

ALLINGTON PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

COMPANY REGISTRATION NUMBER:
08249884 (ENGLAND AND WALES)

TUESDAY



L3NCQA41

L13

23/12/2014

#215

COMPANIES HOUSE

ALLINGTON PRIMARY SCHOOL

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

CONTENTS	PAGE
Reference and Administrative Details	1
Trustees' Report	2
Governance Statement	10
Statement on Regularity; Propriety and Compliance	13
Statement of Trustees' Responsibilities	14
Independent Auditors' Report to the Members	15
Independent Auditors' Report on Regularity	17
Statement of Financial Activities (incorporating the Income & Expenditure Account)	19
Balance Sheet	20
Cash Flow Statement	21
Notes to the Financial Statements	22

ALLINGTON PRIMARY SCHOOL
REFERENCE AND ADMINISTRATIVE DETAILS

YEAR ENDED 31 AUGUST 2014

Members

Dr N Smetham (Chairman)
 Mrs S Bristow
 Miss J Dolton
 Mr M Price

Trustees (Governors)

Dr N Smetham (Chairman)*	Member Governor	
Mr J Allen	Parent Governor	
Mrs S Bristow	Member Governor	
Mr M Connell*	Staff Governor	
Mr J Couchman*	Parent Governor	
Mrs H Crittall	Parent Governor	
Miss J Dolton	Member Governor	
Mrs A Gazet	Parent Governor	
Mr M Geadah (Headteacher)*	Ex Officio Governor	(Until 24 August 2014)
Mrs A Mailing (Deputy Chairman)	Local Authority Nominated Governor	
Mr M Price**	Member Governor	
Mrs J Sargeant	Staff Governor	

* Member of the Finance Committee
 ** Chairman of the Finance Committee

Company Secretary Schofield Sweeney Solicitors

Principal Finance Officer Mrs S Pink

Senior Management Team Mr M Geadah (Headteacher until 24 August 2014)
 Mr M Connell (Deputy Headteacher) (Acting Headteacher from 1 September 2014)
 Mrs N Woodger (SENCO)
 Mrs J Hayes (Inclusion Leader)

Auditors Day Smith & Hunter

Bankers Lloyds TSB

Principal and Registered Address Allington Primary School,
 Hildenborough Crescent
 Maidstone
 Kent
 ME16 0PG

Company Registration Number 8249884

ALLINGTON PRIMARY SCHOOL

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2014

The trustees (governors) present their annual report together with the financial statements and auditors' report of the charitable company for the period from 1 September 2013 to 31 August 2014. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy, Allington Primary School, for pupils aged 4 to 11 serving a catchment area in Allington. It serves a pupil capacity of 420 and had a roll of 422 in the school census in October 2014.

Assessment of pupil's performance is used as the primary means to measure and deliver successful outcomes as they apply to maintained schools.

Allington Primary School seeks to be at the heart of the local community, promoting community cohesion and sharing its facilities and resources with other schools and the wider community.

During the year the Governing Body of Allington Primary School made an application to the Department for Education to join VIAT and become part of the Multi Academy Trust and consulted with staff, parents and other stakeholders. As a consequence of the responses to the consultation and the views expressed by parents and staff the application has not been progressed further. The Governing Body will continue to seek collaborations with other schools as part of our strategy to provide education that is "Beyond Outstanding".

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Allington Primary School are also directors of the charitable company for the purposes of company law. The charitable company is known as Allington Primary School.

Trustees (governors) who served during the year are listed in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

Allington Primary School has purchased insurance to protect trustees (governors) and officers from claims arising from negligent acts, errors or omissions occurring whilst on Allington Primary School business. The insurance provides cover up to £2,000,000 for governors' liability on any one occurrence.

Method of Recruitment and Appointment or Election of Trustees (Governors)

The Governing Body at Allington Primary School comprises:

- Four Member nominated governors
- Four elected parent governors and two elected staff governors.
- The Local Education Authority (Kent County Council) has appointed one governor.

The term of office for governors is four years.

ALLINGTON PRIMARY SCHOOL
TRUSTEES' REPORT (CONTINUED)
YEAR ENDED 31 AUGUST 2014

Method of Recruitment and Appointment or Election of Trustees (continued)

Under the articles of association, the Members may appoint up to four governors. Up to two staff governors may be appointed, in addition to the Principal who is treated as an *ex officio* governor. The total number of governors (including the Principal) who are employees of the School will not exceed one third of the total number of governors. The Local Authority may appoint a Local Authority governor.

Parent governors are elected by parents of registered pupils at the School. A parent governor must be a parent of a pupil at the school at the time of them being elected.

Any election of parent governors which is contested will be held by secret ballot. If the number of parents standing for election is less than the number of vacancies then the Governing Body will appoint parent governor(s) to make the number up to the required level. In appointing a parent governor the Governing Body will appoint a person who is the parent of a registered pupil at the School but, where this is not reasonably practicable, a person who is the parent of a child of compulsory school age will be appointed.

The Governing Body may appoint up to three co-opted governors. Co-opted governors are appointed by governors who are not themselves co-opted. Employees of the School are not eligible to be a co-opted governor if the number of governors who are employees would exceed one third of the total number of governors. When seeking new co-opted governors the Chairman assesses the skill-set of the current governors and considers, in consultation with the Governing Body, what qualities and experience would enhance the team for the benefit of the Academy. No co-opted governors have been appointed during the year.

The Secretary of State may give a warning notice to the Governing Body under circumstances laid out in the articles of association.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new governors will depend on their existing experience. Where necessary, induction will provide training on charity and educational legal and financial matters. All new governors are given a tour of the School and the chance to meet with staff and pupils. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors.

All governors are encouraged to attend training provided by Kent County Council Governor Services.

Organisational Structure

The organisational structure exists at three levels: the Board of Members, the Governing Body, and the Senior Leadership Team. The Board of Members maintains a strategic overview of Allington Primary School performance and adherence to the terms within the Funding Agreement. The Governing Body is responsible for setting general policy, adopting an annual plan and budget, monitoring the School by the use of budgets and making major decisions about the direction of the School, capital expenditure and senior staff appointments. During the year the Board of Members discharged their responsibilities as part of the Governing Body.

The Governing Body operates under the "Circle" Model (see Governance section). All matters, including teaching and learning, curriculum, personnel, pupils and pupil welfare, finance, premises, resources, ICT, and new developments and projects, are considered and discussed at meetings of the Full Governing Body. A Finance Committee is established, which considers budget and premises matters in detail and makes recommendations to the Full Governing Body. The Finance Committee also undertakes the role of Audit Committee to provide scrutiny over the financial systems and control.

ALLINGTON PRIMARY SCHOOL
TRUSTEES' REPORT (CONTINUED)
YEAR ENDED 31 AUGUST 2014

Organisational Structure (continued)

A Staff Discipline Committee and an Appeals Committee are formed by the Governing Body from the pool of Governors as the need arises. Other committees are formed by the Governing Body as the need arises. The Governing Body will also establish ad-hoc working groups to address specific matters and report back to the Governing Body. The governors on the committees have powers delegated to them from the full Governing Body, through Terms of Reference agreed for the Committee, to make decisions on behalf of the Academy. The work of the Committees is reported to the following meeting of the Full Governing Body. All policies and budget decisions are decided upon by agreement of the Full Governing Body.

The Senior Leaders control the Academy at an executive level implementing the policies laid down by the governors and reporting back to them. As a group the Senior Leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff. The Senior Leaders are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and pupils.

The Headteacher is the Principal and the Accounting Officer for the Academy. The Governing Body agreed delegated financial authority to the Headteacher up to £5,000. All higher spending must be referred to the Governing Body.

Connected Organisations including Related Party Relationships

Allington Primary School Academy is a member of the Maidstone West Consortium which includes Palace Wood Primary School, Brunswick House Primary School, St Michael's Infant and Junior Schools, Barming Primary School, Westborough Primary School, St Francis Primary School and Bower Grove Special School. The Consortium works in collaboration with the Local Authority to share good practice and raise standards in all of its schools.

During the year Allington Primary School continued to assist Kent County Council by providing leadership and teacher development support to Aylesford Primary School - a neighbouring school in special measures following an Ofsted Inspection, which was converting to Academy Status under the sponsorship of the Valley Invicta Academy Trust (VIAT).

Allington Primary School is a National Teaching School linked with a 'Federation of schools' - four outstanding/good secondary schools (Invicta Grammar School, Valley Park Community School, Holmesdale Technology College and The Malling School), a good primary school (West Malling Primary School) and our local Special School (Bower Grove). This Alliance (The MidKent Learning Alliance) allows for shared expertise, resources and support for other local schools as well as offering our families outstanding education for their children across all phases.

The Teaching School Alliance is responsible for the delivery of six key areas across Kent schools. These are:

- School-to-school support
- Deployment of Special Leaders of Education
- Initial Teacher Training
- Research and Development
- Continuing Professional Development
- Talent Management and Succession Planning

In February 2014 the Governing Body of Allington Primary School took steps towards joining Valley Invicta Academy Trust (VIAT), which is a Multi Academy Trust sponsoring two secondary schools (Valley Park Community School and Invicta Grammar School) and a primary school (Aylesford Primary School). VIAT is also sponsoring three new primary schools due to open in 2015. A consultation was held with staff, parents and other stakeholders, including a series of question and answer meetings with parents and staff. As a consequence of the responses to the consultation and views expressed by parents and staff the application has not been progressed further. The Governing Body will continue to seek collaborations with other schools as part of our strategy to provide education that is "Beyond Outstanding".

ALLINGTON PRIMARY SCHOOL
TRUSTEES' REPORT (CONTINUED)

YEAR 31 AUGUST 2014

Objectives and Activities

Objects and Aims

Our aim is to be in the top 10% of schools nationally and we continue to strive to meet the aims and objectives of the school by providing a safe, caring, fun and exciting environment for learning. We believe that we have a very talented and committed staff who are dedicated to making this happen.

Our Vision is expressed as:

Everybody in our school,
Is important to us all,
Safe and secure in our care,
In their success we all can share,
Taught to achieve the best they can,
Is this school's ultimate plan
Safe in knowledge
Together we grow

Objectives, Strategies and Activities

Our objectives, strategies and activities are outlined in our strategy document "Beyond Outstanding", which lays out our aspirations for the future development of the school.

Our aims are to:

- Ensure all teaching is good and all teachers deliver outstanding lessons on a regular basis, conducting rigorous and robust monitoring of standards.
- Address all areas of concern identified through rigorous analysis of performance data, target setting and target getting.
- Design a curriculum that builds upon local and national research and utilises the best possible resources, both human and physical.
- Make best use of those resources available beyond our school grounds through community links and school-to-school support.
- Carry out our work as a Teaching School raising standards beyond our own, whilst continuing to deliver the best possible education for our children.
- Carry out accurate and honest self-evaluation.

Allington Primary School attracts pupils from a wide area well beyond its catchment which reflects the popularity of the school and the high regard the wider community has for it. As a consequence, the school has expanded rapidly in recent years bringing about changes to our curriculum planning, staffing structure and premises development.

Allington Primary School is at the heart of the local community and enjoys strong links with local groups including Castle Colts Football Club, Allington Scout Group, and Allington Guide District, who use our facilities on a regular basis. We also maintain links with St Nicholas Church and Allington Playgroup.

Public Benefit

The governors (trustees) have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

ALLINGTON PRIMARY SCHOOL
TRUSTEES' REPORT (CONTINUED)
YEAR ENDED 31 AUGUST 2014

Strategic Report

Achievements and Performance

Children at Allington Primary School have performed very well against our key targets in statutory and non-statutory tests. Data indicates that are children continue to making good and outstanding progress from Key Stage 1 to Key Stage 2 in both English and Mathematics with a high percentage making two levels of progress. Our results in Key Stage 1 Writing were much stronger this year due the many intervention groups which ran throughout the year and a whole-school focus on writing. Our SEN children, and Pupil Premium children made more than the expected progress from Key Stage 1 to Key Stage 2.

The following tables compare our data to Kent and National figures where available:

Key Stage 1

	School	Kent	National
Reading % Level 2b+	95.0	81.7	80.6
Writing % Level 2b+	80.0	69.5	52.5
Mathematics Level 2b+	95.0	81.5	79.9
Reading % Level 3+	40.0	32.4	30.5
Writing % Level 3+	30.0	16.0	16.1
Mathematics % Level 3+	26.7	25.0	24.2

Key Stage 2

	School	Kent	National
Reading % Level 4+	96.7	88	89
Writing % Level 4 +	96.7	86	85
Mathematics Level 4+	91.8	85	86
Spelling, Punctuation and Grammar	91.8	74	76
Reading/Writing/Mathematics % Level 4+	91.8	78	79
Reading % Level 5	67.2	50	50
Writing % Level 5	62.3	36	33
Mathematics % Level 5	63.9	43	42
Spelling, Punctuation and Grammar	68.9	49	52
Reading/Writing/ Mathematics % Level 5+	41.0	25	24
Reading % Level 6	0.0	0	0
Writing % Level 6	3.3	2	2
Mathematics % Level 6+	14.8	10	9
Spelling, Punctuation and Grammar	8.2	4	4

ALLINGTON PRIMARY SCHOOL
TRUSTEES' REPORT (CONTINUED)
YEAR ENDED 31 AUGUST 2014

Progress Key Stage 1 to Key Stage 2

	School	Kent	National
% Making Expected Progress in Reading	95.1	91	91
% Making Expected Progress in Writing	100	93	93
% Making Expected Progress in Mathematics	95.1	89	89
% Making more than Expected Progress in Reading	32.8	34.1	35.5
% Making more than Expected Progress in Writing	57.4	35.5	32.6
% Making more than Expected Progress in Mathematics	50.8	35.7	26.4
% Making 12 points + Progress in Reading	70.5	74.6	N/A
% Making 12 points + Progress in Writing	100.0	87.2	N/A
% Making 12 points + Progress in Mathematics	83.6	78.3	N/A

Children across the school have made good progress in all other aspects of school life and we are particularly proud of their success in sport and the talent they have shown for the Performing Arts.

Key Performance Indicators

The success of the school is dependant on maintaining the current level of income in order to provide a sound financial base to develop and improve. The main source of income is the grant funding which is dependant on the number of pupils who choose to join the school. Maintaining our school as "Outstanding" by keeping to our values and delivering our aims and objectives will ensure we can retain the current numbers of pupils at the school and remain in a sound financial position.

The governors recognise that a satisfactory roll-over from year-to-year is important to ensure we are resilient to unforeseen circumstances.

Financial Review

The school is full and has maximised the level of grant funding available with an income of £1,587k revenue grant funding. The school has also generated £93k of additional funding, including £50k in respect of payments for the Headteacher supporting another local school.

In agreeing the budget for the year a roll-over of £39k was forecast by the Governing Body. This was recognised as lower than would be prudent and savings were made during the year. Additional high needs funding was also received. As a consequence the final outturn roll-over for the year was £82k.

The main source of income is funding from the EFA that is paid monthly to the school throughout the year. Given this and the planned reserves at the school the Trust Board does not consider they have a cash flow or liquidity risk.

Principal Risks and Uncertainties

The Governing Body considers the Principal Risks and Uncertainties are: the retention of the number of pupils on the roll and changes in funding levels, the retention of pupil numbers is not considered a significant risk currently as the school is currently oversubscribed. Maintaining the outstanding education at the school will ensure pupil numbers remain healthy. The Governing Body considers potential changes in the future level of funding when agreeing the three year budget and ensures appropriate contingencies are included in forward plans.

The governors also recognise that there is a risk arising from the need to use the general fund to complete capital work to maintain our premises development if we are unsuccessful in capital funding bids.

ALLINGTON PRIMARY SCHOOL
TRUSTEES' REPORT (CONTINUED)
YEAR ENDED 31 AUGUST 2014

Reserves Policy

The Governing Body considers medium term budget plans to ensure any reserves held are not above the maximum allowed as laid down by the Secretary of State at any time. Reserves held will be sufficient to enable the school to continue to operate with levels of resources appropriate for the delivery of outstanding education whilst also considering Best Value. Reserves will also be sufficient to support any identified risks and to enable the governors to plan for development. The Governing Body plans ahead and reflects this in the budget which is submitted annually. Governors also consider circumstances where higher reserves may be required, especially if funding for Academies reduces.

Investment Policy

The Governing Body maximises the total return on investments whilst containing the risk to an acceptable level. The Trust has no endowment funds for investment as this would only apply to failing schools. Governors note the current low level of return on investments and insignificant reserves available for long-term investment at the present time. A bank account has been set up to earn interest on all balances and there is a facility to sweep surplus funds to a higher earning savings account if required. The Governing Body has agreed that the Headteacher, in liaison with the Principal Finance Officer, will have the authority to move temporary cash surpluses on a weekly basis by transfer to a savings account, if it was appropriate to do so at any given time. The Governing Body will consider medium term investment when considering the budget in future years and update the policy accordingly. Periodical reports are submitted to governors on the performance of investments.

Plans for Future Periods

Allington Primary School's plans for the future are:

- To achieve the targets for KS1 and KS2 performance for 2014/15

Key Stage 1

Subject	Target %
Reading Level 2b+	98%
Reading Level 3+	54%
Writing Level 2b+	91%
Writing Level 3+	30%
Maths Level 2b+	96%
Maths Level 3+	42%

Key Stage 2

Subject	Target %
Reading Level 4+	100%
Reading Level 5+	72%
Writing Level 4+	98%
Writing Level 5+	60%
Maths Level 4+	100%
Maths Level 5+	66%
R/W/M Level 4+	100%
R/W/M Level 5+	52%

- To advance Outstanding Teaching and Inclusion in the School.
- To develop opportunities for pupil involvement and enterprise, linking with other schools and internationalism.
- To further develop and maximize the use of the premises.

ALLINGTON PRIMARY SCHOOL
TRUSTEES' REPORT (CONTINUED)
YEAR ENDED 31 AUGUST 2014

Funds Held as Custodian Trustee on Behalf of Others

There were no funds held on behalf of others.

Auditors

Insofar as the governing body (trustees) is aware:

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

Approved by order of the governing body on 17 December 2014 and signed on its behalf by:



.....
Dr Nigel Smetham
Chair of Governors

ALLINGTON PRIMARY SCHOOL

GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2014

Scope of Responsibility

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

The Governing Body (the Board of Trustees) has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Allington Primary School 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 given here supplements that described in the Trustees Report and in the Statement of Trustees' Responsibilities.

In February 2014, the Board of Members in conjunction with the Governing Body of Allington Primary School, reviewed their governance arrangements and moved from a "Two Team" Model of Governance (comprising the Learning and Development Committee and the Resources Committee) and implemented the "Circle" Model of Governance.

Under the "Circle" Model, all matters, including teaching and learning, curriculum, personnel, pupils and pupil welfare, finance, premises, resources, ICT, and new developments and projects, are considered and discussed at meetings of the Full Governing Body. All policies and budget decisions are decided upon by agreement of the Full Governing Body.

The Full Governing Body has formally met seven times during the year. Attendance during the period at meetings of the governing body was as follows:

	Meetings attended	Out of a possible
Dr N Smetham (Chairman)	7	7
Mrs A Mailing (Deputy Chairman)	6	7
Mr J Allen	5	7
Mrs S Bristow	5	7
Mr M Connell	7	7
Mr J Couchman	6	7
Mrs H Crittall	6	7
Miss J Dolton	5	7
Mrs A Gazet	7	7
Mr M Geadah	6	7
Mr M Price	5	7
Mrs J Sargeant	4	7

ALLINGTON PRIMARY SCHOOL
GOVERNANCE STATEMENT (CONTINUED)

YEAR ENDED 31 AUGUST 2014

Governance (continued)

A Finance Committee is established, which considers budget and premises matters in detail and makes recommendations to the Full Governing Body. The Finance Committee also undertakes the role of Audit Committee to provide scrutiny over the financial systems and control. The Committee met on one occasion during the year to discuss budget development. Ongoing financial monitoring and reporting was undertaken during the year at meetings of the Full Governing Body. Attendance at the Finance Committee meeting was as follows:

	Meetings attended	Out of a possible
Mr M Price (Chairman of Finance Committee)	1	1
Mr M Connell	1	1
Mr J Couchman	1	1
Mr M Geadah	1	1
Dr N Smetham	1	1

Other committees are the Staff Discipline Committee and the Appeals Committee, which are formed by the Governing Body from the pool of Governors as the need arises. The Governing Body will also establish ad-hoc working groups to address specific matters and report back to Governing Body.

The governors on the committees have powers delegated to them from the full Governing Body, through Terms of Reference agreed for the Committee, to make decisions on behalf of the Academy. The work of the Committees is reported to the following meeting of the Full Governing Body.

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 Allington Primary School for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The trustees have reviewed the key risks to which Allington Primary School 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 period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the trustees.

ALLINGTON PRIMARY SCHOOL
GOVERNANCE STATEMENT (CONTINUED)
YEAR ENDED 31 AUGUST 2014

The Risk and Control Framework

Allington Primary School'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 trustees;
- regular reviews by the Finance 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 once again during 2013/14 and decided to appoint Day, Smith, Hunter to undertake reviews of our system of internal financial control.

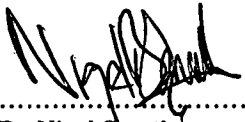
Review of Effectiveness


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

- the findings of the internal audits.
- the work of the external auditor.
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Governing Body on 17 December 2014 and signed on its behalf by:


.....
Dr Nigel Smetham
Chairman of Governors


.....
Matthew Connell
Accounting Officer

ALLINGTON PRIMARY SCHOOL

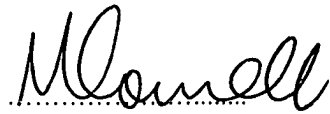
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

YEAR ENDED 31 AUGUST 2014

As Accounting Officer of Allington Primary School I have considered my responsibility to notify the academy trust's Board of Trustees and the Education Funding Agency (EFA) of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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



M Connell
Accounting Officer

Date: 17 December 2014

ALLINGTON PRIMARY SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

YEAR ENDED 31 AUGUST 2014

The Trustees (who act as Governors of Allington Primary School and are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Annual Report, and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

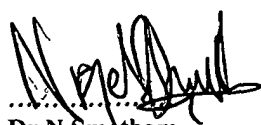
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

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

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

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

Approved by order of the members of the Board of Trustees on 17 December 2014 and signed on its behalf by:



Dr N Smotham
Chair of Trustees

ALLINGTON PRIMARY SCHOOL

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE TRUSTEES OF ALLINGTON PRIMARY SCHOOL

We have audited the financial statements of Allington Primary School for the year ended 31 August 2014 as set out on pages 19 to 37. 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) and the Academies Accounts Direction 2013 to 2014 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 charitable company'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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (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 Trustees; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the reports and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenses, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 with the Academies Accounts Direction 2013 to 2014 issued by the EFA.

ALLINGTON PRIMARY SCHOOL
INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS
TO THE TRUSTEES OF ALLINGTON PRIMARY SCHOOL
(CONTINUED)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report and Governance Statement for the financial period for which the financial statements are prepared are consistent with the financial statements.

Matters on which we are required to report by exception

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

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

PHILIP WILSON FCA (Senior Statutory Auditor)

For and on behalf of

Day Smith and Hunter
Chartered Accountants
Globe House
Eclipse Park
Sittingbourne Road
Maidstone
Kent ME14 3EN

Date : 17 December 2014

ALLINGTON PRIMARY SCHOOL

INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO ALLINGTON PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 30 September 2014 and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Allington Primary School during the year ended 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Allington Primary School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Allington Primary School and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Allington Primary School and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Allington Primary School's Accounting Officer and the reporting auditors

The Accounting Officer is responsible, under the requirements of Allington Primary School's funding agreement with the Secretary of State for Education dated 31 August 2012 and the Academies Financial Handbook, extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

ALLINGTON PRIMARY SCHOOL

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO ALLINGTON
PRIMARY SCHOOL 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 ended 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

PHILIP WILSON FCA (Senior Statutory Auditor)

For and on behalf of

Day Smith and Hunter
Chartered Accountants & Statutory Auditor
Globe House
Eclipse Park
Sittingbourne Road
Maidstone
Kent ME14 3EN

Date : 17 December 2014

ALLINGTON PRIMARY SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 AUGUST 2014

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total funds 2014 £	Total funds 2013 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income – transfer from Local Authority on conversion		-	-	-	-	3,948,440
Voluntary income	2	4,753	18,162	-	22,915	19,602
Activities for generating funds	3	10,373	59,997	-	70,370	15,099
Investment income	4	204	-	-	204	163
Incoming resources from charitable activities:						
Funding for the Academy's educational operations	5	-	1,587,379	18,877	1,606,256	1,210,053
TOTAL INCOMING RESOURCES		<u>15,330</u>	<u>1,665,538</u>	<u>18,877</u>	<u>1,699,745</u>	<u>5,193,357</u>
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating voluntary income		-	5,552	-	5,552	6,882
Fundraising trading		1,000	-	-	1,000	790
Charitable activities:						
Academy's educational operations	7	-	1,664,535	87,426	1,751,961	1,276,106
Governance costs	8	-	7,492	-	7,492	12,780
Other resources expended:						
Transfer from Local Authority on conversion		-	-	-	-	451,892
TOTAL RESOURCES EXPENDED		<u>1,000</u>	<u>1,677,579</u>	<u>87,426</u>	<u>1,766,005</u>	<u>1,748,450</u>
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		14,330	(12,041)	(68,549)	(66,260)	3,444,907
GROSS TRANSFERS BETWEEN FUNDS		-	(43,075)	43,075	-	-
NET INCOME/(EXPENDITURE) FOR THE PERIOD		14,330	(55,116)	(25,474)	(66,260)	3,444,907
OTHER RECOGNISED GAINS AND LOSSES						
Actuarial gains/(losses) on defined benefit pension scheme		-	106,000	-	106,000	(79,000)
NET MOVEMENT IN FUNDS AND RECONCILIATION OF FUNDS		14,330	50,884	(25,474)	39,740	3,365,907
Total funds brought forward at 1 September 2013		18,792	(293,049)	3,640,164	3,365,907	-
Total funds carried forward at 31 August 2014		<u>33,122</u>	<u>(242,165)</u>	<u>3,614,690</u>	<u>3,405,647</u>	<u>3,365,907</u>

All of the academy trust's activities derive from acquisitions in the previous financial period.

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


The notes on pages 22 to 37 form part of these financial statements.


ALLINGTON PRIMARY SCHOOL

BALANCE SHEET AS AT 31 AUGUST 2014

	<u>Notes</u>		<u>2013</u> <u>£</u>
Fixed assets			
Tangible fixed assets	12	3,716,598	3,776,551
Current assets			
Stock		2,500	-
Debtors	13	78,087	68,241
Cash at bank and in hand		146,429	166,036
		<u>227,016</u>	<u>234,277</u>
Creditors: amounts falling due within one year	14	<u>(178,739)</u>	<u>(168,874)</u>
Net current assets		<u>48,277</u>	<u>65,403</u>
Total assets less current liabilities		<u>3,764,875</u>	<u>3,841,954</u>
Creditors: amounts falling due after more than one year	15	<u>(67,228)</u>	<u>(102,047)</u>
Net assets excluding pension liability		<u>3,697,647</u>	<u>3,739,907</u>
Pension scheme liability	24	<u>(292,000)</u>	<u>(374,000)</u>
Net assets including pension liability		<u><u>3,405,647</u></u>	<u><u>3,365,907</u></u>
Funds			
Restricted funds			
General fund	17	49,835	80,951
Pension reserve	17	(292,000)	(374,000)
Fixed asset fund	17	<u>3,614,690</u>	<u>3,640,164</u>
		<u>3,372,525</u>	<u>3,347,115</u>
Unrestricted funds			
General fund	17	<u>33,122</u>	<u>18,792</u>
Total funds		<u><u>3,405,647</u></u>	<u><u>3,365,907</u></u>

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


Dr N Smetham
Chair of Trustees


M Connell
Headteacher

Registered Company Number: 08249884

The notes on pages 22 to 37 form part of these financial statements.

ALLINGTON PRIMARY SCHOOL

CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 2014

	<u>Notes</u>		<u>2013</u> <u>£</u>
Net cash (outflow)/inflow from operating activities	19	(11,215)	178,636
Returns on investments and servicing of finance	20	204	163
Capital expenditure	21	(8,596)	(12,763)
(Decrease)/increase in cash	22	<u>(19,607)</u>	<u>166,036</u>

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

The notes on pages 22 to 37 form part of these financial statements.

ALLINGTON PRIMARY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2014

1. Statement of accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom accounting standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' (SORP 2005), the Academies Accounts Direction 2013 to 2014 issued by the EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going concern

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

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.

The 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 grants are reflected in the balance in the restricted fixed asset fund.

- **Sponsorship**

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.

ALLINGTON PRIMARY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2014

1. Statement of accounting policies (continued)

Incoming resources (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 the 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.

- **Costs of generating funds**

These are costs incurred in attracting voluntary income, and those incurred in letting and other 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 trustees' meetings and reimbursed expenses.

All resources expended are inclusive of any irrecoverable VAT.

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.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are bought into use.

Freehold land and buildings are valued upon conversion at depreciated replacement cost.

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.

ALLINGTON PRIMARY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2014

1. Statement of accounting policies (continued)

Tangible Fixed Assets (continued)

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

Motor vehicles	20% on cost
Computer equipment	33% on cost
Equipment fixtures & fittings	20% on cost
Freehold land and buildings	2% on cost

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.

Operating lease transactions

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

Taxation

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

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 24, 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 are recognised as they are paid each period.

ALLINGTON PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR 31 AUGUST 2014

1. Statement of Accounting policies (continued)

Pensions Benefits (continued)

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 objects of the academy trust at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied for specific capital purposes imposed by the EFA, the DfE or other funders, where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the EFA and DfE.

Stock

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

2. Voluntary income

	Unrestricted funds £	Restricted funds £	Total funds 2014 £	Total funds 2013 £
Trip income	-	18,162	18,162	15,921
Other grants and donations	4,753	-	4,753	3,681
	<u>4,753</u>	<u>18,162</u>	<u>22,915</u>	<u>19,602</u>

ALLINGTON PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2014

3. Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total funds 2014 £	Total funds 2013 £
Catering	-	-	-	1,074
Uniforms	-	5,362	5,362	4,885
Hire of facilities	10,373	-	10,373	6,596
Other	-	54,635	54,635	2,544
	<u>10,373</u>	<u>59,997</u>	<u>70,370</u>	<u>15,099</u>

4. Investment income

	Unrestricted funds £	Restricted funds £	Total funds 2014 £	Total funds 2013 £
Interest on short-term deposits	<u>204</u>	<u>-</u>	<u>204</u>	<u>163</u>

5. Funding for the Academy's educational operations

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total funds 2014 £	Total funds 2013 £
DfE/EFA grants					
General Annual Grant (GAG)	-	1,477,907	-	1,477,907	1,107,334
Start up grants	-	-	-	-	25,000
Capital grants	-	-	18,877	18,877	8,703
Other DfE/EFA grants	-	35,068	-	35,068	10,754
	<u>-</u>	<u>1,512,975</u>	<u>18,877</u>	<u>1,531,852</u>	<u>1,151,791</u>
Other government grants					
Local authority grants	-	63,807	-	63,807	57,927
Other educational projects	-	10,597	-	10,597	335
	<u>-</u>	<u>74,404</u>	<u>-</u>	<u>74,404</u>	<u>58,262</u>
	<u>-</u>	<u>1,587,379</u>	<u>18,877</u>	<u>1,606,256</u>	<u>1,210,053</u>

ALLINGTON PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2014

6. Resources expended

	Staff Costs	Premises	Other Costs	Total	Total
	£	£	£	2014	2013
				£	£
Costs of generating voluntary income:					
Costs of activities for generating funds	1,000	-	5,552	6,552	7,672
Academy trust's educational operations:					
Direct costs	1,278,249	76,676	142,102	1,497,027	1,045,895
Allocated support costs	100,213	94,905	59,816	254,934	230,211
Cost upon conversion	-	-	-	-	451,892
	<u>1,379,462</u>	<u>171,581</u>	<u>207,470</u>	<u>1,758,513</u>	<u>1,735,670</u>
Governance costs including allocated support costs	-	-	7,492	7,492	12,780
	<u>1,379,462</u>	<u>171,581</u>	<u>214,962</u>	<u>1,766,005</u>	<u>1,748,450</u>

Resources expended include:

	2014	2013
	£	£
Depreciation	87,426	85,415
Operating leases	3,229	4,729
Audit fees	4,000	3,500
Other fees payable to the auditors	1,125	1,100
	<u>95,780</u>	<u>94,744</u>

7. Charitable activities – Academy's educational operations

	Total funds 2014	Total funds 2013
	£	£
Direct costs		
Teaching and educational support staff costs	1,278,249	879,359
Depreciation	84,876	82,865
Technology costs	34,154	8,572
Educational supplies	77,461	43,326
Staff development	8,709	10,473
Educational consultancy	9,267	20,368
Other direct costs	4,311	932
	<u>1,497,027</u>	<u>1,045,895</u>
Allocated support costs		
Support staff costs	100,213	75,475
Depreciation	2,550	2,550
Technology costs	2,612	6,779
Recruitment and support	1,908	1,258
Maintenance of premises and equipment	25,582	40,714
Cleaning	7,310	5,763
Rent and rates	6,420	3,885
Insurance	29,593	24,492
Energy and water	25,471	22,987
Catering	2,768	12,836
Bank interest and charges	1,093	1,190
Security and transport	918	1,358
Other support cost	48,496	30,924
	<u>254,934</u>	<u>230,211</u>
	<u>1,751,961</u>	<u>1,276,106</u>

ALLINGTON PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2014

8. Governance costs

	Total funds 2014	Total funds 2013
	£	£
Legal and professional fees	-	5,391
Auditor's remuneration:		
Audit of financial statements	4,000	3,500
Other audit costs	1,125	1,100
Support staff costs	-	2,000
Expenses and other costs	2,367	789
	<u>7,492</u>	<u>12,780</u>

9. Staff costs and emoluments

Staff costs during the period were:

	2014	2013
	£	£
Wages and salaries	1,061,725	755,516
Social security costs	70,264	48,717
Pension costs	199,008	126,484
	<u>1,330,997</u>	<u>930,717</u>
Supply teacher costs	48,465	26,906
	<u>1,379,462</u>	<u>957,623</u>

The average number of persons (including the senior management team) employed by the academy trust during the period expressed as full time equivalents was as follows:

	2014	2013
	£	£
<i>Charitable Activities</i>		
Teachers	20	17
Management, administration and support	17	18
	<u>37</u>	<u>35</u>

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

	2014	2013
	£	£
£85,001 - £90,000	1	-
£95,001 - £100,000	-	1
	<u>1</u>	<u>1</u>

ALLINGTON PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2014

10. Related party transactions – Trustees' remuneration and expenses

The Headteacher and Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as Governors. The value of Staff Trustees' remuneration was as follows:

Headteacher	£85,001 - £90,000	(2013 : £95,001 - £100,000)
Mr M Connell	£55,001 - £60,000	(2013 : £50,001 - £55,000)
Mrs J Sargeant	£5,001 - £10,000	(2013 : £5,001 - £10,000)

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

11. Trustees' and officers' insurance

In accordance with normal commercial practice the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on the academy trust's business. The insurance provides cover up to £2,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

12. Tangible fixed assets

	Motor vehicles £	Computer Equipment £	Equipment fixtures and fittings £	Freehold land and buildings £	Total £
Cost					
At 1 September 2013	3,500	12,726	20,000	3,825,740	3,861,966
Additions	-	-	9,252	18,221	27,473
At 31 August 2014	3,500	12,726	29,252	3,843,961	3,889,439
Depreciation					
At 1 September 2013	700	4,200	4,000	76,515	85,415
Charge for the period	700	4,200	5,850	76,676	87,426
At 31 August 2014	1,400	8,400	9,850	153,191	172,841
Net book value					
At 31 August 2014	2,100	4,326	19,402	3,690,770	3,716,598
Net book value					
At 31 August 2013	2,800	8,526	16,000	3,749,225	3,776,551

13. Debtors

	2014 £	2013 £
Trade debtors	750	-
VAT repayment due	54,776	43,511
Other debtors	5,217	4,512
Prepayments	17,344	20,218
	78,087	68,241

ALLINGTON PRIMARY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2014

14. Creditors: Amounts falling due within one year

	2014	2013
	£	£
Loans due in one year	34,680	34,340
Trade creditors	9,718	24,594
Deferred income	129,882	9,906
Other creditors	-	74
Accruals	4,459	99,960
	<u>178,739</u>	<u>168,874</u>

	2014
	£
Deferred income	
Deferred income at 1 September 2013	9,906
Resources deferred in the year	129,882
Amounts released from previous period	<u>(9,906)</u>
	<u>129,882</u>

At the balance sheet date the academy was holding funds received in advance for capital projects and the provision of school meals.

15. Creditors: Amounts falling due after more than one year

	2014	2013
	£	£
Loans due in two to five years	<u>67,228</u>	<u>102,047</u>

ALLINGTON PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2014

16. Funds

	1 September 2013 £	Incoming resources £	Resources Expended £	Gains, losses & transfers £	31 August 2014 £
Restricted general funds					
General Annual Grant (GAG)	-	1,477,907	(1,460,586)	(17,321)	-
Other DfE/EFA grants	-	35,068	(35,068)	-	-
Other restricted projects	-	134,401	(128,544)	-	5,857
Trip income	-	18,162	(18,162)	-	-
Pension reserve	(374,000)	-	(24,000)	106,000	(292,000)
Assets gifted on conversion	80,951	-	(11,219)	(25,754)	43,978
	<u>(293,049)</u>	<u>1,665,538</u>	<u>(1,677,579)</u>	<u>62,925</u>	<u>(242,165)</u>
Restricted fixed asset funds					
DfE/EFA capital grants	8,529	10,152	(174)	-	18,507
Assets gifted on conversion	3,757,910	-	(82,590)	-	3,675,320
Liability adopted on conversion	(136,387)	8,725	-	25,754	(101,908)
Capital expenditure from GAG	10,112	-	(4,662)	17,321	22,771
	<u>3,640,164</u>	<u>18,877</u>	<u>(87,426)</u>	<u>43,075</u>	<u>3,614,690</u>
Total restricted funds	<u>3,347,115</u>	<u>1,634,415</u>	<u>(1,765,005)</u>	<u>111,010</u>	<u>3,372,525</u>
Total unrestricted funds	<u>18,792</u>	<u>15,330</u>	<u>(1,000)</u>	<u>-</u>	<u>33,122</u>
Total funds	<u>3,365,907</u>	<u>1,699,745</u>	<u>(1,766,005)</u>	<u>106,000</u>	<u>3,405,647</u>

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 2014.

17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	3,716,598	3,716,598
Current assets	33,122	113,176	80,718	227,016
Current liabilities	-	(63,341)	(115,398)	(178,739)
Long term liabilities	-	-	(67,228)	(67,228)
Pension scheme liability	-	(292,000)	-	(292,000)
Total Funds	<u>33,122</u>	<u>(242,165)</u>	<u>3,614,690</u>	<u>3,405,647</u>

ALLINGTON PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2014

18. Financial commitments

Operating leases

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

	2014	2013
	£	£
<u>Other</u>		
Expiring within one year	-	6,300

19. Reconciliation of net (outgoing)/incoming resources before transfers to net cash (outflow)/inflow from operating activities

	2014	2013
	£	£
Net (outgoing)/incoming resources	(66,260)	3,444,907
Depreciation	87,426	85,415
Pension liability transferred on conversion to an academy trust	-	290,000
Fixed assets transferred on conversion	-	(3,840,500)
Capital grants from DfE and other capital income	(18,877)	(8,703)
Interest receivable (note 4)	(204)	(163)
FRS 17 pension cost less contributions payable (note 24)	8,000	(4,000)
FRS 17 pension finance income (note 24)	16,000	9,000
Increase in stock	(2,500)	-
Increase in debtors	(9,846)	(68,241)
(Decrease)/increase in creditors	(24,954)	270,921
Net cash (outflow)/inflow from operating activities	<u>(11,215)</u>	<u>178,636</u>

20. Returns on investments and servicing of finance

	2014	2013
	£	£
Interest received	<u>204</u>	<u>163</u>

21. Capital expenditure

	2014	2013
	£	£
Purchase of tangible fixed assets	(27,473)	(21,466)
Capital grants from DfE/EFA	<u>18,877</u>	<u>8,703</u>
Net cash outflow from capital expenditure	<u>(8,596)</u>	<u>(12,763)</u>

ALLINGTON PRIMARY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2014

22. Analysis of changes in net funds

	At 1 September 2013 £	Cash flows £	At 31 August 2014 £
Cash at bank and in hand	166,036	(19,607)	146,429

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.

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 the Kent County Council Pension Fund. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS was 31 March 2013.

There were no outstanding or prepaid contributions at the end of the financial period.

Teachers' Pension Scheme

Introduction

The 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 benefits are paid by public funds provided by Parliament.

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

ALLINGTON PRIMARY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2014

24. Pension and similar obligations (continued)

Teachers' Pension Scheme (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

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

(<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>).

Teachers' Pension Scheme changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

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

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

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

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

ALLINGTON PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2014

24. Pension and similar obligations (continued)

Teachers' Pension Scheme (continued)

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 2014 was £76,000, of which employer's contributions totalled £61,000 and employees' contributions totalled £15,000. The agreed contribution rates for future periods are 26.75% for employers and employees contributions are dependent on the level of their full-time equivalent salary ranging from 5.5% to 10%.

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.

Principal actuarial assumptions

	At 31 August 2014 % pa	At 31 August 2013 % pa
Rate of increase in salaries	4.5	5.1
Rate of increase for pensions in payment/inflations	2.7	2.9
Discount rate for scheme liabilities	4.0	4.7
Inflation assumption (CPI)	2.7	2.9

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

	At 31 August 2014	At 31 August 2013
<i>Retiring today</i>		
Males	22.7	20.1
Females	25.1	24.1
<i>Retiring in 20 periods</i>		
Males	24.9	22.1
Females	27.4	26.0

ALLINGTON PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2014

24. Pension and similar obligations (continued)

Principal actuarial assumptions (continued)

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

	Expected return at 31 August 2014 % pa	Fair value at 31 August 2014 £	Expected return at 31 August 2013 %pa	Fair value at 31 August 2013 £
Equities	6.7	235,000	6.6	133,000
Gilts	3.0	4,000	3.5	-
Other bonds	3.6	40,000	4.4	22,000
Property	5.9	35,000	4.6	15,000
Target return portfolio	5.9	15,000	5.0	7,000
Other	2.9	15,000	0.5	7,000
Total market value of assets		344,000		184,000
Present value of scheme liabilities				
- Funded		(636,000)		(558,000)
Deficit in the scheme		(292,000)		(374,000)

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period. The return on gilts and other bonds is assumed to be in line with gilt yields and corporate bond yields respectively at the relevant date. The expected returns on equities and properties are then assumed to be a margin above gilt yields.

The actual return on the scheme assets in the period was £24,000 (2013 : £16,000).

Amounts recognised in the statement of financial activities

	2014 £	2013 £
Current service cost (net of employee contributions)	69,000	39,000
Past service cost	-	-
Total operating charge	69,000	39,000

Analysis of pension finance income/(costs)

	2014 £	2013 £
Expected return on pension scheme assets	13,000	6,000
Interest on pension liabilities	(29,000)	(15,000)
Pension finance costs	(16,000)	(9,000)

The actuarial gains and losses for the current period are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities since the adoption of FRS 17 is a £27,000 gain.

ALLINGTON PRIMARY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2014

24. Pension and similar obligations (continued)

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

	2014 £	2013 £
At 1 September 2013	558,000	405,000
Current service cost	69,000	39,000
Interest cost	29,000	15,000
Employee contributions	15,000	10,000
Actuarial (gains)/losses	(35,000)	89,000
Benefits paid	-	-
Past service cost	-	-
Curtailments and settlements	-	-
At 31 August 2014	<u>636,000</u>	<u>558,000</u>

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

	2014 £	2013 £
At 1 September 2013	184,000	115,000
Expected return on assets	13,000	6,000
Actuarial gains	71,000	10,000
Employer contributions	61,000	43,000
Employee contributions	15,000	10,000
Benefit paid	-	-
At 31 August 2014	<u>344,000</u>	<u>184,000</u>

The estimated value of employer contributions for the period ended 31 August 2015 is £53,000.

Experience adjustments on share of scheme assets

Amount £71,000 (2013 : £10,000).

Experience adjustments on scheme liabilities

Amount £57,000 (2013 : £Nil).

25. Related party transactions

Owing to the nature of the academy trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it can be inevitable that transactions will take place with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations should be conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

Apart from salaries paid to Staff Trustees, no related party transactions took place in the period of account.