
1 Vicar Street  
Kidderminster  
DY10 1DH

**LICKHILL PRIMARY SCHOOL**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 and the Academies Accounts Direction issued by the Education Funding Agency.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Academy 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.

The governors act as trustees for the charitable activities of Lickhill Primary School Academy and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Lickhill Primary School.

Details of the trustees who served throughout the year except as noted are included in the Reference and Administration 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**

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 £5,000,000 on any one claim and the cost for the year ended 31 August 2015 is incorporated within the total insurance premium.

**Principal activities**

The Academy's principal activity is the provision of primary education, nursery and pre and post school care.

**Recruitment and appointment of new trustees**

Trustees are recruited from the employees of the Academy, parents (by election) and community governors.

**Induction and training of new trustees**

The Academy carries out appropriate training for new trustees.

**Governor training**

All governors have received in house training on assessment without levels and Raise On-line.

**Organisational structure**

The management structure of the Academy consists of the trustees and the Leadership Team.

The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by use of budgets and making major decisions about the strategic direction of the Academy, capital expenditure and the most senior staff appointments.

The Leadership Team is led by the Headteacher, Helen Davies. These senior leaders manage the Academy at an executive level, implementing the policies agreed by the trustees and reporting back to them on progress. The Headteacher and other key senior leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff.

**Self assessment**

The governing body identified the need for a deeper understanding of assessment data.

**LICKHILL PRIMARY SCHOOL**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Related parties**

The academy also has a subsidiary company, Lickhill Consultancy Limited whose principal activity is to provide training to schools and academies.

Please refer to note 23 with respect to related party transactions.

Lickhill Primary School is a strategic partner in the Stourport Teaching School Alliance. Members of staff also write and deliver leadership training on behalf of Edge Hill University.

**Risk management**

The trustees have assessed the major risks to which the Academy is exposed, in particular those relating to teaching, provision of facilities, other operating areas of the Academy and its finances. Appropriate systems, policies, procedures and controls have been put in place so as to ensure that the various risks do not impact adversely on the Academy's operations. Appropriate insurances are in place.

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The principal activity of the Charitable Company is the operation of the Lickhill Primary School to provide education for pupils of different abilities up to the age of 11.

The principal objectives of the Academy are:

- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- To raise the standard of educational achievement of all pupils.
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review.
- To comply with the appropriate statutory and curriculum requirements.
- To make the Academy a valued community resource.
- To close the achievement gap for disadvantaged pupils.
- To ensure pupils are well prepared for the next phase of education academically, socially and emotionally.

**Public benefit**

In setting our objectives the trustees' have given careful consideration to the Charity Commissions guidance on public benefit.

The primary purpose of the Academy is the advancement of education within the local area.

The Academy runs an extended day, offering a safe place for pupils while parents are working. The Academy operates both pre and post school care and an onsite nursery.

The Academy has given a high priority to providing public benefit to a cross section of the community regardless of family background, but perhaps the greatest benefit the Academy can offer is the provision of an education that maximises each student's potential.

## **LICKHILL PRIMARY SCHOOL**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

Lickhill Primary School was subject to Ofsted Inspection 7/8 February 2013 and was judged to be outstanding across every aspect.

The end of Key Stage 2 attainment was broadly in line with national expectations across reading, writing and mathematics. It was lower than national averages for grammar, punctuation and spelling at level 4 and was lower than national averages for level 5 mathematics. However progress was above national expectations in reading and writing.

100% of pupils achieved 2 levels progress in reading and writing.

91% of pupils achieved 2 levels progress in mathematics.

26% of pupils achieved 3 levels progress in reading.

70% of pupils achieved 3 levels progress in writing.

13% of pupils achieved 3 levels progress in mathematics.

##### **School building**

Capital funding was received from the Academy Capital Maintenance Fund to support the implementation of Universal Free School Meals. This funding was used to create a cupboard for the safe storage of the lunchtime equipment.

##### **Going concern**

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

##### **Key financial performance indicators**

The trustees review regular assessments of the performance of the Academy. The trustees review exam results as a key performance of the Academy's continuing success, but they also review the improvements of each year group and individuals to ensure that the Academy's teaching activities are effective and there is continuing improvement at all levels.

## **LICKHILL PRIMARY SCHOOL**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015**

#### **FINANCIAL REVIEW**

##### **Financial Review**

In the last 12 months the school has continued to pay the deficit inherited from the maintained school by the current governing body and leadership team.

Improvements have been made to the school building this year by an extension to one classroom, and by refurbishing another classroom. Receipts of capital grants have enabled the school to implement the introduction of Universal Infant School Meals efficiently. A second capital grant was received to replace windows and doors in the older areas of school.

Pupil numbers continue to increase resulting in increased Grant income. Increased staffing costs reflect the improved pupil numbers. The Governors are committed to reinvesting back into the School, its facilities and resources. The School operates Pre School and Stay and Play wrap around care, the surpluses of which are reinvested back into School.

During the year the management team carried out a number of training and support activities with other schools which generated an income stream to reinvest back into education activities. The Headteacher has also supported other schools at leadership level which has generated additional income to be reinvested back in to School. The School will continue to support training activities and other schools through 2016. Other members of the SLT have also supported Teaching and Learning within other schools.

The Pre School and wrap around care have increased children attending resulting in additional income to be reinvested into School. An increase in children in Pre School has had a positive effect on children joining the school at Reception age.

The Academy's subsidiary company, Lickhill Consultancy Limited has successfully offered training to implement TheThrive approach to schools across Worcestershire throughout the financial year. This has resulted in the company making a significant donation of £26,500 (2014 - nil) to the Academy.

During the year ended 31 August 2015, the surplus of income over expenditure for the year (before recognised gains and losses and excluding capital restricted funds) equated to £29,782 (2014 - £45,266).

##### **Reserves policy**

The policy of the Governors is to maintain a level of reserves that will be adequate to provide a stable basis for the continuing operation of the Academy whilst ensuring that excessive funds are not accumulated.

Excluding the pension scheme liability and capital funds, the Academy funds carried forward as at 31 August 2015 are a surplus of £95,925 (2014 - £67,800). These figures include a deficit balance inherited from the LA funded school of £10,200 (2014 - £20,400). This deficit balance is to be repaid over the next year and can be repaid without any severe impact on the educational spending within the Academy.

The Academy also has a pension scheme deficit in respect of the local Government Pension Scheme of £171,000 (2014 - £144,000). The liability is included in restricted reserves and the Academy will have to meet any long term liability out of restricted reserves. In order to repay the deficit employer contributions will be 11.2% (2014 - 11.2%). In addition, in order to protect the fund, phased lump sum deficit contributions have been scheduled over the next five years at an average of £5,000 per annum. It is anticipated that the recovery period is twenty years. This deficit is considered a long term deficit and not an immediate liability.

The governors are happy that the Academy's progress has continued and are optimistic that they can increase the school reserves and eliminate deficits for the future.

##### **Investment Policy**

The Academy's policy is to invest surplus funds in low risk short term bank deposits.

##### **Plans for the Future Periods**

The Governors continue to promote the Academy within the local community; examples being, school fairs, choral visits to local old people's homes, donations to local charities, shows and plays at the Civic Centre and performances at Worcester Cathedral.

**LICKHILL PRIMARY SCHOOL**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2015**

**FINANCIAL REVIEW**

**Financial Review**

**Principal risks and uncertainties**

The Academy has inherited a number of building related issues on the transfer of the School buildings. The Governors are continuing to apply for funding to improve the overall facilities within the Academy and the elimination of temporary classroom accommodation.

**FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES**

The majority of the income of the Academy is GAG funding from the EFA to provide education. The Academy receives income from its Nursery and wrap around care facilities. The Academy helps to support other like-minded organisations through the secondment of staff and consultation and training activities.

The academy inherited a deficit budget from the previous governing body who were replaced by an Interim Executive Board in June 2009. By August 2016 this deficit will have been repaid in full.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

**AUDITORS**

The auditors, Worton Rock Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 11 December 2015 and signed on its behalf by:

A Bhardwaj - Trustee





## LICKHILL PRIMARY SCHOOL

### GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015

#### Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Lickhill Primary School 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 of loss.

The board of the trustees has delegated the day-to-day responsibility to the Head, 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 Lickhill Primary School 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 Report of the Trustees and in the Trustees Responsibility Statement. The board of trustees has formally met 7 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
A Bhardwaj	7	7
H R Davies	7	7
J Lloyd	7	7
B Bevan	7	7
C Howen	6	7
A Jones	5	7
S Peace (appointed 1/12/2014)	1	5
V Campbell (appointed 1/7/2015)	-	1
L Payton (resigned 23/6/2015)	-	5

The main board of trustees is subdivided into specific committees:

Finance and General Purposes Committee - to oversee all financial aspects of the Academy

Curriculum Committee - to oversee the curriculum and educational standards and policies

People Committee - to monitor staff and relationships with parents and the community

These committees meet on a regular basis, with the finance committee meeting at least once a term to review the financial reports of the Academy.

The non-confidential minutes are published on the Academy's website detailing the topics discussed and the attendees at such meetings.

Attendance at the Finance and General Purposes Committee was as follows:

Trustee	Meetings attended	Out of a possible
A Bhardwaj	9	10
H R Davies	10	10
J Lloyd	10	10
B Bevan	9	10
C Howen	9	10

#### Governance reviews

The Governing Body has carried out a self assessment to find out the training needs of governors and an analysis of effectiveness. As a result of the first self assessment, links and reading materials were accessed and tutorials were given by the staff, and the Governing Body joined the NGA.

#### Review of Value for Money

**LICKHILL PRIMARY SCHOOL**  
**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**Review of Value for Money**

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

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

**Educational Results**

In February 2013 Lickhill Primary was inspected and judged to be outstanding in every category.

At the end of Key Stage 2 attainment in reading and mathematics was broadly in line with national expectations and was significantly higher in writing at level 5. Across the school pupils make outstanding progress over time, because teaching is outstanding. This has been achieved through careful investment in staff training and development. The focus of staff training has been largely targeted at raising standards in writing across the school and there is clear impact of this focus in pupil achievement in writing.

This year we have increased levels of support staff so that we can provide challenging learning opportunities for identified groups of pupils, including vulnerable children, SEND, GRT and the more able pupils. Many of our pupils benefit from small group or individual intervention programmes with targeted outcomes. These are closely monitored through pupil progress meetings. 100% of the pupils for whom we receive Pupil Premium made at least expected progress in reading, writing and mathematics.

We have increasing numbers of vulnerable children attending school. The trust has continued to invest in training for staff that enables the school to run our Thrive Project. This project works to support all pupils in making good emotional and social development. It also works specifically with any pupils exhibiting challenging behaviours so that we can develop their stress management systems and social skills and are therefore in a state of readiness for learning. Our assessments show that pupils on this programme are demonstrating dramatically increased levels of social and emotional development and engagement with learning. The Headteacher is an accredited lead trainer for Thrive. The impact of this work and the very positive response of parents was reported in our latest Ofsted Inspection.

The school works collaboratively with many organisations to spread best practice. The Headteacher is a Local Leader in Education and a Professional Partner for new Headteachers. In these capacities, several schools have received support. In addition, the Deputy Head has led staff curriculum development training in several schools. The school is also a strategic partner in the Stourport High School Teaching School and takes a leading role in the development of mathematics, phonics and art in the school based initial teacher training.

**Financial Governance and Oversight**

The school holds monthly meetings of its finance committee who report back to the whole governing body. In these meetings, financial decisions are discussed. Minutes of meetings demonstrate that the Governors hold the school to account over financial decisions and challenge spending decisions, where appropriate. Rigorous systems are in place to ensure strong financial controls and security.

**Better purchasing**

The trust has renegotiated Service Level Agreements with Worcestershire Local Authority and other independent providers. This has resulted in a greater quality of service and improved value for money.

**Better Income Generation**

Additional income is gained through the management of a Pre-School, Holiday Club and Before and After School Care provision. The rapidly growing demand for these services has seen the income increase year upon year. This provision is of great benefit to the wider community, as well as the families of Lickhill Primary.

Further income is generated through providing School to School support through Local Leader work and outreach training. This has developed professional practice in other schools leading to improved outcomes for children beyond Lickhill Primary. The additional income generated has enabled us to purchase additional resources for the school, which in turn has been to the benefit of the children at Lickhill Primary.

**LICKHILL PRIMARY SCHOOL**  
**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**Review of Value for Money**

**Reviewing Controls and Managing Risks**

The Academy has established robust segregation of duties within financial control. The Academy carries out regular financial monitoring with School Business Support and reports to the Finance Committee on a regular basis. The Academy reviews the monthly accounts with the support of Worton Rock. Governors challenge decision makers within the trust on the cost and effectiveness of spending proposals in order to achieve value for money.

**Lessons Learned**

The trust is actively seeking to work more collaboratively with other schools for procurement of supplies and services, in order to achieve greater economies of scale.

**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 charitable company 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 Lickhill Primary School for the period 1 September 2014 to 31 August 2015 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 charitable company 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, evaluating and managing the charitable company's significant risks that has been in place for the period 1 September 2014 to 31 August 2015 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 SBS School Business Services to carry out a programme of internal checks.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of income systems
- testing of control accounts and bank reconciliations
- review of EFA information

On a termly basis the reports of SBS School Business Services are reported to the the board of trustees through the finance and general purposes committee meetings on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The reviewer has delivered to the board of trustee's their schedule of work as planned. The checks identified the following material control issues:

## LICKHILL PRIMARY SCHOOL

### GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015

#### The Risk and Control Framework

##### Autumn 2014 Term

- The Head should sign bank account reconciliations in a timely manner.
- As many staff have a number of contracts with school, regular use of Salary Monitor within SBS Online will provide assurance staff are being paid at expected levels. The output can then be counter- signed by the Head.

##### Spring 2015 Term

- Concerns raised over the quality of the payroll reports provided by Worcestershire County Council. Although the payroll was correct, staff details are not consistently reported to school with some reports showing staff salaries assuming they were full time while others quoted the pro rata salary paid. Once again it was suggested that many staff have a number of contracts with school, regular use of Salary Monitor within SBS Online will provide assurance staff are being paid at expected levels. The output can then be counter- signed by the Head.

##### Summer 2015 Term

- The Head should sign the bank account reconciliations.
- As many staff have a number of contracts with school, regular use of Salary Monitor within SBS Online will provide assurance staff are being paid at expected levels. The output can then be counter- signed by the Head.
- The Trust Board should ensure it formally minutes the approval of future budget forecasts.

#### Review of Effectiveness

As Accounting Officer, the Head 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 reviewer;
- the work of the external auditor;
- the financial management and governance self assessment process
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the board of trustees on 11 December 2015 and signed on its behalf by:

A Bhardwaj - Trustee



Helen Davies - Accounting Officer

**LICKHILL PRIMARY SCHOOL**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2015**

As accounting officer of Lickhill Primary School Academy I have considered my responsibility to notify the charitable company 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 charitable company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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



Helen Davies - Accounting Officer

11 December 2015

## LICKHILL PRIMARY SCHOOL

### TRUSTEES RESPONSIBILITY STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015

The trustees (who act as governors of Lickhill Primary School Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2005;
- make judgements and estimates that are reasonable and prudent;
- 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 to 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 board of trustees on 11 December 2015 and signed on it's behalf by:

A Bhardwaj - Trustee



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LICKHILL PRIMARY SCHOOL**

We have audited the financial statements of Lickhill Primary School for the year ended 31 August 2015 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 Accounts Direction 2013 to 2014 issued by the Education Funding Agency (EFA).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's 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 Trustees Responsibility Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees 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 charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
LICKHILL PRIMARY SCHOOL**

**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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

D J Burrows

David Burrows (Senior Statutory Auditor)  
for and on behalf of Worton Rock Limited  
Chartered Accountants & Statutory Auditor  
Churchfield House  
36 Vicar Street  
Dudley  
West Midlands  
DY2 8RG

11 December 2015



## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LICKHILL PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY**

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

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

### **Respective responsibilities of Lickhill Primary School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Lickhill Primary School's funding agreement with the Secretary of State for Education dated 1 February 2012 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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 charitable company's income and expenditure.

The work undertaken to draw our conclusion includes:

- Performed an evaluation of General (regularity of activities) including review of the outcome of the 2014 regularity assurance work.
- Confirmed appropriate authority has been obtained with regard to delegated authorities.
- Ensured that transactions with connected parties are in accordance with the academy trust's internal processes and 2.5 and 2.6 of the Academies Financial Handbook.
- Reviewed minutes of the committees, and management accounts for indications of irregular transactions.
- Confirmed the board of trustees and accounting officer have given formal representations of their responsibilities.
- Considered whether the general control environment has regard to the regularity of transactions.
- Ensured through enquiry and sample testing expenditure does not contravene the funding agreement.
- Confirmed that internal control procedures exist relating to expenditure incurred of cash and credit cards.
- Considered through enquiry and sample testing that the procurement lines of delegation and limits set both internally and by the EFA have been adhered to.
- Reviewed expenditure against specific terms of grant funding within the funding agreement.
- Considered whether other income activities are permitted within the Academy Trust's charitable objects.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
LICKHILL PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY**

**Conclusion**

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 01 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Worton Rock Limited*

Worton Rock Limited  
Churchfield House  
36 Vicar Street  
Dudley  
West Midlands  
DY2 8RG

11 December 2015

**LICKHILL PRIMARY SCHOOL**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2015**

				2015	2014	
	Notes	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Funds £	Total funds £	Total funds £
<b>INCOMING RESOURCES</b>						
<b>Incoming resources from generated funds</b>						
Voluntary income	2	27,550	2,830	-	30,380	1,649
Activities for generating funds	3	162,633	52,465	-	215,098	187,542
Investment income	4	195	10	68	273	338
<b>Incoming resources from charitable activities</b>						
Academy's educational operations	5	-	818,002	132,307	950,309	1,189,896
<b>Total incoming resources</b>		<b>190,378</b>	<b>873,307</b>	<b>132,375</b>	<b>1,196,060</b>	<b>1,379,425</b>
<b>RESOURCES EXPENDED</b>						
<b>Costs of generating funds</b>						
Costs of activities for generating funds	7	156,272	-	-	156,272	116,156
<b>Charitable activities</b>						
Academy's educational operations	8	-	852,287	154,024	1,006,311	841,689
Governance costs	9	-	25,344	-	25,344	18,514
<b>Total resources expended</b>	6	<b>156,272</b>	<b>877,631</b>	<b>154,024</b>	<b>1,187,927</b>	<b>976,359</b>
<b>NET INCOMING RESOURCES BEFORE TRANSFERS</b>						
		34,106	(4,324)	(21,649)	8,133	403,066
Gross transfers between funds	21	(19,657)	-	19,657	-	-
Net incoming/(outgoing) resources before other recognised gains and losses		14,449	(4,324)	(1,992)	8,133	403,066
<b>Other recognised gains/losses</b>						
Actuarial gains/losses on defined benefit schemes		-	(9,000)	-	(9,000)	(66,000)
Net movement in funds		14,449	(13,324)	(1,992)	(867)	337,066
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		81,425	(157,625)	1,621,937	1,545,737	1,208,671
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>95,874</b>	<b>(170,949)</b>	<b>1,619,945</b>	<b>1,544,870</b>	<b>1,545,737</b>

The notes form part of these financial statements

**LICKHILL PRIMARY SCHOOL**

**STATEMENT OF FINANCIAL ACTIVITIES - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**CONTINUING OPERATIONS**

All incoming resources and resources expended arise from continuing activities.

The notes form part of these financial statements

**LICKHILL PRIMARY SCHOOL**

**BALANCE SHEET  
AT 31 AUGUST 2015**

	Notes	2015 £	2014 £
<b>FIXED ASSETS</b>			
Tangible assets	13	1,611,563	1,605,056
Investments	14	1	1
		<u>1,611,564</u>	<u>1,605,057</u>
 <b>CURRENT ASSETS</b>			
Stocks	15	4,000	3,800
Debtors	16	78,257	60,642
Cash at bank and in hand		192,362	193,813
		<u>274,619</u>	<u>258,255</u>
 <b>CREDITORS</b>			
Amounts falling due within one year	17	(170,313)	(163,375)
		<u>104,306</u>	<u>94,880</u>
 <b>NET CURRENT ASSETS</b>			
		<u>104,306</u>	<u>94,880</u>
 <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,715,870</u>	<u>1,699,937</u>
 <b>CREDITORS</b>			
Amounts falling due after more than one year	18	-	(10,200)
 <b>PENSION LIABILITY</b>	22	(171,000)	(144,000)
		<u>1,544,870</u>	<u>1,545,737</u>
 <b>NET ASSETS</b>			
		<u>1,544,870</u>	<u>1,545,737</u>
 <b>FUNDS</b>	21		
Unrestricted funds:			
Unrestricted funds		95,874	81,425
Restricted funds:			
Restricted general funds		51	(13,625)
Restricted fixed asset funds		1,619,945	1,621,937
Pension reserve		(171,000)	(144,000)
		<u>1,448,996</u>	<u>1,464,312</u>
 <b>TOTAL FUNDS</b>		<u>1,544,870</u>	<u>1,545,737</u>

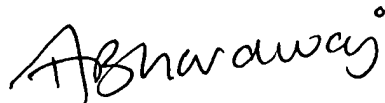
The notes form part of these financial statements

LICKHILL PRIMARY SCHOOL

BALANCE SHEET - CONTINUED  
AT 31 AUGUST 2015

The financial statements were approved by the Board of Trustees on 11 December 2015 and were signed on its behalf by:

A Bhardwaj -Trustee

A handwritten signature in black ink, appearing to read 'A Bhardwaj', with a small dot above the final 'j'.

The notes form part of these financial statements

**LICKHILL PRIMARY SCHOOL**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

	Notes	2015 £	2014 £
<b>Net cash (outflow)/inflow from operating activities</b>	1	(49,691)	55,921
<b>Returns on investments and servicing of finance</b>	2	273	338
<b>Capital expenditure and financial investment</b>	2	47,967	(145,188)
<b>Decrease in cash in the period</b>		<u>(1,451)</u>	<u>(88,929)</u>

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**Reconciliation of net cash flow to movement in net debt**

	3		
Decrease in cash in the period		<u>(1,451)</u>	<u>(88,929)</u>
Change in net debt resulting from cash flows		<u>(1,451)</u>	<u>(88,929)</u>
<b>Movement in net debt in the period</b>		<u>(1,451)</u>	<u>(88,929)</u>
<b>Net debt at 1 September</b>		<u>193,813</u>	<u>282,742</u>
<b>Net debt at 31 August</b>		<u><u>192,362</u></u>	<u><u>193,813</u></u>

The notes form part of these financial statements

**LICKHILL PRIMARY SCHOOL**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

**1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

	2015	2014
	£	£
Net incoming resources	8,133	403,066
Depreciation charges	86,653	67,620
Capital grants from DfE/EFA	(141,127)	(420,733)
Interest received	(273)	(338)
(Increase)/decrease in stocks	(200)	200
Increase in debtors	(15,742)	(3,903)
Decrease in creditors	(5,135)	(991)
Difference between pension charge and cash contributions	18,000	11,000
<b>Net cash (outflow)/inflow from operating activities</b>	<b><u>(49,691)</u></b>	<b><u>55,921</u></b>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2015	2014
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	273	338
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b><u>273</u></b>	<b><u>338</u></b>
 <b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(93,160)	(565,920)
Purchase of fixed asset investments	-	(1)
Capital grants from DfE/EFA	141,127	420,733
<b>Net cash inflow/(outflow) for capital expenditure and financial investment</b>	<b><u>47,967</u></b>	<b><u>(145,188)</u></b>

**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1/9/14	Cash flow	At 31/8/15
	£	£	£
Net cash:			
Cash at bank and in hand	193,813	(1,451)	192,362
<b>Total</b>	<b><u>193,813</u></b>	<b><u>(1,451)</u></b>	<b><u>192,362</u></b>



## LICKHILL PRIMARY SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by 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:

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, the Companies Act 2006, the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

##### **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.

The trustees believe that it is appropriate to prepare the financial statements on a going concern basis because of the following factors:

- £171,000 of the Academy's liabilities relate to the long term liability in respect of the Lickhill Primary School Academy Pension Scheme which should not need to be repaid fully in the short to medium term. The liability is included in restricted reserves and the Academy will have to meet any long term liability out of restricted reserves. In order to repay the deficit employer contributions will be 11.20% (2014 - 11.2%). In addition, in order to protect the fund, phased lump sum deficit contributions have been scheduled over the next five years at an average of £5,000 per annum. It is anticipated that the recovery period is twenty years.
- the Academy has net current assets of £104,306 (2014 - £94,880) equivalent to its working capital, which enables the payment of debts as they fall due; and
- the Department for Education has committed to funding the Academy in 2015/16.

##### **Preparation of consolidated financial statements**

The financial statements contain information about Lickhill Primary School as an individual charity and do not contain consolidated financial information as the parent of a group. The charity has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

##### **Incoming resources**

All incoming resources are recognised when the Academy 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.

# LICKHILL PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2015

### 1. ACCOUNTING POLICIES - continued

#### **Sponsorship income**

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.

#### **Donations**

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

#### **Other income**

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

#### **Donated goods, facilities and services**

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 Academy's policies.

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

The assets and liabilities transferred on conversion from Lickhill Primary School to an academy have been valued at fair value being a reasonable estimate of current market value that the governors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Lickhill Primary School Academy. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income (net income/net expenditure) in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

The Academy's land and buildings were included within the accounts on conversion on the basis of the valuation commissioned by the EFA. The house on the Academy property was also included on conversion at open market value based on a professional valuation.

#### **Resources expended**

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

#### **Cost of generating funds**

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

#### **Charitable activities**

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

#### **Governance costs**

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

## LICKHILL PRIMARY SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2015

#### 1. ACCOUNTING POLICIES - continued

##### **Tangible fixed assets**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Freehold buildings	5 years/25 years
Fixtures and fittings	5 years
Computer equipment	5 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.

##### **Stocks**

Stock represents unused classroom resources and are valued at the lower of cost and net realisable value.

##### **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.

##### **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 governors.

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

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

# LICKHILL PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2015

### 1. ACCOUNTING POLICIES - continued

#### Pension costs and other post-retirement benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes 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 22, 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.

#### Investments

The Academy's shareholding in the wholly owned subsidiary, Lickhill Consultancy Limited, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation, in the opinion of the trustees, exceeds the benefit derived.

### 2. VOLUNTARY INCOME

	2015	2014
	£	£
Donations	30,380	1,649

### 3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds	Restricted funds	Total 2015	Total 2014
	£	£	£	£
Hire of facilities	-	42,767	42,767	12,384
Income from Wrap around care	124,253	-	124,253	111,874
Miscellaneous income	38,380	9,698	48,078	63,284
	162,633	52,465	215,098	187,542

**LICKHILL PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**4. INVESTMENT INCOME**

	Unrestricted funds	Restricted funds	Total 2015	Total 2014
	£	£	£	£
Short term deposits	195	78	273	338
	<u>195</u>	<u>78</u>	<u>273</u>	<u>338</u>

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds	Restricted funds	2015 Total funds	2014 Total funds
	£	£	£	£
<b>DfE/EFA revenue grant</b>				
General Annual Grant(GAG)	-	700,800	700,800	695,102
Other DfE/EFA grants	-	108,382	108,382	74,061
	<u>-</u>	<u>809,182</u>	<u>809,182</u>	<u>769,163</u>
<b>DfE/EFA capital grant</b>				
Academy main buildings grants	-	132,307	132,307	414,753
Other DfE/EFA grants	-	8,820	8,820	5,980
	<u>-</u>	<u>141,127</u>	<u>141,127</u>	<u>420,733</u>
	<u>-</u>	<u>950,309</u>	<u>950,309</u>	<u>1,189,896</u>

**6. RESOURCES EXPENDED**

**LICKHILL PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**6. RESOURCES EXPENDED - continued**

				2015	2014
	Staff costs	Non - pay	expenditure		
	£	Premises	Other costs	Total	Total
	£	£	£	£	£
<b>Costs of generating funds</b>					
Costs of activities for generating funds	95,357	30	60,885	156,272	116,156
<b>Charitable activities</b>					
<b>Academy's educational operations</b>					
Direct costs	615,244	65,496	59,348	740,088	668,026
Allocated support costs	75,876	124,354	65,993	266,223	173,663
	<u>691,120</u>	<u>189,850</u>	<u>125,341</u>	<u>1,006,311</u>	<u>957,845</u>
<b>Governance costs</b>					
including allocated support costs	-	-	25,344	25,344	18,514
	<u>786,477</u>	<u>189,880</u>	<u>211,570</u>	<u>1,187,927</u>	<u>1,092,515</u>

Net resources are stated after charging/(crediting):

	2015	2014
	£	£
Auditors' remuneration	8,100	9,325
Auditors' remuneration for non - audit work	6,400	1,950
Depreciation - owned assets	86,653	67,621
Operating leases - other leases	3,762	3,116
	<u>104,915</u>	<u>82,012</u>

Included within resources expended are the following transactions

	£
Unrecoverable debts	1,057

**LICKHILL PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**7. COSTS OF ACTIVITIES FOR  
GENERATING FUNDS**

	2015	2014
	£	£
Staff costs	95,357	87,180
Educational supplies	6,239	2,641
Staff development	540	380
Other direct costs	323	523
Catering	9,097	12,438
Support costs	44,716	12,994
	<u>156,272</u>	<u>116,156</u>

**8. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL  
OPERATIONS**

	Total 2015	Total 2014
	£	£
<b>Direct costs</b>		
Teaching and educational support staff	615,244	558,443
Depreciation	78,169	60,870
Educational supplies	14,896	20,491
Staff development	13,615	11,328
Educational consultancy	-	600
Other direct costs	18,164	16,294
	<u>740,088</u>	<u>668,026</u>
 <b>Allocated support costs</b>		
Staff support costs	75,876	71,664
Depreciation	8,485	6,751
Recruitment and support	5,524	5,047
Maintenance of premises and equipment	78,640	23,375
Cleaning	17,653	11,058
Rent and rates	2,180	1,562
Insurance	14,188	13,282
Catering	30,288	8,523
Other support costs	33,389	32,401
	<u>266,223</u>	<u>173,663</u>
	<u><u>1,006,311</u></u>	<u><u>841,689</u></u>

**LICKHILL PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**9. GOVERNANCE COSTS**

	2015	2014
	£	£
Auditors' remuneration	8,100	9,325
Auditors' remuneration for non-audit work	6,400	1,950
Legal and professional	1,777	67
Consultancy	5,330	4,387
Pension fees	737	785
Interest payable and similar charges	3,000	2,000
	<u>25,344</u>	<u>18,514</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

	2015	2014
	£	£
Trustees' salaries	163,919	155,917
Trustees' pension contributions to defined benefit schemes	23,268	21,984
	<u>187,187</u>	<u>177,901</u>

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Head and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Head and staff members under their contracts of employment, and not in respect of their role 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 and other benefits was as follows:

**H Davies (head and trustee):**

Remuneration £75,000 - £80,000 (2014: £75,000 - £80,000) Employer's pension contributions £10,000 - £15,000 (2014: £10,000 - £15,000)

**J Lloyd (staff trustee)**

Remuneration £45,000 - £50,000 (2014: £45,000 - £50,000) Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000)

**A Jones (staff trustee)**

Remuneration £35,000 - £40,000 (2014: £30,000 - £35,000) Employer's pension contributions £5,000 - £10,000 (2014: £0 - £5,000)

Other related party transactions involving the trustees are set out in note 23.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 August 2015 nor for the year ended 31 August 2014.



**LICKHILL PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**11. STAFF COSTS**

	2015	2014
	£	£
Wages and salaries	621,559	576,336
Social security costs	34,970	35,670
Other pension costs	92,636	86,367
	<u>749,165</u>	<u>698,373</u>
Supply teacher costs	37,311	18,914
	<u>786,476</u>	<u>717,287</u>

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

	2015	2014
Teachers	8	8
Administration and support	26	29
Management	1	1
	<u>35</u>	<u>38</u>

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

	2015	2014
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
	<u>1</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for this member of staff amounted to £11,262 (2014 - £10,617).

**12. 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 £5,000,000 on any one claim and the cost for the year ended 31 August 2015 is incorporated within the total insurance premium.

**LICKHILL PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**13. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 September 2014	1,667,151	58,588	20,561	1,746,300
Additions	63,253	19,037	10,870	93,160
At 31 August 2015	<u>1,730,404</u>	<u>77,625</u>	<u>31,431</u>	<u>1,839,460</u>
<b>DEPRECIATION</b>				
At 1 September 2014	121,625	14,260	5,359	141,244
Charge for year	67,606	12,673	6,374	86,653
At 31 August 2015	<u>189,231</u>	<u>26,933</u>	<u>11,733</u>	<u>227,897</u>
<b>NET BOOK VALUE</b>				
At 31 August 2015	<u>1,541,173</u>	<u>50,692</u>	<u>19,698</u>	<u>1,611,563</u>
At 31 August 2014	<u>1,545,526</u>	<u>44,328</u>	<u>15,202</u>	<u>1,605,056</u>

**14. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 September 2014 and 31 August 2015	<u>1</u>
<b>NET BOOK VALUE</b>	
At 31 August 2015	<u>1</u>
At 31 August 2014	<u>1</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Lickhill Consultancy Limited

:

Nature of business: Training providers

	% holding
Class of share:	100
Ordinary	

	2015 £	2014 £
Aggregate capital and reserves	<u>1</u>	<u>1</u>

The accounts present information of the academy trust as an individual undertaking and not as a group.

**LICKHILL PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**15. STOCKS**

	2015	2014
	£	£
Stocks	<u>4,000</u>	<u>3,800</u>

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015	2014
	£	£
Trade debtors	20,572	19,606
Amounts owed by group undertakings	7,750	860
Other debtors	23,572	21,304
Prepayments	26,363	18,872
	<u>78,257</u>	<u>60,642</u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015	2014
	£	£
Trade creditors	33,346	58,932
Amounts owed to group undertakings	1,873	-
Social security and other taxes	10,593	10,721
Other creditors	23,484	23,364
Accruals and deferred income	101,017	70,358
	<u>170,313</u>	<u>163,375</u>

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2015	2014
	£	£
Other creditors	<u>-</u>	<u>10,200</u>

**19. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	Other operating leases	
	2015	2014
	£	£
Expiring:		
Between one and five years	<u>3,762</u>	<u>3,762</u>

**LICKHILL PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

				2015	2014
	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Funds £	Total funds £	Total funds £
Fixed assets	-	-	1,611,563	1,611,563	1,605,056
Investments	-	1	-	1	1
Current assets	107,251	85,548	81,820	274,619	258,255
Current liabilities	(11,377)	(85,498)	(73,438)	(170,313)	(163,375)
Long term liabilities	-	-	-	-	(10,200)
Pension liability	-	(171,000)	-	(171,000)	(144,000)
	<u>95,874</u>	<u>(170,949)</u>	<u>1,619,945</u>	<u>1,544,870</u>	<u>1,545,737</u>

**21. MOVEMENT IN FUNDS**

	At 1/9/14 £	Net movement in funds £	Transfers between funds £	At 31/8/15 £
<b>Unrestricted funds</b>				
Unrestricted funds	81,425	34,106	(19,657)	95,874
<b>Restricted funds</b>				
Restricted general funds	(13,625)	13,676	-	51
Restricted fixed asset funds	1,621,937	(21,649)	19,657	1,619,945
Pension reserve	(144,000)	(27,000)	-	(171,000)
	<u>1,464,312</u>	<u>(34,973)</u>	<u>19,657</u>	<u>1,448,996</u>
<b>TOTAL FUNDS</b>	<u>1,545,737</u>	<u>(867)</u>	<u>-</u>	<u>1,544,870</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
Unrestricted funds	190,378	(156,272)	-	34,106
<b>Restricted funds</b>				
Restricted general funds	873,307	(859,631)	-	13,676
Restricted fixed asset funds	132,375	(154,024)	-	(21,649)
Pension reserve	-	(18,000)	(9,000)	(27,000)
	<u>1,005,682</u>	<u>(1,031,655)</u>	<u>(9,000)</u>	<u>(34,973)</u>
<b>TOTAL FUNDS</b>	<u>1,196,060</u>	<u>(1,187,927)</u>	<u>(9,000)</u>	<u>(867)</u>

**LICKHILL PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**21. MOVEMENT IN FUNDS - continued**

**Restricted funds**

**Restricted general fund**

This fund is GAG related and is restricted to the purpose for which it is received.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

**Pension reserve**

The pension reserve forms part of the restricted general fund and relates to the Academy Trust's share of the deficit of the Worcestershire County Council Local Government Pension Fund.

**Fixed asset fund**

These grants relate to funding received from the EFA to carry out works of a capital nature.

**22. 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 Mercer. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS September 2015.

Contributions amounting to £13,283 (2014 - £13,163) were payable to the schemes at 31 August and are included within other creditors.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015

22. PENSION AND SIMILAR OBLIGATIONS  
- continued

**Teachers' pension scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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

The employer pension costs paid to TPS in the period amounted to £58,930 (2014: £31,197).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website. Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

**LICKHILL PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**22. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

**Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2015 was £47,248, of which employer's contributions totalled £32,731 and employees' contributions totalled £14,517. The agreed contribution rates for future years are 11.2% for employers and between 5.5% and 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.

In addition in order to protect the fund phased lump sum deficit contributions have been scheduled over the next five years at an average rate of £5,000 per annum. It is anticipated that the recovery period is twenty years.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2015	2014
	£	£
Present value of funded obligations	(312,000)	(239,000)
Fair value of plan assets	141,000	95,000
	<u>(171,000)</u>	<u>(144,000)</u>
Deficit	(171,000)	(144,000)
Liability	<u>(171,000)</u>	<u>(144,000)</u>

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

	Defined benefit pension plans	
	2015	2014
	£	£
Current service cost	48,000	39,000
Interest cost	10,000	7,000
Expected return	(7,000)	(5,000)
	<u>51,000</u>	<u>41,000</u>
Actual return on plan assets	<u>(3,000)</u>	<u>6,000</u>
Net (loss) gain recognised in the Statement of Total Recognised Gains and Losses (STGRL)		

	2015	2014
	£	£
Actuarial gains/(losses) on pension scheme assets	-	-
Actuarial gains/(losses) on scheme liabilities	(9,000)	(66,000)
Total amount recognised in STRGL	<u>(9,000)</u>	<u>(66,000)</u>

The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS17 is a £74,000 loss (2014: £65,000 loss).

**LICKHILL PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**22. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2015	2014
	£	£
Defined benefit obligation	(239,000)	(117,000)
Current service cost	(48,000)	(39,000)
Contributions by scheme participants	(15,000)	(13,000)
Interest cost	(10,000)	(7,000)
Actuarial losses/(gains)	-	(61,000)
Benefits paid	-	(2,000)
	<u>(312,000)</u>	<u>(239,000)</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2015	2014
	£	£
Fair value of scheme assets	95,000	50,000
Contributions by employer	33,000	30,000
Contributions by scheme participants	15,000	13,000
Expected return	7,000	5,000
Actuarial gains/(losses)	(9,000)	(5,000)
Benefits paid	-	2,000
	<u>141,000</u>	<u>95,000</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2015	2014
	£	£
Equities	126,000	88,000
Other Bonds	9,000	6,000
Cash	1,000	1,000
Other	5,000	-
	<u>141,000</u>	<u>95,000</u>

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

	2015	2014
Increase in salaries	3.7%	3.7%
Discount rate for scheme liabilities	4%	4%
Inflation assumption (CPI)	2.2%	2.2%
Rate of increase in pensions	2.2%	2.2%

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 2015:



**LICKHILL PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**22. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

	2015	2014
<b>Retiring today</b>		
Males	23.4	23.3
Females	25.8	25.7
<b>Retiring in 20 years</b>		
Males	25.6	25.5
Females	28.1	28.0
<b>Expected rate of return on scheme assets</b>		
	2015	2014
	%	%
Equities	6.5	7.0
Other bonds	3.6	3.8
Other	6.5	7.0
Cash/liquidity	0.5	0.5

**Experience Adjustments**

	2015	2014
	%	%
<b>Experience adjustments on share of scheme assets:</b>	6.4	5.3
<b>Experience adjustments on scheme liabilities:</b>	0	12.1

Amounts for the current and previous two periods are as follows:

	2015	2014	2013
	£	£	£
<b>Defined benefit pension plans</b>			
Defined benefit obligation	(312,000)	(239,000)	(117,000)
Fair value of scheme assets	141,000	95,000	50,000
Deficit	(171,000)	(144,000)	(67,000)

**LICKHILL PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**23. RELATED PARTY DISCLOSURES**

During the year the Academy paid a salary of £2,435 (2014 - £1,943) to Z Bevan, wife of trustee B Bevan, in respect of her employment in the school office. During the year Z Bevan charged the Academy £1,800 (2014 - nil) for website management. At 31st August 2015 the amount due to Z Bevan by the Academy was £1,500 (2014 - nil).

During the year the Academy charged consultancy and administration costs of £3,703 (2014 - £1,335) to Lickhill Consultancy Limited, a wholly owned subsidiary company. The Academy was charged training costs of £9,153 (2014 - £5,475) by Lickhill Consultancy Limited. During the year the subsidiary made a donation to the Academy of £26,500 (2014 - nil). As at 31 August 2015 the net amount due to Lickhill Consultancy Limited by the Academy was £5,877 (2014 - £860).

All transactions above were conducted at arm's length and in accordance with the Academy trust's financial regulations and normal procurement procedures.