

Elburton Primary School Academy

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2015

Registration number: 08084557

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Elburton Primary School Academy

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Elburton Primary School Academy

Reference and Administrative Details

Members	Mrs F Court Mr D Farmer Mr D Green
Governors and Trustees (Directors)	Dr C Adams Mr D Bradford Mrs F Court Mr J Dobson Mr S Drake Mrs T Fox (resigned 26 September 2014) Mr D Green Mrs V Gregory Mjr C Hall Mrs C Haynes Mr M Hill (resigned 19 July 2015) Mrs S Lovejoy Miss E Marriott Mr M Orchard (resigned 21 May 2015) Cllr V Pengelly Mr K Pullan Mrs J Rickard Mr J Senior Mr K Smithers (appointed 5 February 2015)
Company Secretary	Mrs S Goode
Principal	Mr D Bradford
Senior Management Team	Mr D Bradford, Headteacher Mr T Epps, Deputy headteacher Mr K Smithers, Assistant headteacher
Principal and Registered Office	Haye Road South Elburton Plymouth Devon PL9 8HJ
Company Registration Number	08084557

Elburton Primary School Academy

Reference and Administrative Details (continued)

Auditors	Francis Clark LLP Statutory Auditor North Quay House Sutton Harbour Plymouth Devon PL4 0RA
Bankers	Lloyds TSB Bank plc Exeter Exeter Business Centre 234 High Street Exeter Devon EX4 3NL

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2015. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The company registration number is 08084557.

The Governors of Elburton Primary School Academy are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Elburton Primary School Academy.

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

Members' liability

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

Governors' indemnities

A full insurance indemnity is taken out with the Academy's insurance company; each member has cover of £5,000,000. This is reviewed annually to protect against potential risk.

Principal activities

The Academy Trust's main objective is to advance, for the public benefit, education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

Method of recruitment and appointment or election of Governors

The Governing Body is made up of: three Member Governors; three Staff Governors; up to six Parent Governors; up to ten Community Governors; and the Headteacher.

The Staff Governors shall be elected by staff employed by the Academy. The Staff Governor must hold a permanent contract. Any election of Staff Governors which is contested shall be held by secret ballot.

The Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when they are elected. The Governing Body shall make all necessary arrangement for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Governors which is contested shall be held by secret ballot.

The Community Governors may be appointed by the Governing Body provided that the person who is appointed as a Community Governor is: a person who lives or works in the community served by the Academy; or a person who, in the opinion of the Governing Body, is committed to the government and success of the Academy.

The Governors may appoint up to three Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if thereby the number of Governors who are employees of the Academy Trust would exceed one third of the total number of Governors (including the Headteacher).

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

Policies and procedures adopted for the induction and training of Governors

At Elburton Primary School Academy the Governing Body and Headteacher are aware that it is essential that all new governors receive a comprehensive induction package covering a broad range of issues. We are committed to ensure that new governors are given the necessary information and support to fulfil their role with confidence and we are continually looking at new and better ways to improve this induction process. We believe that well informed governors lead to more effective governance. All new governors are made to feel welcome to their governing body.

New governors will:

- be welcomed to the Governing Body by the Chair and Vice Chair who will explain how the Governing Body and its committees are conducted, an overview of the governor's role and governor training
- be invited by the Headteacher to visit the school, be given a tour of the school to experience its atmosphere, meet staff and children and understand its ethos
- have the opportunity to meet informally with existing governors and learn more about the role of being a governor
- be given background material on the school and current issues
- be encouraged to ask questions about their role and/or the school
- be encouraged to access training including induction training for governors

The existing members of the governing body are encouraged to mentor new governors.

New governors will receive and be encouraged to read:

- Ofsted Report and Action Plan (if appropriate in the last 4 years)
- School Success Plan (current year)
- School Improvement Plan (1 – 3 year plan)
- Strategic Plan (3 – 5 year plan)
- set of Minutes from last Governing Body meeting
- list of governors' names and responsible areas
- copy of latest school newsletter
- dates of forthcoming Governing Body meetings and committee

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

Organisational structure

The Governing Body's role in the Academy is, essentially, responsible for the strategic direction of Elburton Primary School Academy. It should act as a critical friend and be accountable for its decisions. It is responsible for ensuring that the school is run in accordance with the Articles of Association and the Funding Agreement with the EFA.

To facilitate the working of the Governing Body some of its functions are delegated to committees. The committees are: Finance and Personnel; Standards; Premises; Pay and Appraisal Committee; First Committee (which deals with complaints, disciplinary proceedings, dismissals and grievances if these cannot be resolved by the Headteacher or Chair or Governors); and the Appeals Committee.

Finance and Personnel Committee - meets once a term

The purpose of the Finance and Personnel Committee is to assist the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity. To make appropriate comments and recommendations on such matters to the Governing Body on a regular basis. Major issues are referred to the Full Governing Body for approval and adoption.

Standards Committee - meets once a term

The purpose of the Standards Committee is to assist in the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure terms laid down under the relevant Education Acts relating to the Conduct of the School and curriculum are being met. To consider all detailed matters relating to the pupils' education and social wellbeing. To make appropriate comments and recommendations on such matters to the governing body on a regular basis. Major issues will be referred to the full Governing Body for approval and adoption.

Premises Committee - meets once a term

The purpose of the Premises Committee is to assist the decision making of the Governing Body by enabling more detailed consideration to be given to the best means of providing a strategic oversight of the property of the Academy. The strategic oversight shall include recommendations and reports on acquisition, disposal, development and management strategies. To make appropriate comments and recommendations on such matters to the Governing Body on a regular basis. Major issues will be referred to the Full Governing Body for approval and adoption.

Pay and Appraisal Committee - meets once a term

In the Autumn term to review and discuss annual appraisals and pay; in the Spring term for Headteacher's mid-year appraisal; in the Summer term for Headteacher's end of year appraisal, review and update pay and appraisal policies, and determine what provision should be made in the Academy's budget for discretionary pay awards and progressions.

The Committee will also meet to discuss and agree any changes to staff contracts/pay as required.

The Committee will also:

- agree the extent to which specific functions relating to pay determination and appeals processes will be delegated to others
- assure that appropriate arrangements for linking appraisal to pay are in place for teaching staff, are applied consistently and that pay decisions can be objectively justified
- approve teachers' salaries
- monitor the outcome of pay decisions

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

Organisational structure continued

The First Committee - will meet as and when required to deal with any complaints, disciplinary, dismissal or grievance proceedings.

The Appeals Committee - will meet as and when required to respond to any appeals made against the decisions of the First Committee or the Pay and Appraisal Committee.

The Headteacher is responsible for the day-to-day management of the Academy.

Risk management

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to teaching, the provision of facilities and other operational areas of the Academy, and its finances. This has resulted in a risk register, which will be fully updated annually and monitored on a regular basis during the year by the various committees.

The Governors have implemented a number of systems to assess the risks that the Academy faces, especially the operational areas (e.g. in relation to teaching, health and safety, behaviour and bullying, school trips) and in relation to the control of finance. Systems are in place, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Adequate insurance cover is in place where significant financial risk still remains. The Academy has an effective system of internal financial controls as detailed below.

Income: As the Academy has only one main funder (the EFA), there is reliance of the funding remaining at a level sufficient to cover the financial requirements of the Academy. This is outside the control of the Academy, however, the Academy is exploring other funding streams including increasing the lettings of its premises outside of Academy hours.

Pupils: As the EFA funding is based on pupil numbers the Academy is reliant on the demographics of the area and parental preferences.

Risk of Fraud/Mismanagement: The Academy has appointed a Responsible Officer (Carolyn Haynes) to carry out checks on financial systems and records as required by the Academies Financial Handbook. The Responsible Officer/internal auditor reports to the Finance Committee on a termly basis.

Cash Flow Risk: The Academy currently considers that it has sufficient cash reserves for normal day-to-day operations.

Reserves Policy: The Governors review the reserve levels of the Academy annually. The Governors aim to set aside £30,000 to cover unexpected costs with possibly higher reserves for specific capital projects.

Investment: A Treasury Management Policy is in place and will be reviewed annually to discuss current investment opportunities with the Academy's Business Manager and make recommendations on future investment proposals.

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

Objectives and activities

Objects and aims

Mission Statement: "inspiring today's children for tomorrow's world"

The key role for the school is to ensure that all children leave Elburton exceptionally well equipped to embark on the next stage of their education ready to become effective, well-adjusted individuals contributing as responsible citizens in society.

• INSPIRE

We will inspire each other to do the best

We will support each other to set high goals

We will have open minds to new ideas and challenges in the world around us

We will inspire each other to become independent, self-motivated and confident in our own abilities

• PRIDE

We will take pride in how we present ourselves and all our achievements

We are proud to belong to the school and the local community

We take pride from our active participation

We take pride in always doing the best we can

• FLOURISH

We have high expectations in all we do and how we do things

We will experience a broad, balanced curriculum with exciting experiences

We will learn how to live, work and play together and learn from each other

We will achieve the very best we can attaining personal milestones even if they are small steps

• SAFE

We provide a safe, friendly and supportive environment in which to thrive

We foster a nurturing environment in which positive relationships meet all pupils' needs

We will build happy and positive relationships where pupils feel secure to be wrong!

We will build a community where all feel safe and free from fear

• RESPECT

We value all, irrespective of individual differences

We will show good manners and courtesy to all and take responsibility for our actions

We will respect ourselves through trying our best to be healthy, active and confident

We recognise and promote fundamental British values of tolerance, fair play and being truthful

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

Objectives, strategies and activities

1. To ensure that the school remains an integral part of the community both at local and national level
2. Strive for the highest quality resources for pupils, staff and the community.

School Priorities for 2014-15

Achievement

1. Reading

- To further develop pupil's comprehension abilities and in particular higher level reading skills such as inference and deduction from texts.

2. Writing

- Ensure that the high skills of writing pupils' use in literacy lessons is extended to all occasions pupils write.
- Raise attainment of writing in Key Stage 1 by targeting and identifying high performing pupils in Foundation, Year 1 and Year 2, and thereby increase the number of level 2a's and 3's at the end of Key Stage 1.
- Aspire for pupils in Key Stage 2 to achieve 4 aps progress per year.

3. Maths

- Ensure that opportunities are planned to apply pupils' high skills in mathematics in the wider curriculum.
- Further develop intervention strategies for pupils identified as making slower progress in maths.

4. Curriculum

- Embed the changes in the broader curriculum ensuring that each curricular area is being taught and identified as being discrete subjects.
- Teachers are clear about the curricular outcomes to be achieved.
- Subject leaders to be clear about progression in curricular areas and each year group clear about the skills appropriate to their age group.

5. ICT

- Introduce, monitor and embed computer sciences.
- Upgrade IT facilities.

6. Assessment

- Address new assessment criteria as a school and in conjunction with appropriate authorities.

Teaching

1. New curriculum was introduced.
2. Long term plans agreed for most subjects and medium term plans developed for the year.
3. Review Teaching and Learning Policy was reviewed and a new policy produced. Changes to the school curriculum are incorporated into this.
4. Detailed evaluation of the impact of Pupil Premium has been published and is available online. Staff are very aware of the importance of 'narrowing the gap'.
5. Pupil Premium children are now identified and reviewed separately at the pupil progress meetings and on "slippage" sheets.

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

Objectives, strategies and activities continued

Behaviour and Safety

1. We are continuing to develop an all school PSHE policy encompassing Sex Education, Internet Safety, Life Skills, Drug Education, Healthy Mind etc.

Leadership and Management

1. Governance continues to be of a high standard. This was recognised in the Ofsted report as rigorously challenging the leadership of the school and having good understanding of the strengths of teaching. They have no sense of complacency.

Public benefit

Elburton Primary School Academy is an 'inclusive' school and its principal objective is to provide a good education for students of different abilities between the ages of 4 and 11.

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

Strategic Report

Achievements and performance

The School as an Academy has enjoyed many freedoms coupled with extra responsibilities. This has enhanced the position and strengths of the School and enabled the School to confidently plan its future.

We have continued to embrace new challenges and opportunities for the School and there is a great deal to celebrate and reflect on when reviewing the past year.

The last twelve months have been very successful in many ways:

- There has been a complete review of the curriculum being offered to pupils at the School. This is the result of a whole School review and the introduction of the new National Curriculum, which has been embedded and amended during the last twelve months.
- There was a significant change in the Senior Leadership Team in September following the retirement of Mrs Janet Puckett as Assistant Head. Mr Keith Smithers was appointed and he has had a successful first year at the School.
- Attainment throughout the School continues to be high and robust procedures are in place to measure and target pupil performance.
- The school became a National Teaching School and National Support School. Members of staff have been designated Ofsted Inspectors, National Leaders in Education and achieved National Qualifications in Middle Leadership. The School is increasingly being asked to share its expertise.
- Demand for places remains high and we were again heavily oversubscribed for places in Foundation.
- Unfortunately our capital bid to build four new classrooms and extend the main hall was unsuccessful. However, the Governors were able to sanction other pressing accommodation needs within the school. One classroom was extended, new storage and resource areas created and additional office space created. This has alleviated some of the problems and enhanced movement around the School and the entrance to the School.
- We have had another very successful year in Sport. The use of the Sports Grant has enabled participation by many pupils in differing sports and a variety of competitions organised through Plymstock and the Plymouth Sports Partnership.
- We have had a very successful year in inter school sports competitions culminating in the School winning the Major Schools and Track trophies at the Plymouth area athletics competition at Brickfields. This is a first time the School has won these competitions in a history dating back to 1947.
- The School also won the Plymouth Schools mixed Hockey Knockout Competition, the Bettison Trophy in football, and were very impressive competitors in Tag Rugby, Indoor Athletics, Netball and Cross Country.
- The School also attained the Sainsbury's Gold Sports Award.

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

Strategic Report

Some of the challenges ahead for the next twelve months:

- The key target for the school is to continue and build on the school's outstanding status.
- Although the financial position of the school is strong, reduction in the minimum funding guarantee and pupil premium, means it is essential to continue prudent budgetary planning and continue to source opportunities to generate further income.
- Continue to press for upgrading of the school ensuring that facilities offered to pupils are modern, well maintained and fit for purpose in the 21st century.
- Ensure attainment is above average in all areas at the end of Key Stage 1 and 2.
- Aspire for pupils to achieve at least two levels progress (or equivalent) between the end of Key Stage 1 and 2.
- Aspire to attain 100% annually in the phonics screening at the end of Year 1.
- Early Learning Goal attainments to be above national and local averages.
- Ensure rigorous evaluation.
- Embed and further develop staff and pupils skills in computer sciences.
- Purchase portable hardware to enhance the use of IT throughout the school and across the curriculum.
- Continue to develop the Pupil Progress process to ensure any underachievement is identified and appropriate interventions are identified.

Going concern

After making appropriate enquiries, the Governing Body 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.

Key performance indicators

The key performance indicator for the Academy Trust is the adherence to the financial budget set at the beginning of the year. Excluding any generated funds, all income for the Academy is Government or Local Authority funded and therefore the income of the Academy is largely a given.

An expenditure budget is set at the beginning of the year, taking into consideration the level of Government funding. The Governors have reviewed detailed capital and expenditure reports compared to expenditure budgets, which confirms that the processes and procedures in place for controlling expenditure are acceptable. The carried forward General Annual Grant is within acceptable parameters.

Financial review

In this financial year the Academy has received the majority of its income from the EFA in the form of recurrent grants. The grants received from the EFA during the period ended 31 August 2015 and the associated expenditure are shown in the Statement of Financial Activities.

During the year ended 31 August 2015 the total revenue expenditure of £1,751k and capital expenditure of £28k was more than covered by the funding from the EFA together with other incoming resources and the carry forward from the local authority. The excess of income over expenditure (excluding FRS 17 and depreciation expense) for the financial year ending 31 August 2015 was some £133k.

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

Strategic Report

Principal risks and uncertainties

The Governors of the Academy are aware of the risks that the Academy faces in the short, medium and long term. The principal risks and uncertainties have been identified following the risk management process.

Reserves policy

The Academy holds total reserves (excluding fixed asset and pension funds) of £279,146 which includes £6,210 GAG and £246,901 of unrestricted funds:

The Academy will always ensure to stay within the EFA guidelines on levels and appropriate use of reserves.

Investment policy

Investments must be made only when approved by the Governing Body. A Treasury Management Policy is in place which defines:

- The management of the Academy's cash flows, banking and investment transactions
- The management of the risks associated with these activities
- The pursuit of optimal returns consistent with those risks

The objectives of the policy are to ensure that the Academy:

- Maintains sufficient cash balances in its current account to meet its day to day commitments,
- Invests surplus cash to earn an acceptable rate of return without undue risk,
- Consider spreading risk between differing types of investment and institutions to reduce credit risk

The Academy's current position is to only invest funds in risk free and easily accessible deposit account as outlined in the agreed Treasury Management Policy.

The Business Manager will maintain a register of all deposits/investments held which will record the Institution with which the deposit is placed, date deposit placed, amount deposited, date of maturity, amount returned, interest earned and rate of interest.

The Business Manager will present the Register of Deposits to the Governors on an annual basis. Periodically (at least annually) the Business Manager will review interest rates and compare with other investment opportunities. A working balance of £90,000 should be maintained in the Academy's main current account.

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

Strategic Report

Plans for future periods

1. Achievement

Literacy

- Review taking note of revised National Curriculum
- Progress and attainment to remain consistently above national averages
- Literacy to be used as the spine for the rest of the curriculum
- Attainment in writing at Key Stage 1 to reflect that achieved in reading – raise the number of level 3's attained to above national averages
- Develop pupil skills in reading further through developing guided reading, comprehension skills and a love of reading

Maths

- Review taking note of revised National Curriculum
- Attainment at Key Stage 1 to remain significantly above national averages for level 2+ and level 3
- Attainment at Key Stage 2 to remain significantly above national averages for level 4+ and level 5+
- Continue to focus on developing pupils' mental and oral skills in maths
- Develop further opportunities for maths to be present across the curriculum allowing pupils to use their mathematical skills in real situations and problem solving

Science

- Review taking note of the revised National Curriculum
- Integrate where relevant with the rest of the curriculum
- Raise the profile of science ensuring its relevance and experiential
- Review Assessment procedures and building into Pupil Tracker

PE/Sport

- 2 hours quality experiences a week
- Develop network of coaches
- Competitive Sports - inter and intra school
- Develop the role of Key Stage 2 Sports co-ordinator
- Develop more extra-curricular activities especially Key Stage 1

Other areas of Curriculum

- To ensure a broad and balanced curriculum
- Review and integrate taking note of the revised National Curriculum
- Time review
- Identify and ensure key skills of Foundation subjects are taught
- Benchmark against National Standards, i.e. Artsmark, International Schools Award
- To review music taught throughout the school in the light of the revised National Curriculum in order to maintain high standards
- Ensure easier and greater access to the music resources in school so that it can be used more effectively to support learning and raise standards within a thematic approach
- Explore the idea of expert tuition in music in years 5 and 6 (to follow on from year 4)
- To review art taught throughout the school in light of the revised National Curriculum in order to maintain high standards
- To review DT taking note of the revised National Curriculum
- To review Modern Foreign Languages taking note of the revised National Curriculum

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

Strategic Report

2. Teaching

- All teaching will be consistently good with much outstanding
- Scrutiny of pupils' work
- High expectations of teaching learning by all staff
- Overcoming barriers for learning
- Continuous Professional Development
- Review Teaching and Learning Policy 2013-2014
- Training for Middle Managers
- Review homework - relevance and parent's connection with this 2013-14

3. Behaviour Safety and Attendance

- Behaviour will continue to be "exemplary" (Ofsted 2011)
- Behaviour will be judged on lesson observations; discussion with pupils during observations and through School Council; annual questionnaire to parents; observation of pupils during less structured times of the day; records on pupils with behaviour concerns
- The School will ensure that all safeguarding practices are robust and regularly reviewed with staff
- The School will ensure that all measures are taken to maintain a safe and secure environment for pupils
- The School will ensure that it is compliant with all Health and Safety guidelines
- The School will ensure that all aspects of its plant are regularly inspected and maintained
- Aim for year on year attendance of 97%
- Reward 100% attendance with certificate
- Challenge lateness
- Challenge persistent absence
- Follow up unaccounted absence by phone call
- Review attendance month with EWO
- Review Bullying Policy
- Review Behaviour Policy
- Review teaching or Internet Safety
- Review all Health and Safety Policies

4. Leadership and Management

- Ensure Leadership and Management at all levels in the school is of the highest possible standard
- School Improvement Plan - showing long term direction and targets
- Annual School Success Plan based on actual budget and implementing aspects of School Improvement Plan
- Annual evaluation as part of Success Plan process
- Governors annual in depth scrutiny of achievement
- Evaluation of all initiatives through Governing body committees
- Sharing the vision with all staff and governors annually and 3 yearly reviews of the school ethos
- Annual review of staffing by Pay and Appraisal Committee
- Governors to hold school to account by evaluation and scrutiny of results
- Governors given specific responsibilities for aspects of the schools work
- Governors to be involved in staff selection

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

Strategic Report

5. School strategic direction (next 5 - 10 years)

Education and the way we teach our pupils is changing rapidly and it is important that we consider how our school can adapt to best serve our pupils. In considering the next five years for Elburton Primary School we have drawn some educated conclusions about the direction of the School and those areas we are actively seeking to develop and strengthen.

We will continue to:

- take advantage of the freedoms and flexibilities of Academy status
- develop links with other Academies through possible MAT/Sponsorship
- ensure there is sufficient capacity to contribute to and develop our Teaching School status
- ensure leadership and management continue to sustain high quality impact
- ensure governance systems meet the needs of the Academy
- develop Governors' understanding of the school
- take account of views of staff and parents
- remain an integral part of the community

The new School Improvement Plan sets out the schools specific Action Plans for the years 2015-2018. The plan is developed through discussion and consultation with staff and governors.

Standards

- Aim to maintain outstanding status
- Continue to develop new curriculum; how we are going to support this to prepare our pupils for the next stage of their education
- Ensure school has sufficient resources to deliver curriculum
- Keep up to date with IT developments
- Gifted and talented children to be given relevant and challenging opportunities
- Develop further international links
- Intervention

Finance

- Source and secure capital bids/grants/lottery funding to develop and improve the fabric of the School to provide the highest quality of resources possible for our pupils
- Continue to closely scrutinise and monitor all financial matters and ensure financial stability

Premises

- Continue to maintain the School and ensure it is in good order
- Consider future development of the school to provide the best facilities possible for our pupils and staff
- Maintain green space
- Research opportunities to increase energy efficiency of buildings through renewable energy

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

Strategic Report

6. Other Key Aspects

- To take advantage of the freedoms and flexibilities of Academy status
- Develop links with other Academies ensuring good practice and economies of scale
- Parent surveys will continue to be overwhelmingly positive and the school will continue to be over-subscribed
- Ensure Pupil Premium funding is used to the maximum benefit of vulnerable children
- Updating School website
- Review admission arrangements

Elburton Primary School and the wider community

The School is the heart of the Elburton Community and must continue to do so by enhancing

- Engagement with the local community
- Ensuring pupils know their role as responsible citizens and the School's expectations for good conduct and behaviour beyond the school gate
- The School's neighbourhood is used as a curricular resource so that pupils have an awareness of the history and context of where they live
- Ensure that the School has close ties with other agencies in the area, i.e. St Matthew's Church; Methodist Church etc.
- Events open to the community
- Ensure the School's facilities are available to the community
- Ensure the School is represented at local events

Engagement with Britain and the Global community

- Make use of advantage to ensure pupils are aware that Elburton is not 'typical' of multicultural Britain, for example use multi-faith centre for children to be taught about the faiths of other UK citizens and within the curriculum
- Promote understanding of differing social groups in the UK, i.e. through promotion of work of charities, PSHE and Assemblies
- Use the curriculum review to ensure pupils are aware of what it is to be a citizen of modern Britain
- Develop further our international links with China, Japan and South Africa
- Ensure parents are aware of how the school helps their children to prepare and contribute to life in modern Britain

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2015

Auditor

In so far as the Governors are aware:

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

The Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the Governing Body, as the company directors, on 3.12.15 and signed on its behalf by:

.....*F. Court*.....
Mrs F Court
Governor and trustee

Elburton Primary School Academy

Governance Statement

Scope of responsibility

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

The Governing Body has delegated the day-to-day responsibility to Mr D Bradford, 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 Elburton Primary School Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors/Trustees Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met 3 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
Mrs F Court	3	3
Dr C Adams	3	3
Mr D Bradford	3	3
Mrs C Haynes	3	3
Mr D Green	3	3
Mrs J Rickard	3	3
Mrs T Fox	2	3
Miss E Marriott	2	3
Mr M Hill	1	3
Mr M Orchard	2	3
Mrs V Gregory	2	3
Cllr V Pengelly	1	3
Mr J Dobson	3	3
Mr K Pullan	3	3
Mrs S Lovejoy	2	3
Mr J Senior	3	3
Mjr C Hall	1	3
Mr S Drake	3	3

Elburton Primary School Academy

Governance Statement (continued)

The Finance and Personnel Committee is a sub-committee of the main Governing Body. Its purpose is to assist in the decision making of the governing body in relation to ensuring sound financial management of the Academy's finances and resources including proper planning and probity. The Committee also make appropriate comments and recommendations on such matters to the Governing Body for approval and adoption. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs C Haynes	3	3
Mrs F Court	3	3
Dr C Adams	2	3
Mr D Bradford	3	3
Mrs J Rickard	3	3
Mrs V Gregory	3	3
Mr J Dobson	3	3
Mr K Pullan	1	3
Mr S Drake	1	3
Mrs S Lovejoy	0	3

Elburton Primary School Academy

Governance Statement (continued)

Review of value for money

As accounting officer the principal 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 Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Governors 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:

establishing robust segregation of duties within financial control which are detailed in the Finance Policy. The Academy carries out twice monthly financial monitoring with Plymouth City Council Schools' Finance Department and reports to the Finance Committee each term. Governors challenge decision makers within the trust on the cost and effectiveness of spending proposals in order to achieve value for money.

A Risk Register is in place identifying areas of high, medium and low risks, which is reviewed on a regular basis by each responsible committee and the Responsible Officer.

The Academy have made provision for Plymouth City Council to undertake regular termly internal audits and the findings of these visits shape our actions plans for future developments and improvements.

Staff are deployed staff to provide best value in terms of quality of teaching, quality of learning, adult-pupil ratio and curriculum management. The Academy staffing structure is reviewed annually to ensure the most appropriate provision for our pupils.

The Governors have identified projects within the School Improvement Plan and Strategic Plan on which to focus Capital funding.

Equipment has been deployed to provide pupils and staff with resources which promote quality teaching and learning.

Governors and school leaders review the quality of the curriculum provision and quality of teaching to provide parents and pupils with

- a curriculum which meets the requirements of the Primary National Curriculum the agreed RE Syllabus and the needs of pupils.
- Teaching which builds on previous learning and has high expectations of children's achievement.

Governors and school leaders review the quality of children's learning, to provide the best learning environment to enable children to achieve nationally expected progress.

Pupil Premium funding has been targeted so that pupils have the opportunity to raise their individual levels of attainment resulting in improved educational outcomes. A report is presented to Governors outlining how Pupil Premium has been used.

Procedures are in place for assessing need, and obtaining goods and services that provide "best value" in terms of suitability, efficiency, time and cost. Measures already in place include competitive tendering procedures, procedures for accepting "best value" quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship), procedures which minimise admin time by the purchase of goods or services under £1,000 direct from known, reliable suppliers (e.g. stationery, small equipment) and current EU procurement legislation.

Elburton Primary School Academy

Governance Statement (continued)

Governors and school leaders regularly review the quality of the learning environment and the school ethos, in order to provide a supportive environment conducive to learning and healthy, active lifestyles.

Governors and school leaders review the quality of the school environment and equipment by carrying out risk assessments, where appropriate, in order to provide a safe working environment for pupils, staff and visitors.

The following areas were monitored for “best value” by:

1. In-house monitoring by the SLT and subject leaders, e.g. classroom practice, work sampling
2. Termly target setting meetings between the SLT and POD Leaders
3. Staff appraisals
4. Annual Budget Planning
5. Headteacher's monthly financial review with the Business Manager
6. Visits by the LA Schools' Finance Officer/Support Officer
7. Analysis of school pupil performance data, e.g. SATs results, standardised test results, LA schools, similar schools
8. Analysis of DfE financial data, FMS6 reports, against benchmark data for other schools
9. Analysis of DfE/Ofsted pupil performance data, e.g. RAISEonline
10. Ofsted Inspection reports
11. Governors' observations
12. Governors' termly committee meetings
13. Full Governing Body meetings
14. Governors' Annual Finance Review
15. Governors' Annual Target Setting Meeting
16. Governors' Annual Development Plan Meeting

The Governing Body discussed and reviewed “Best Value” in the Spring Term meeting by considering best value when arranging Service Contracts, obtaining tenders for any large scale refurbishment or building projects.

Service Contracts are under annual review and the Academy is discussing future contracts, which will offer best value and fitness for purpose.

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 Elburton Primary School Academy for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

Elburton Primary School Academy

Governance Statement (continued)

The risk and control framework

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance and Personnel 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 Governing Body has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However the Governors have appointed Carolyn Haynes 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. In particular the checks carried out in the current period include:

- testing of payroll systems
- testing of purchase systems
- testing of control account/bank reconciliations

On a quarterly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

There were no material control or other issues reported by the RO to date.

Review of effectiveness

As Accounting Officer, Mr D Bradford, Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:


- the work of the responsible officer;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the 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 Personnel Committee] and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Elburton Primary School Academy

Governance Statement (continued)

Approved by order of the members of the Governing Body on 3.12.15 and signed on its behalf by:


.....
Mr D Bradford
Trustee


.....
Mrs F Court
Trustee

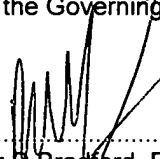
Elburton Primary School Academy

Statement on Regularity, Propriety and Compliance

As accounting officer of Elburton Primary School Academy I have considered my responsibility to notify the Academy Trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State 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 Academy Trust Governing Body are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook.

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



.....
Mr D Bradford, Principal
Accounting officer

Date: _____

Elburton Primary School Academy

Statement of Governors' Responsibilities

The Governors (who are the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors/Trustees Report and the financial statements in accordance with the Academies Accounts Direction 2014 to 2015 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 Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Approved by order of the members of the Governing Body on 3.12.15 and signed on its behalf by:

F. Court
Mrs F Court
Governor and trustee

Elburton Primary School Academy

Independent Auditor's Report on the Financial Statements to the Members of Elburton Primary School Academy

We have audited the financial statements of Elburton Primary School Academy for the year ended 31 August 2015, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements have been prepared under the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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 charity's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Statement of Governors' Responsibilities (set out on page 26), the Governors (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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual 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 the 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 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Elburton Primary School Academy

Independent Auditor's Report on the Financial Statements to the Members of Elburton Primary School Academy (continued)

Matters on which we are required to report by exception

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

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


.....
Charles Evans (Senior Statutory Auditor)
For and on behalf of Francis Clark LLP, Statutory Auditor

North Quay House
Sutton Harbour
Plymouth
Devon
PL4 0RA

Date:

7/12/15

Elburton Primary School Academy

Independent Reporting Accountant's Report on Regularity to Elburton Primary School Academy and the Education Funding Agency

In accordance with the terms of our engagement letter dated 13 November 2012 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 Elburton Primary School Academy 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 the Governing Body and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to the Governing Body and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Governing Body and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

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

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 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 year from 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Inspection and review of documentation providing evidence of governance procedures.
- Evaluation of the system of internal controls for authorisation and approval.
- Performing substantive tests on relevant transactions.

Elburton Primary School Academy

Independent Reporting Accountant's Report on Regularity to Elburton Primary School Academy and the Education Funding Agency (continued)

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



.....
Charles Evans

For and on behalf of Francis Clark LLP, Chartered Accountants

North Quay House
Sutton Harbour
Plymouth
Devon
PL4 0RA

Date: 7/12/15

Elburton Primary School Academy

Statement of Financial Activities for the Year Ended 31 August 2015 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income	2	748	9,465	-	10,213	9,191
Activities for generating funds	3	82,745	11,270	-	94,015	88,970
Investment income	4	3,167	-	-	3,167	1,500
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy Trust's educational operations	5	<u>32,894</u>	<u>1,616,228</u>	<u>8,736</u>	<u>1,657,858</u>	<u>1,610,354</u>
Total incoming resources		<u>119,554</u>	<u>1,636,963</u>	<u>8,736</u>	<u>1,765,253</u>	<u>1,710,015</u>
Resources expended						
<i>Cost of generating funds:</i>						
Fundraising trading		7,373	-	-	7,373	11,663
<i>Charitable activities:</i>						
Academy's educational operations		41,099	1,612,813	76,847	1,730,759	1,641,223
Governance costs	8	<u>-</u>	<u>12,493</u>	<u>-</u>	<u>12,493</u>	<u>8,062</u>
Total resources expended	6	<u>48,472</u>	<u>1,625,306</u>	<u>76,847</u>	<u>1,750,625</u>	<u>1,660,948</u>
Net incoming/(outgoing) resources before transfers		71,082	11,657	(68,111)	14,628	49,067
Gross transfers between funds		<u>17,208</u>	<u>(36,529)</u>	<u>19,321</u>	<u>-</u>	<u>-</u>
Net income/(expenditure) for the year		88,290	(24,872)	(48,790)	14,628	49,067
Other recognised gains and losses						
Actuarial loss on defined benefit pension schemes	24	<u>-</u>	<u>(28,000)</u>	<u>-</u>	<u>(28,000)</u>	<u>29,000</u>

Elburton Primary School Academy

Statement of Financial Activities for the Year Ended 31 August 2015 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) (continued)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
Net movement in funds/(deficit)		88,290	(52,872)	(48,790)	(13,372)	78,067
Reconciliation of funds						
Total Funds/(deficit) brought forward at 1 September 2014		<u>158,611</u>	<u>(410,883)</u>	<u>2,721,672</u>	<u>2,469,400</u>	<u>2,391,333</u>
Total Funds/(deficit) carried forward at 31 August 2015		<u>246,901</u>	<u>(463,755)</u>	<u>2,672,882</u>	<u>2,456,028</u>	<u>2,469,400</u>

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

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

Elburton Primary School Academy

(Registration number: 08084557)
Balance Sheet as at 31 August 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	12	2,672,882	2,721,672
Current assets			
Stocks	13	1,819	2,026
Debtors	14	55,513	98,475
Cash at bank and in hand		<u>334,671</u>	<u>230,252</u>
		392,003	330,753
Creditors: Amounts falling due within one year	15	<u>(112,857)</u>	<u>(149,025)</u>
Net current assets		<u>279,146</u>	<u>181,728</u>
Total assets less current liabilities		<u>2,952,028</u>	<u>2,903,400</u>
Net assets excluding pension liability		2,952,028	2,903,400
Pension scheme liability	24	<u>(496,000)</u>	<u>(434,000)</u>
Net assets including pension liability		<u>2,456,028</u>	<u>2,469,400</u>
Funds of the Academy Trust:			
Restricted funds			
Restricted general fund		32,245	23,117
Restricted fixed asset fund		2,672,882	2,721,672
Restricted pension fund		<u>(496,000)</u>	<u>(434,000)</u>
		2,209,127	2,310,789
Unrestricted funds			
Unrestricted general fund		<u>246,901</u>	<u>158,611</u>
Total funds		<u>2,456,028</u>	<u>2,469,400</u>

The financial statements on pages 31 to 55 were approved by the Governors, and authorised for issue on 3.12.15 and signed on their behalf by:

.....F. Court.....
Mrs F Court
Governor and trustee

Elburton Primary School Academy

Cash Flow Statement for the Year Ended 31 August 2015

	Note	2015 £	2014 £
Net cash inflow from operating activities	19	127,603	271,669
Returns on investments and servicing of finance	20	3,167	1,500
Capital expenditure and financial investment	21	<u>(26,351)</u>	<u>(152,600)</u>
Increase in cash in the year	22	<u>104,419</u>	<u>120,569</u>
Reconciliation of net cash flow to movement in net funds			
Increase in cash in the year		104,419	120,569
Net funds at 1 September 2014		<u>230,252</u>	<u>109,683</u>
Net funds at 31 August 2015		<u>334,671</u>	<u>230,252</u>

All of the cash flows are derived from continuing operations during the above two periods.

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going concern

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

Incoming resources

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

Grants receivable

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

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

Sponsorship income

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

Donations

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

Other income

Other income, 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.

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Accounting policies (continued)

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy Trust's policies.

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 inclusive of irrecoverable 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 Trust's educational operations.

Governance costs

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

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

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 Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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.

Asset class	Depreciation method and rate
Buildings	straight line 2%
Furniture and equipment	straight line 20%
Computer equipment	straight line 33%

Leased assets

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

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Accounting policies (continued)

Pension 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, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education Funding Agency/Department for Education.

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Other donations	<u>748</u>	<u>9,465</u>	<u>10,213</u>	<u>9,191</u>

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Hire of facilities	6,211	899	7,110	7,178
School shop sales	8,940	-	8,940	7,757
Kids club income	67,594	-	67,594	64,182
Music tuition	-	10,371	10,371	9,853
	<u>82,745</u>	<u>11,270</u>	<u>94,015</u>	<u>88,970</u>

4 Investment income

	Unrestricted funds £	Total 2015 £	Total 2014 £
Short term deposits	<u>3,167</u>	<u>3,167</u>	<u>1,500</u>

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

5 Funding for Academy's educational operations

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total 2015 £	Total 2014 £
DfE/EFA capital grants					
Devolved Formula Capital	-	-	8,736	8,736	5,037
DfE/EFA revenue grants					
General Annual Grant (GAG)	-	1,387,817	-	1,387,817	1,421,711
Other DfE/EFA grants	-	173,390	-	173,390	84,026
	-	1,561,207	-	1,561,207	1,505,737
Other government grants					
SEN from LA	-	15,721	-	15,721	15,840
Non-government grants and other income					
Other income	32,894	39,300	-	72,194	83,740
Total grants	<u>32,894</u>	<u>1,616,228</u>	<u>8,736</u>	<u>1,657,858</u>	<u>1,610,354</u>

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

6 Resources expended

	Staff costs £	Premises £	Other costs £	Total 2015 £	Total 2014 £
Costs of activities for generating funds	-	82	7,291	7,373	11,663
Academy's educational operations					
Direct costs	1,096,214	75,141	109,425	1,280,780	1,238,978
Allocated support costs	241,342	107,246	101,391	449,979	402,245
	<u>1,337,556</u>	<u>182,387</u>	<u>210,816</u>	<u>1,730,759</u>	<u>1,641,223</u>
Governance costs including allocated support costs	-	-	12,493	12,493	8,062
	<u>1,337,556</u>	<u>182,469</u>	<u>230,600</u>	<u>1,750,625</u>	<u>1,660,948</u>

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

6 Resources expended (continued)

Net incoming/outgoing resources for the year include:

	2015 £	2014 £
Fees payable to auditor - audit	4,613	4,500
Operating leases - other leases	397	1,192

7 Charitable activities

	Total 2015 £	Total 2014 £
Direct costs - educational operations		
Teaching and educational support staff costs	1,096,214	1,061,866
Depreciation	75,141	75,803
Educational supplies	12,416	10,405
Staff development	11,043	10,016
Other direct costs	85,966	80,888
	<u>1,280,780</u>	<u>1,238,978</u>
Support costs - educational operations		
Support staff costs	200,342	192,211
FRS 17 service cost adjustment	25,000	24,000
Past service pension deficit recovery	16,000	-
Recruitment and support	-	1,235
Maintenance of premises and equipment	50,988	54,947
Cleaning	5,662	5,542
Rent and rates	11,482	13,288
Energy costs	9,673	14,132
Insurance	29,441	32,163
Security and transport	8,891	9,451
Catering	65,730	6,939
Bank interest and charges	478	121
Interest on defined benefit pension scheme	9,000	17,000
Other support costs	17,292	31,216
	<u>449,979</u>	<u>402,245</u>
Total direct and support costs	<u>1,730,759</u>	<u>1,641,223</u>

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

8 Governance costs

	Total 2015 £	Total 2014 £
Legal and professional fees	7,880	3,562
Auditors' remuneration		
Audit of financial statements	4,613	4,500
	<u>12,493</u>	<u>8,062</u>

9 Staff

Staff costs

	2015 £	2014 £
Staff costs during the year were:		
Wages and salaries	1,070,038	1,025,480
Social security costs	57,729	58,649
Pension costs	183,876	169,645
Supply teacher costs	25,913	24,303
	<u>1,337,556</u>	<u>1,278,077</u>

Staff numbers

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

	2015 No	2014 No
Charitable Activities		
Teachers	28	26
Administration and support	10	11
Management	3	3
	<u>41</u>	<u>40</u>

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

9 Staff (continued)

Higher paid staff

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

	2015 No	2014 No
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-

1 (2014 - 1) of the above employees participated in the Teachers' Pension Scheme.

10 Related party transactions - Trustees' remuneration and expenses

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

Mr D Bradford (Principal):

Remuneration: £70,000 - £75,000 (2014 - £65,000 - £70,000)

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

Mrs T Fox (Staff Governor):

Remuneration: £5,000 - £10,000 (2014 - £10,000 - £15,000)

Employer's pension contributions: £0 - £5,000 (2014 - £0 - £5,000)

Miss E Marriott (Staff Governor):

Remuneration: £40,000 - £45,000 (2014 - £35,000 - £40,000)

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

Mrs J Rickard (Staff Governor):

Remuneration: £5,000 - £10,000 (2014 - £5,000 - £10,000)

Employer's pension contributions: £0 - £5,000 (2014 - £0 - £5,000)

Mr K Smithers (Staff Governor):

Remuneration: £40,000 - £45,000 (2014 -)

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

During the year ended 31 August 2015, travel and subsistence expenses totalling £1,490 (2014 - £347) were reimbursed or paid directly to 3 Governors (2014 - 1).

Other related party transactions involving the Governors are set out in note 25.

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

11 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,405 (2014 - £1,364).

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

12 Tangible fixed assets

	Freehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2014	2,733,940	24,814	110,092	2,868,846
Additions	9,949	5,813	12,295	28,057
Disposals	-	-	(6,000)	(6,000)
At 31 August 2015	<u>2,743,889</u>	<u>30,627</u>	<u>116,387</u>	<u>2,890,903</u>
Depreciation				
At 1 September 2014	70,149	10,486	66,539	147,174
Charge for the year	33,879	6,125	35,137	75,141
Eliminated on disposals	-	-	(4,294)	(4,294)
At 31 August 2015	<u>104,028</u>	<u>16,611</u>	<u>97,382</u>	<u>218,021</u>
Net book value				
At 31 August 2015	<u>2,639,861</u>	<u>14,016</u>	<u>19,005</u>	<u>2,672,882</u>
At 31 August 2014	<u>2,663,791</u>	<u>14,328</u>	<u>43,553</u>	<u>2,721,672</u>

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

13 Stock

	2015 £	2014 £
Clothing	<u>1,819</u>	<u>2,026</u>

14 Debtors

	2015 £	2014 £
Trade debtors	422	240
Prepayments	24,308	28,874
Accrued grant and other income	14,737	30,328
VAT recoverable	<u>16,046</u>	<u>39,033</u>
	<u>55,513</u>	<u>98,475</u>

15 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	-	468
Other taxation and social security	18,655	18,403
Accruals	30,745	79,425
Deferred income	<u>63,457</u>	<u>50,729</u>
	<u>112,857</u>	<u>149,025</u>

	2015 £
Deferred income	
Deferred income at 1 September 2014	50,729
Resources deferred in the period	63,457
Amounts released from previous periods	<u>(50,729)</u>
Deferred income at 31 August 2015	<u>63,457</u>

Deferred income relates to:

UIFSM income £38,875 (2014 - £37,703)
 Devolved Formula Capital £8,691 (2014 - £8,736)
 School trips £13,385 (2014 - £4,290)
 Other small amounts £2,506 (2014 - £nil)

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

16 Funds

	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2015 £
Restricted general funds					
General Annual Grant (GAG)	11,187	1,387,817	(1,373,473)	(19,321)	6,210
Pupil Premium	-	93,967	(93,967)	-	-
SEN	-	15,721	(15,721)	-	-
Other funds	4,738	139,458	(125,353)	-	18,843
Start up grant	7,192	-	-	-	7,192
	<u>23,117</u>	<u>1,636,963</u>	<u>(1,608,514)</u>	<u>(19,321)</u>	<u>32,245</u>
Restricted fixed asset funds					
Fixed asset fund	2,721,672	-	(76,847)	28,057	2,672,882
Devolved Formula Capital	-	8,736	-	(8,736)	-
	<u>2,721,672</u>	<u>8,736</u>	<u>(76,847)</u>	<u>19,321</u>	<u>2,672,882</u>
Restricted pension funds					
Pension reserve	<u>(434,000)</u>	<u>-</u>	<u>(34,000)</u>	<u>(28,000)</u>	<u>(496,000)</u>
Total restricted funds	2,310,789	1,645,699	(1,719,361)	(28,000)	2,209,127
Unrestricted funds					
Unrestricted general funds	<u>158,611</u>	<u>119,554</u>	<u>(31,264)</u>	<u>-</u>	<u>246,901</u>
Total funds	<u>2,469,400</u>	<u>1,765,253</u>	<u>(1,750,625)</u>	<u>(28,000)</u>	<u>2,456,028</u>

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

- The General Annual Grant (GAG) restricted fund relates to the funding received from the EFA for the ongoing provision of education services to children.
- The Academy receives other restricted funding for the provision of education and training services to children.
- The defined benefit pension fund represents the current deficit on the Local Government Pension Scheme.
- The Academy operates restricted fixed asset funds. Income that is received by the Academy for the purchase of specific capital items or projects is allocated to these funds.

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

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

17 Analysis of net assets between funds

Fund balances at 31 August 2015 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	2,672,882	2,672,882
Current assets	246,901	145,102	-	392,003
Current liabilities	-	(112,857)	-	(112,857)
Pension scheme liability	-	(496,000)	-	(496,000)
Total net assets	<u>246,901</u>	<u>(463,755)</u>	<u>2,672,882</u>	<u>2,456,028</u>

18 Financial commitments

Operating leases

At 31 August 2015 the Academy had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2015 £	2014 £
Other		
Within two to five years	<u>1,192</u>	<u>1,192</u>

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

19 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2015 £	2014 £
Net income	14,628	49,067
Depreciation	75,141	74,608
Interest receivable	(3,167)	(1,500)
FRS 17 interest on defined benefit pension scheme	9,000	17,000
FRS 17 service cost adjustment	25,000	24,000
Decrease/(increase) in stocks	207	(2,026)
Decrease/(increase) in debtors	42,962	(19,671)
(Decrease)/increase in creditors	(36,168)	130,191
Net cash inflow from operating activities	<u>127,603</u>	<u>271,669</u>

20 Returns on investments and servicing of finance

	2015 £	2014 £
Interest received	<u>3,167</u>	<u>1,500</u>
Net cash inflow from returns on investments and servicing of finance	<u>3,167</u>	<u>1,500</u>

21 Capital expenditure and financial investment

	2015 £	2014 £
Purchase of tangible fixed assets	(28,057)	(153,795)
Sale of tangible fixed assets	<u>1,706</u>	<u>1,195</u>
Net cash outflow from capital expenditure and financial investment	<u>(26,351)</u>	<u>(152,600)</u>

22 Analysis of changes in net funds

	At 1 September 2014 £	Cash flows 2015 £	At 31 August 2015 £
Cash at bank and in hand	<u>230,252</u>	<u>104,419</u>	<u>334,671</u>

23 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.

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Devon County Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS 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.

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.

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and similar obligations (continued)

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 pension costs paid to TPS in the period amounted to £98,450 (2014: £98,303).

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

Under the definitions set out in Financial Reporting Standard 17 (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the Trust 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 Trust has set out above the information available on the scheme and the implications for the academy in terms of the anticipated contribution rates.

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £81,000 (2014 - £65,000), of which employer's contributions totalled £63,000 (2014 - £49,000) and employees' contributions totalled £18,000 (2014 - £16,000). The agreed contribution rates for future years are £12,000 and 14.3 per cent for employers and 5.5 to 7.5 per cent for employees.

Due to the scheme being in deficit, lump sum amounts of £16,000 were paid into the scheme.

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.

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and similar obligations (continued)

Principal actuarial assumptions

	At 31 August 2015 %	At 31 August 2014 %
Rate of increase in salaries	4.50	4.50
Rate of increase for pensions in payment/inflation	2.70	2.70
Discount rate for scheme liabilities	4.00	4.00
Inflation assumptions (CPI)	2.70	2.70
RPI increases	<u>3.60</u>	<u>3.50</u>

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	+ 0.1% £	0.0% £	- 0.1% £
Adjustment to discount rate			
Present value of total obligation	976,000	999,000	1,023,000
Projected service cost	<u>88,000</u>	<u>90,000</u>	<u>92,000</u>
	<u>+ 0.1%</u>	<u>0.0%</u>	<u>- 0.1%</u>
Adjustment to rate of salary growth			
Present value of total obligation	1,004,000	999,000	994,000
Projected service cost	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>
	<u>+ 1 Year</u>	<u>None</u>	<u>- 1 Year</u>
Adjustment to mortality age rating assumption			
Present value of total obligation	1,026,000	999,000	972,000
Projected service cost	<u>92,000</u>	<u>90,000</u>	<u>88,000</u>

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and similar obligations (continued)

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

	At 31 August 2015	At 31 August 2014
Retiring today		
Males retiring today	22.80	22.70
Females retiring today	26.10	26.00
Retiring in 20 years		
Males retiring in 20 years	25.10	24.90
Females retiring in 20 years	<u>28.40</u>	<u>28.30</u>

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

	At 31 August 2015 £	At 31 August 2014 £
Equities	288,000	247,000
Gilts	25,000	23,000
Other bonds	25,000	17,000
Property	54,000	40,000
Cash	12,000	9,000
Other	<u>99,000</u>	<u>80,000</u>
Total market value of assets	503,000	416,000
Present value of scheme liabilities - funded	<u>(999,000)</u>	<u>(850,000)</u>
Deficit in the scheme	<u>(496,000)</u>	<u>(434,000)</u>

The expected rates of return were:

	At 31 August 2015 %	At 31 August 2014 %
Equities	6.00	6.70
Gilts	6.00	3.00
Other bonds	6.00	3.60
Property	6.00	5.90
Cash	6.00	2.90
Other	<u>6.00</u>	<u>5.90</u>

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and similar obligations (continued)

The expected rates of return are set equal to the discount rate as per the forthcoming FRS 102 disclosure requirements.

The actual return on scheme assets was (£1,000) (2014 - £28,000).

Amounts recognised in the statement of financial activities

	2015 £	2014 £
Current service cost	<u>88,000</u>	<u>73,000</u>
Total operating charge	<u>88,000</u>	<u>73,000</u>

Analysis of pension finance income/(costs)

	2015 £	2014 £
Expected return on pension scheme assets	27,000	18,000
Interest on pension liabilities	<u>(36,000)</u>	<u>(35,000)</u>
Pension finance costs	<u>(9,000)</u>	<u>(17,000)</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is (£41,000) (2014 - (£13,000)).

Elburton Primary School Academy

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and similar obligations (continued)

Movements in the present value of defined benefit obligation

	2015 £	2014 £
At 1 September	(850,000)	(691,000)
Current service cost	(88,000)	(73,000)
Interest cost	(36,000)	(35,000)
Employee contributions	(18,000)	(16,000)
Actuarial gains	-	(45,000)
Benefits paid	<u>(7,000)</u>	<u>10,000</u>
At 31 August	<u>(999,000)</u>	<u>(850,000)</u>

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

	2015 £	2014 £
At 1 September	416,000	269,000
Expected return on assets	27,000	18,000
Actuarial (losses)/gains	(28,000)	74,000
Employer contributions	63,000	49,000
Employee contributions	18,000	16,000
Benefits paid	<u>7,000</u>	<u>(10,000)</u>
At 31 August	<u>503,000</u>	<u>416,000</u>

The estimated value of employer contributions for next period is £58,000 (2014 - £52,000).

History of experience adjustments

	2015 £	2014 £	2013 £
Experience adjustments arising on scheme assets	(28,000)	74,000	18,000
Experience adjustments arising on scheme liabilities	<u>-</u>	<u>(33,000)</u>	<u>-</u>

Comparative figures have not been restated as permitted by FRS 17.

25 Related party transactions

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